

PROSPER PORTLAND

Portland, Oregon

RESOLUTION NO. 7324

**AUTHORIZING A DESIGN-BUILD CONTRACT WITH MORTENSON
CONSTRUCTION FOR DESIGN AND CONSTRUCTION OF THE 100
MULTNOMAH OFFICE BUILDING**

WHEREAS, in 1991 the Prosper Portland Board of Commissioners (“Board”), through Resolution No. 4178, authorized the acquisition of a 0.88-acre parcel located at the southwest corner of NE Multnomah Street and NE 2nd Avenue (the “Block 49 Property”) in the Oregon Convention Center for the purpose of assisting with the acquisition of property for a headquarters hotel site;

WHEREAS, in 2006, the Prosper Portland Board, through Resolution No. 6355, adopted a Development Vision for the Oregon Convention Center Blocks, which includes the Block 49 Property;

WHEREAS, in 2016 and 2018, the Prosper Portland Board, through Resolution Nos. 7165, 7222, and 7294, authorized the terms of a Parking Structure Development Agreement with Mortenson Development (the “Development Agreement”) for the design and construction of a 442-space Convention Center Parking Garage (“Garage”) which will be owned and operated by Prosper Portland and will support the development and operation of the adjacent 600-room Hyatt Regency Portland at the Oregon Convention Center Hotel (the “Hotel”);

WHEREAS, in order to maximize development of the Block 49 Property, the design and construction of the Garage has incorporated design and foundation elements to support the development of an office building located adjacent to and on top of the Garage;

WHEREAS, in 2018, the Prosper Portland Board, through Resolution No. 7263, authorized a contract-specific special procurement to enter into a Pre-Development Services Contract with Mortenson Construction for \$477,593 for the purpose of preparing Conceptual Plans and associated cost estimates for an approximately 100,000 square foot office building and two levels of associated parking above the Garage (“100 Multnomah”); and

WHEREAS, in 2019, the Prosper Portland Board, through Resolution No. 7299, authorized an amendment to the Pre-Development Services Contract to increase the contract amount to \$1,602,052 to advance the design of 100 Multnomah through schematic design and 50 percent design development and associated cost estimates; and

WHEREAS, Prosper Portland staff proposes to enter into a Design-Build Contract with Mortenson Construction that provides for the design of 100 Multnomah through construction documents and preparation of a lump sum contract price and, subject to future Prosper Portland Board approvals, for construction of 100 Multnomah.

NOW, THEREFORE, BE IT RESOLVED, that the Prosper Portland Board authorizes the Executive Director to enter into the Design-Build Contract with Mortenson Construction that increases the agency's financial investment in the 100 Multnomah by \$1,492,620 to \$3,094,672;

BE IT FURTHER RESOLVED, that the Executive Director may approve changes to the Design-Build Contract with Mortenson Construction if such modifications do not increase Prosper Portland's financial obligations or materially alter Prosper Portland risks; and

BE IT FURTHER RESOLVED, that this resolution shall become effective immediately upon its adoption.

Adopted by the Prosper Portland Commission on

July 10, 2019

A handwritten signature in blue ink, appearing to read "Pam Feigenbutz", is written over a horizontal line.

Pam Feigenbutz, Recording Secretary



Standard Form of Agreement Between Owner and Design-Builder - Lump Sum

DBIA Document No. 525 (as modified by the Parties)

*This document has important legal consequences. Consultation with
an attorney is recommended with respect to its completion or modification.*

This **AGREEMENT** is made as of June 14, 2019 by and between the following parties, for services in connection with the Project identified below.

OWNER:

Prosper Portland, assumed business name of
the Portland Development Commission,
the urban renewal authority of the City of Portland, Oregon
222 NW 5TH Avenue
Portland, OR 97209

DESIGN-BUILDER:

M.A. Mortenson Company (d/b/a Mortenson Construction)
710 NW 14th Avenue, Suite 300
Portland, OR 97209

PROJECT:

100 Multnomah Office Building
1075 NE 2nd Avenue
Portland, OR 97232

In consideration of the mutual covenants and obligations contained herein, Owner and Design-Builder agree as set forth herein.

Article 1

Scope of Work

1.1 Design-Builder shall perform all design and construction services, and provide all material, equipment, tools and labor, necessary to complete the Work described in and reasonably inferable from the Contract Documents.

Article 2

Contract Documents

2.1 The Contract Documents are comprised of the following:

2.1.1 All written modifications, amendments, minor changes and Change Orders to this Agreement issued in accordance with DBIA Document No. 535, *Standard Form of General Conditions of Contract Between Owner and Design-Builder* (2010 Edition) (as modified by the parties) ("General Conditions of Contract");

2.1.2 The Basis of Design Documents (as set forth in Exhibit A);

2.1.3 This Agreement, including all exhibits and attachments, executed by Owner and Design-Builder;

2.1.4 The General Conditions of Contract; and

2.1.5 Construction Documents prepared and approved in accordance with Section 2.4 of the General Conditions of Contract.

Article 3

Interpretation and Intent

3.1 Design-Builder and Owner, prior to execution of the Agreement, shall carefully review all the Contract Documents, including the various documents comprising the Basis of Design Documents, for any conflicts or ambiguities. Design-Builder and Owner will discuss and resolve any identified conflicts or ambiguities prior to execution of the Agreement.

3.2 The Contract Documents are intended to permit the parties to complete the Work and all obligations required by the Contract Documents within the Contract Time(s) for the Contract Price. The Contract Documents are intended to be complementary and interpreted in harmony so as to avoid conflict, with words and phrases interpreted in a manner consistent with construction and design industry standards. In the event inconsistencies, conflicts, or ambiguities between or among the Contract Documents are discovered after execution of the Agreement, Design-Builder and Owner shall attempt to resolve any ambiguity, conflict or inconsistency informally, recognizing that the Contract Documents shall take precedence in the order in which they are listed in Section 2.1 hereof. Conflicts existing within Section 2.1.2 shall be resolved by giving precedence first to the Deviation List, if any, then the Owner's Project Criteria, and then the Design-Builder's Proposal.

3.3 Terms, words and phrases used in the Contract Documents, including this Agreement, shall have the meanings given them in the General Conditions of Contract.

3.4 If Owner's Project Criteria contain design specifications not created by Design-Builder or any affiliate thereof: (a) Design-Builder shall be entitled to reasonably rely on the accuracy of the information represented in such design specifications and their compatibility with other information set forth in Owner's Project Criteria, including any performance specifications; and (b) Design-Builder shall be entitled to an adjustment in the Contract Price and/or Contract Time(s) to the extent Design-Builder's cost and/or time of performance have been adversely impacted by such inaccurate design specification which were not created by Design-Builder or any affiliate thereof

3.5 The Contract Documents form the entire agreement between Owner and Design-Builder and by incorporation herein are as fully binding on the parties as if repeated herein. No oral representations or other agreements have been made by the parties except as specifically stated in the Contract Documents.

Article 4

Ownership of Work Product

4.1 Work Product. All drawings, specifications and other documents and electronic data, including such documents identified in the General Conditions of Contract, furnished by Design-Builder to Owner under this Agreement ("Work Product") are deemed to be instruments of service and Design-Builder shall retain the ownership and property interests therein, including but not limited to any intellectual property rights, copyrights and/or patents, subject to the provisions set forth in Sections 4.2 through 4.5 below.

4.2 Owner's Limited License Upon Project Completion and Payment in Full to Design-Builder. Upon Owner's payment in full for all Work performed under the Contract Documents, Design-Builder shall grant Owner a limited license to use the Work Product in connection with Owner's occupancy of the Project, conditioned on Owner's express understanding that its use of the Work Product without the involvement of Design-Builder is, subject to the limitations of the Oregon Constitution and the Oregon Tort Claims Act, at Owner's sole risk and without liability or legal exposure to Design-Builder or anyone working by or through Design-Builder, including Design Consultants of any tier (collectively the "Indemnified Parties"), and on the Owner's obligation to provide the indemnity set forth in Section 4.5 below.

4.3 Owner's Limited License upon Owner's Termination for Convenience or Design-Builder's Election to Terminate. If Owner terminates this Agreement for its convenience as set forth in Article 8 hereof, or if Design-Builder elects to terminate this Agreement in accordance with Section 11.4 of the General Conditions of Contract, Design-Builder, upon Owner's payment in full of the amounts due Design-Builder under the Contract Documents, grants Owner a limited license to use the Work Product to complete the Project and subsequently occupy the Project, and Owner shall thereafter have the same rights as set forth in Section 4.2 above, conditioned on the following:

4.3.1 Use of the Work Product is, subject to the limitations Oregon Constitution and the Oregon Tort Claims Act, at Owner's sole risk without liability or legal exposure to any Indemnified Party and on the Owner's obligation to provide the indemnity set forth in Section 4.5 below.

4.3.2 Owner pays Design-Builder the additional sum of Two Hundred Fifty Thousand Dollars (\$ 250,000) as compensation for the right to use the Work Product to complete the Project and subsequently use the work Product in accordance with Section 4.2 if Owner resumes the Project through its employees, agents, or third parties; and

4.3.23 Owner obtains written consent of Design Consultant.

4.4 Owner's Limited License upon Design-Builder's Default. If this Agreement is terminated due to Design-Builder's default pursuant to Section 11.2 of the General Conditions of Contract, then Design-Builder grants Owner a limited license to use the Work Product to complete the Project and subsequently occupy the

Project, and Owner shall thereafter have the same rights and obligations as set forth in Section 4.2 above.. Notwithstanding the preceding sentence, if it is ultimately determined that Design-Builder was not in default, Owner shall be deemed to have terminated the Agreement for convenience, and Design-Builder shall be entitled to the rights and remedies set forth in Section 4.3 above.

4.5 Owner's Indemnification for Use of Work Product. If Owner is required to indemnify any Indemnified Parties based on any damage arising from the use or alteration of the Work Product under any of the circumstances identified in this Article 4, Owner shall, subject to the limitations Oregon Constitution and the Oregon Tort Claims Act, defend, indemnify and hold harmless such Indemnified Parties from and against any and all claims, damages, liabilities, losses and expenses, including attorneys' fees, arising out of or resulting from the use or alteration of the Work Product.

Article 5

Contract Time

5.1 Date of Commencement. The Work shall commence within five (5) days of Design-Builder's receipt of Owner's Notice to Proceed ("Date of Commencement") unless the parties mutually agree otherwise in writing.

5.2 Substantial Completion and Final Completion.

5.2.1 The Substantial Completion Date of the entire Work shall be included in this Agreement by a Change Order subject to Owner's approval upon completion of the 75% Construction Documents by Design-Builder and review thereof by Owner, and shall be established in calendar days after the Date of Commencement ("Scheduled Substantial Completion Date").

5.2.2 Interim milestones and/or Substantial Completion of identified portions of the Work ("Scheduled Interim Milestone Dates") shall be achieved as follows:

Interim Milestone Description	Scheduled Interim Milestone Date
Complete 75% Construction Documents and Building Permit document set	December 15, 2019

Owner shall provide approvals or other responses to Design-Builder for the following items within the following time limits:

Item Description	Deadline For Approval/Response
Notice to Proceed	January 31, 2019
Decision if additional parking included in scope of project	January 31, 2019
Decision on number of floors/total square footage	January 31, 2019

5.2.3 Final Completion of the Work or identified portions of the Work shall be achieved as expeditiously as reasonably practicable. Final Completion is the date when all Work is complete

pursuant to the definition of Final Completion set forth in Section 1.2.7 of the General Conditions of Contract.

5.2.4 All of the dates set forth in this Article 5 (collectively the "Contract Time(s)") shall be subject to adjustment in accordance with the General Conditions of Contract.

5.3 Time is of the Essence. Owner and Design-Builder mutually agree that time is of the essence with respect to the dates and times set forth in the Contract Documents.

5.4 Liquidated Damages. Design-Builder understands that if Substantial Completion of the entire work (specifically the construction phase) is not attained by the Scheduled Substantial Completion Date, Owner will suffer damages which are difficult to determine and accurately specify. Design-Builder agrees that if Substantial Completion is not attained by Fifteen (15) days after the Scheduled Substantial Completion Date (the "LD Date"), Designer-Builder shall pay Owner Five Thousand Dollars (\$5,000) as liquidated damages for each day that Substantial Completion extends beyond the LD Date.

5.5 Any liquidated damages assessed pursuant to this Agreement shall be in lieu of all liability for any and all extra costs, losses, expenses, claims, penalties and any other damages, whether special or consequential, and of whatsoever nature incurred by Owner which are occasioned by any delay in achieving the Contract Time(s). Owner and Design-Builder agree that the maximum aggregate liability Design-Builder has for any liquidated damages that may be assessed under this Agreement for failure to achieve the Contract Time(s) shall be Two Hundred and Fifty Thousand Dollars (\$250,000).

Article 6

Contract Price

6.1 Contract Price. Owner shall pay Design-Builder in accordance with Article 6 of the General Conditions of Contract the sum of an amount ("Contract Price") to be based on the Final Budget and to be included in this Agreement by a Change Order, subject to adjustments made in accordance with the General Conditions of Contract. Unless otherwise provided in the Contract Documents, the Contract Price is deemed to include all sales, use, consumer and other taxes mandated by applicable Legal Requirements.

6.1.1 The Design Phase Price is set forth in Exhibit E.

6.1.2 The Construction Phase price shall be established at a future date, and shall be added to the Design Phase Price to establish the Contract Price.

6.2 Markups for Changes. If the Contract Price requires an adjustment due to changes in the Work, and the cost of such changes is determined under Sections 9.4.1.3 or 9.4.1.4 of the General Conditions of Contract, the following markups shall be allowed on such changes:

6.2.1 For additive Change Orders up to \$50,000, including additive Change Orders arising from both additive and deductive items, it is agreed that Design-Builder shall receive a Fee of ten percent (10 %) of the additional costs incurred for that Change Order, plus any other markups set forth in Exhibit A hereto. For additive change orders \$50,000 or greater, it is agreed that Design-Builder shall receive a Fee of four and one quarter percent (4.25%) of the additional costs incurred for the Change Order, plus any other mark-ups set forth in Exhibit A hereto.

6.2.2 For deductive Change Orders, including deductive Change Orders arising from both additive and deductive items, there shall be no reduction in the Design-Builder's Fee or any other markup.

6.3 Allowance Items and Allowance Values.

6.3.1 Any and all Allowance Items, as well as their corresponding Allowance Values, are set forth in an Exhibit hereto.

6.3.2 Design-Builder and Owner have worked together to review the Allowance Items and Allowance Values based on design information then available to determine that the Allowance Values constitute reasonable estimates for the Allowance Items. Design-Builder and Owner will continue working closely together during the preparation of the design to develop Construction Documents consistent with the Allowance Values. Nothing herein is intended in any way to constitute a guarantee by Design-Builder that the Allowance Item in question can be performed for the Allowance Value.

6.3.3 No work shall be performed on any Allowance Item without Design-Builder first obtaining in writing advanced authorization to proceed from Owner. Owner agrees that if Design-Builder is not provided written authorization to proceed on an Allowance Item by the date set forth in the Project schedule, due to no fault of Design-Builder, Design-Builder may be entitled to an adjustment of the Contract Time(s) and Contract Price.

6.3.4 Whenever the actual costs for an Allowance Item is more than or less than the stated Allowance Value, the Contract Price shall be adjusted accordingly by Change Order, subject to Section 6.3.4. The amount of the Change Order shall reflect the difference between actual costs incurred by Design-Builder for the particular Allowance Item and the Allowance Value.

Article 7

Procedure for Payment

7.1 Progress Payments.

7.1.1 Design-Builder shall submit to Owner on the first (1st) day of each month, beginning with the first month after the Date of Commencement, Design-Builder's Application for Payment in accordance with Article 6 of the General Conditions of Contract.

7.1.2 Owner shall make payment within fifteen (15) days after Owner's receipt of each properly submitted and accurate Application for Payment in accordance with Article 6 of the General Conditions of Contract, but in each case less the total of payments previously made, and less amounts properly withheld under Section 6.3 of the General Conditions of Contract.

7.2 Retainage on Progress Payments.

7.2.1 *For Construction Phase services*, Owner will retain five percent (5 %), exclusive of general conditions costs and any amounts paid to Design-Builder's Design Consultant, from each Application for Payment provided. Owner will also reasonably consider reducing retainage for Subcontractors completing their work early in the Project. The Owner recognizes that certain Subcontractors complete their work early in the course of the Project and may have performed well and extended extra efforts to maintain the progress of the Work. Accordingly, the Owner agrees to consider in good faith and act promptly upon any request made by Design-Builder for the early release, in whole or in part, of retainage held on account of Subcontractors who have performed in the manner described above or for other equitable reasons.

7.2.2 Within fifteen (15) days after Substantial Completion of the entire Work or, if applicable, any portion of the Work, pursuant to Section 6.6 of the General Conditions of Contract, Owner shall release to Design-Builder all retained amounts relating, as applicable, to the entire Work or completed

portion of the Work, less an amount equal to (a) the reasonable value of all remaining or incomplete items of Work as noted in the Certificate of Substantial Completion and (b) all other amounts Owner is entitled to withhold pursuant to Section 6.3 of the General Conditions of Contract.

7.3 Final Payment. Design-Builder shall submit its Final Application for Payment to Owner in accordance with Section 6.7 of the General Conditions of Contract. Owner shall make payment on Design-Builder's properly submitted and accurate Final Application for Payment within thirty (30) days after Owner's receipt of the Final Application for Payment, provided that Design-Builder has satisfied the requirements for final payment set forth in Section 6.7.2 of the General Conditions of Contract.

7.4 Interest. Payments due and unpaid by Owner to Design-Builder, whether progress payments or final payment, shall bear interest commencing five (5) days after payment is due at the rate of one percent (1%) per month, or the highest rate permitted by law, whichever is less, until paid.

7.5 Record Keeping and Finance Controls. With respect to changes in the Work performed on a cost basis by Design-Builder pursuant to the Contract Documents, Design-Builder shall keep full and detailed accounts and exercise such controls as may be necessary for proper financial management, using accounting and control systems in accordance with generally accepted accounting principles and as may be provided in the Contract Documents. During the performance of the Work and for a period of three (3) years after Final Payment, Owner and Owner's accountants shall be afforded access to, and the right to audit from time-to-time, upon reasonable notice, Design-Builder's records, books, correspondence, receipts, subcontracts, purchase orders, vouchers, memoranda and other data relating to changes in the Work performed on a cost basis in accordance with the Contract Documents, all of which Design-Builder shall preserve for a period of three (3) years after Final Payment. Such inspection shall take place at Design-Builder's offices during normal business hours unless another location and time is agreed to by the parties. Any rates (for labor, equipment, insurance, or other items), multipliers, or markups agreed to by the Owner and Design-Builder as part of this Agreement are only subject to audit to confirm that such multiplier or markup has been charged in accordance with this Agreement, with the composition of such rate, multiplier, or markup not being subject to audit. Design-Builder acknowledges that Owner is a public entity subject to public records and ethics law and that this Agreement is also subject to audit by the Office of the Portland City Auditor,

Article 8

Termination for Convenience

8.1 Upon ten (10) days' written notice to Design-Builder, Owner may, for its convenience and without cause, elect to terminate this Agreement. In such event, Owner shall pay Design-Builder for the following:

8.1.1 All Work executed and for proven loss, cost or expense in connection with the Work;

8.1.2 The reasonable costs and expenses attributable to such termination, including demobilization costs and amounts due in settlement of terminated contracts with Subcontractors and Design Consultants; and

8.1.3 The fair and reasonable sums for overhead and profit on the sum of items 8.1.1 and 8.1.2 above.

8.2 In addition to the amounts set forth in Section 8.1 above, Design-Builder shall be entitled to receive one of the following as applicable:

8.2.1 If Owner terminates this Agreement prior to commencement of construction, Design-Builder shall be relieved of, and Owner hereby waives any claims, subrogation of such claims, that Owner may have, now or in the future against Design-Builder, its employees, officers, directors,

Subcontractors, Design Consultants, or agents for errors and omissions relating to the work performed or required to be performed under the this Agreement whether such claims are based in contract, warranty, tort, product liability, indemnity, contribution, strict liability or any other legal theory. At Owner's request, Design-Builder shall assign any or all of its agreements with the Design Consultants to Owner.

8.3 If Owner terminates this Agreement pursuant to Section 8.1 above and proceeds to design and construct the Project through its employees, agents or third parties, Owner's rights to use the Work Product shall be as set forth in Section 4.3 hereof. Such rights may not be transferred or assigned to others without Design-Builder's express written consent, which consent shall not be unreasonably withheld, and such third parties' agreement to the terms of Article 4.

Article 9

Representatives of the Parties

9.1 Owner's Representatives.

9.1.1 Owner designates the individual listed below as its Senior Representative ("Owner's Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under Section 10.2.3 of the General Conditions of Contract:

Senior Representative Name:	Amy Edwards
Title:	Asset and Investment Manager
Address:	222 NW Fifth Avenue, Portland, OR 97219
Telephone Number:	(503) 823-3225
Email:	edwardsa@prosperportland.us

9.1.2 Owner designates the individual listed below as its Owner's Representative, which individual has the authority and responsibility set forth in Section 3.4 of the General Conditions of Contract:

Owner's Representative Name:	Elise Hendrickson
Title:	Construction Services Coordinator
Address:	222 NW Fifth Avenue, Portland, OR 97209
Telephone Number:	(503) 823-3214
Email:	hendricksone@prosperportland.us

9.2 Design-Builder's Representatives.

9.2.1 Design-Builder designates the individual listed below as its Senior Representative ("Design-Builder's Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under Section 10.2.3 of the General Conditions of Contract: *(Identify individual's name, title, address and telephone numbers)*

Design-Builder Senior Representative Name:	<u>Dan Mehls</u>
Title:	<u>Vice President</u>
Address:	<u>710 NW 14th Avenue, Suite 300</u> <u>Portland, OR 97209</u>
Telephone Number:	<u>(971) 202-4113</u>
Email:	<u>dan.mehls@mortenson.com</u>

9.2.2 Design-Builder designates the individuals listed below as its Design-Builder's Representatives, which individuals has the authority and responsibility set forth in Section 2.1.1 of the General Conditions of Contract: *(Identify individual's name, title, address and telephone numbers)*

Design Phase:

Design-Builder's Representative Name: Mark Atteridge
Title: Design Phase Manager
Address: 710 NW 14th Avenue, Suite 300
Portland, OR 97209
Telephone Number: (971) 202-4100
Email: mark.atteridge@mortenson.com

Construction Phase:

Design-Builder's Representative Name: Wyatt Naegle
Title: Project Manager
Address: 710 NW 14th Avenue, Suite 300
Portland, OR 97209
Telephone Number: (971) 202-4100
Email: wyatt.naegle@mortenson.com

Article 10

Bonds and Insurance

10.1 Insurance. Design-Builder and Owner shall procure the insurance coverages set forth in the Insurance Exhibit attached hereto as Exhibit B and in accordance with Article 5 of the General Conditions of Contract.

10.2 Bonds and Other Performance Security. Design-Builder shall provide a performance bond and labor and material payment bond if indicated below:

Performance and Payment Bond.

☒ Required ☐ Not Required

Article 11

Other Provisions

11.1 Other provisions, if any, are as follows: *(Insert any additional provisions)*

11.1.1 The following Exhibits to this Agreement are incorporated herein by reference, and are Contract Documents:

Exhibit A:	The Basis of Design Documents
Exhibit B:	Insurance Requirements
Exhibit C:	Preliminary Schedule
Exhibit D:	Preliminary Budget
Exhibit E:	Design Phase Price
Exhibit F:	Design-Builder Personnel & Equipment Rates
Exhibit G:	Consultants and Subcontractors
Exhibit H:	Permitting Responsibilities
Exhibit I:	Prevailing Wage
Exhibit J:	Social Equity Program
Exhibit K:	Green Building Requirements
Exhibit L:	Property Legal Description

In executing this Agreement, Owner and Design-Builder each individually represents that it has the necessary financial resources to fulfill its obligations under this Agreement, and each has the necessary corporate approvals to execute this Agreement, and perform the services described herein.

OWNER:

Portland Development Commission
(Name of Owner)

(Signature)

(Printed Name)

(Title)

Date: _____

DESIGN-BUILDER:

M.A. Mortenson Company
(Name of Design-Builder)

(Signature)

Dan Mehls
(Printed Name)

Vice President
(Title)

Date: _____

100 Multnomah Office Building
1075 NE 2nd Avenue
Portland, OR 97232

Exhibit A – Basis of Design Documents

Attached to and forming a part of the Agreement between Portland Development Commission and M.A. Mortenson Company, effective as of January 10, 2019.

Preliminary Scope Documents (the basis of design documents) are included herein.

100 MULTNOMAH OFFICE BLDG BASIS OF DESIGN

The scope is based on the following documents:

- Feasibility Study Task 2.2 Drawings provided by ZGF Architects and dated October 31, 2018.
- Feasibility Study Task 2.2 Concept Systems Narrative provided by ZGF Architects and dated October 31, 2018
- Feasibility Study Task 2.2 Preliminary structural sketches SSK-001 to SSK-011 provided by Lund Opsahl and dated 10/30/2018
- Mortenson Construction: Budget Management Log (BML) dated June 14, 2019: This is a live document tracking tool of scope change options and associated decreased or increased costs as design has progressed. This is provided in Exhibit D.

Budget Clarifications – Core and Shell

Based on Feasibility Study (Task 2.3) dated 11/30/2018

Items modified by the BML are noted in italics.

FOUNDATIONS

1. Excavation is included as required.
 - 1.1. All shoring is temporary and as such soldier piles will not require corrosion resistant paint.
 - 1.2. Over-excavation and/or unsuitable soils removal is not anticipated nor included in the estimate.
 - 1.3. Hazardous materials, contaminated soils, and/or USTs are not anticipated nor included in the estimate.
 - 1.4. Dewatering is not anticipated or included in the budget.
2. Foundations include:
 - 2.1. A 5' thick mat foundation underneath the new lobby space (~2,500 sf) as shown on Lund Opsahl's preliminary sketches.
 - 2.2. The addition of (40) new 2' diameter augercast piles. It's assumed these piles will not exceed 50' in depth/length.
 - 2.3. An allowance of \$40k has been included for pile testing.
 - 2.4. Conventional shoring system (soldier piles and lagging, no tie-backs) as required for new construction.
 - 2.5. The existing parking garage foundations and structure are designed and constructed to accommodate ~~two (2) additional parking levels and a 409-story office tower above~~. No modifications to the existing foundations/structure are included except minor reinforcing/tie-ins as noted in the preliminary structural drawings. *Per BML item G1.01, additional parking is removed from the scope. Per BML item G1.02, L10 removed from the scope.*

SUPERSTRUCTURE

1. ~~Additional levels of parking are assumed to be the same construction as the existing garage (8" PT decks, similar reinforcing, etc.).~~ *Per BML item G1.01, additional parking is removed from the scope.*
2. The office tower expansion is a steel structure that does not exceed 15.6#/sf included all columns, beams, brace frames, girts, edge angle, misc connections, etc.
3. Existing concrete shear walls/columns will be extended up to the top of the parking garage expansion. The south wall of the elevator shaft will be concrete from L1-L5. From L6 on up, there are no concrete core/shear walls as the shear is achieved by the steel brace frames.
4. Spray applied fireproofing of the columns and beams of the office expansion is included. No intumescent fireproofing is anticipated or included in the estimate.

ENCLOSURE

1. Exterior Walls:
 - 1.1. The enclosure consists primarily of metal panel with punched openings.
 - 1.2. The NE corner of the building is included as curtain wall from L1 all the way to the roof.
 - 1.3. A premium for bird safe glazing has been included in the estimate.
 - 1.4. A mechanical screen on the roof has been included as perforated metal panel.
2. The lower canopy over the lobby entrance is assumed to be painted steel framing and galvanized metal deck to match the existing parking garage canopies. The underside of the metal deck is painted.
3. The canopy on the roof is assumed to be steel framing with galvanized metal deck on top and wood plank soffit on the underside.
4. The soffit over the top level of parking (the underside of the office building expansion at L6) is assumed to be vinyl rock ACT.

ROOFING

1. Roofing:
 - 1.1. Typical roofing is assumed to be a single ply membrane with coverboard over the top.
 - 1.2. On the main roof, ~12ksf of green roof is included and is assumed to be a simple tray system.
 - 1.3. ~~Traffic coating is included on the top level of the parking expansion only.~~ *Per BML item G1.01, additional parking is removed from the scope.*

INTERIOR CONSTRUCTION AND INTERIOR FINISHES

1. The Tenant Spaces are a cold shell consisting of:
 - 1.1. Perimeter exterior walls that are not glazed will be metal stud with batt insulation. No interior drywall or wall material/finish is included in this estimate.
 - 1.2. Build-out of an egress corridor between the exit stairs is not included (this would only be required in a multi-tenant application).

- 1.3. Mechanical rooms, electrical rooms, restrooms, and stairwells shall be constructed of metal stud and GWB walls with the interior side of the room finished and the exterior side only taped.
- 1.4. Restrooms will be built out and include tile flooring, tile walls, and GWB ceiling. Toilet partitions and accessories are also included.
- 1.5. The main lobby includes stone tile flooring, wood ceiling, and 500 sf of decorative wall panels. No buildout of elevator lobbies on other floors is included.
- 1.6. All other areas (not part of the Core and Shell) shall be exposed concrete slab. No sealer is included over slab as sealers often inhibit the application of future finish flooring materials.
- 1.7. All other areas (not part of the Core and Shell) shall have a ceiling that is open to the structure above.
2. Code required signage is included. Wayfinding/ID signage is not included.
3. Fire extinguishers and cabinets have been included (2 per floor).
4. *Per BML item G1.05, shower and locker facilities will be included in existing retail space.*

STAIRS

1. All stairs are included as pan filled steel stairs with rubber treads.
2. Stairs are assumed to be Pacific Stair Corporation standard or similar.
3. Photoluminescent markings have been included at egress stairs only.
4. An allowance for a grand stair from the main lobby to L2 has been included.
5. Fire extinguishers and cabinets have been included (2 per floor).

CONVEYING

1. (3) 3,500#, 500 fpm passenger elevators have been included.
2. (1) 4,500#, 500 fpm service elevator has been included.
3. The budget includes cab upgrade allowances of \$15k for each elevator.
4. *Destination dispatch elevator controls have also been included. See BML item D1.01.*
5. *Roof level elevator service removed per BML item D1.02.*
6. *Three garage level parking elevator stops added per BML item G1.03.*

FIRE PROTECTION

1. General
 - 1.1. No modifications to the fire protection system in the TriMet space are included in this estimate.
 - 1.2. Budget excludes any specialty systems like preaction or halon at any of the tenant spaces. It is assumed that any specialty type system will be the responsibility of each tenant.
2. Fire Water Storage
 - 2.1. A fire water storage tank is being built as part of the current parking garage project. No new storage tank is required for this office expansion.
3. Fire pump

- 3.1. Budget includes an electric fire pump with associated control panel to support the new office tower. Fire pump will be located in the existing mechanical room located in the lower level of the parking garage.
4. Fire Suppression Systems
 - 4.1. ~~Budget includes adding a drypipe system to the new levels of the parking garage. Per BML item G1.01, additional parking is removed from the scope.~~
 - 4.2. In addition, code requires with the addition of the office tower that the existing parking garage be fully sprinklered. Costs associated with this requirement have been included in this estimate.
- 4.3. Budget includes code minimum fire sprinkler coverage at each tenant level of the new office building. All modifications, future fit-out, and additions will be the responsibility of each tenant.

PLUMBING

1. Sanitary Sewer System
 - 1.1. ~~Budget includes floor drains (4) per floor and hose bibs (2) per floor to support the added garage. It is assumed that the existing domestic and waste system servicing the garage has capacity to support these new fixtures. Per BML item G1.01, additional parking is removed from the scope.~~
2. Potable Water
 - 2.1. Budget excludes any fixtures for kitchens or break rooms on any of the office floors. Budget only includes restroom fixtures located on each floor as required for the core and shell.
 - 2.2. Budget includes a domestic water booster pump due to the high rise nature of this new tower addition. It has been assumed that this booster pump will be located either on the first or second floor of the new office addition.
3. Water Meters
 - 3.1. Budget excludes dedicated water meters for each tenant or floor. Individual water meters will be the responsibility of each tenant. Metering for the tower will be combined with the main meter servicing the garage.
4. Natural Gas
 - 4.1. The natural gas meter and any associated piping from the main line to the meter is excluded. Natural gas piping from the meter to the rooftop equipment is included in the budget.
5. Fuel Oil Piping
 - 5.1. No modifications to the fuel oil piping provided in the existing parking garage project have been included in this estimate.

HEATING, VENTILATING AND AIR CONDITIONING

1. Exhaust / Ventilation
 - 1.1. Added Parking levels are to be naturally ventilated and mechanical ventilation is excluded.
 - 1.2. Budget includes exhaust systems for the core and shell restrooms. Any additional exhausting due to tenant needs will be the responsibility of each tenant.
 - 1.3. Budget includes stair and elevator pressurization/smoke control systems due to the nature of high rise construction.

2. Heating and Air Conditioning
 - 2.1. Budget includes (4) fan coil units per office level for freeze protection and minimal space conditioning. The mechanical build out of each space will be the responsibility of each tenant.
 - 2.2. Budget include main duct shafts and only mechanical duct run outs for freeze protections. Complete fit out of each floor will be the responsibility of each tenant
3. Controls
 - 3.1. Budget includes thermostats to control only the (4) fan coil units per floor. All additional controls work will be the responsibility of each tenant.

ELECTRICAL

1. Electrical Service
 - 1.1. Budget is based on the new normal and emergency switchgear feeding the office tower being located in the existing electrical room located in the lower basement of the garage.
 - 1.2. Budget is based on conduits running from the existing electrical room located in the lower basement of the garage to the office tower via exposed and along the ceiling of the lower level garage.
 - 1.3. A single electrical meter is being included as part of the existing garage project. Additional meters for the office or the TriMet spaces are not included.
2. Emergency Generator
 - 2.1. Budget includes replacing the existing 250KW generator that currently supports the existing garage and Trimet spaces with a new 500 KW generator. This replacement will cause a disruption to all emergency services period of time.
3. Electrical Power
 - 3.1. Budget includes power for lighting, convenience outlets and mechanical equipment only. Budget includes spare breakers and spare conduits to each floor. Budget excludes wiring and panels and assumes this scope will be the responsibility of each tenant.
 - 3.2. No power distribution or devices are provided for the TriMet spaces or Retail spaces.
 - 3.3. Budget excludes any electrical hand dryers and/or electric sensed fixtures in the restrooms.
4. Lighting
 - 4.1. Budget is based on providing code minimum lighting at each tenant space. The balance of the lighting at each floor will be the responsibility of each tenant.
 - 4.2. Budget exclude any lighting controls outside of what is required by code. Occupancy sensors will be provide at stairwells and back of house electrical and mechanical rooms. Lighting controls for conference rooms and general spaces will be the responsibility of each tenant.
 - 4.3. Budget is based on running MC cable for all branch lighting being installed as part of the core and shell as code allows.
 - 4.4. Budget excludes any site or exterior building mounted lights or signs. It is assumed that all exterior and site lighting is being installed as part of the garage build.
5. Fire Alarm System
 - 5.1. Budget includes a code minimum fire alarm system which has the capacity to be expandable. Any modifications required as part of the tenant fit outs will be the responsibility of each tenant.

6. Low Voltage

- 6.1. Budget includes only vertical pathways for low voltage cabling. All structured cabling, racks, servers, equipment, cable trays, etc., will be the responsibility of each tenant.
- 6.2. Budget assumes that each tenant will be responsible for any head end equipment needed to support their low voltage systems. Budget assumes that there is adequate space and capacity at the existing telecom located in the existing lower level garage basement.
- 6.3. Budget excludes any cable tv, audio visual, paging systems, music systems, white noise systems, telephone, telephone system, digital signage, or specialty/custom lighting and any head end equipment to support any of these systems. These systems are assumed to be by future tenants.

7. Security System

- 7.1. Budget includes access control rough only at the Level 1 lobby doors. Any additional access control rough in and access control equipment will be the responsibility of each tenant.
- 7.2. Budget includes (1) security camera in the main Level 1 lobby. Any additional cameras, head end equipment, storage and monitoring will be the responsibility of the Owner and/or each tenant.
- 7.3. Budget excludes any card readers in the elevator cabs.
- 7.4. ~~Budget includes (4) blue emergency phones at the parking garage addition. It is assumed that these (4) phones can tie into the existing Blue phone system being installed as part of the parking garage scope of work. Per BML item G1.01, additional parking is removed from the scope.~~
- 7.5. Budget includes a public safety distributed antennae system due to the requirements of a high rise building. Budget excludes a cellular distributed antennae system and assumes this system will be the responsibility of the Owner and/or tenants.

EQUIPMENT

1. Parking Control Equipment

- 1.1. No additional parking control equipment is included.

2. Other Equipment

- 2.1. No new bike racks are included.
- 2.2. No new dock leveler is included.
- 2.3. No tire inflation stations or bike repair stations are included.
- 2.4. No window coverings are included.
- 2.5. Window washing tie-backs/roof anchors are included in the budget. No window washing equipment is included.
- 2.6. A walk off mat has been included in the main lobby entry vestibule.

DEMOLITION

- 1. Demolition of the existing lobby (in the NE corner of the building) built with the parking garage project and portions of the exterior skin is included only as required to allow for construction of the new office expansion.

SITework

1. Sidewalks, curb, and landscaping impacted by the office expansion will be repaired/replaced as needed.
2. No improvements to the surrounding roadways, surface streets, track ways, right-of-way, etc. are included.
3. No signalization work is included.
4. All utilities are assumed to be tied into the existing utility stub-outs provided by the existing parking garage construction.

GENERAL CLARIFICATIONS

1. The Project Schedule is based upon an anticipated start of construction in 2Q 2020 with a tentative construction duration of 16 months.
2. The budget does not include building permit/plan check fees, SDC's, testing/inspection costs, development fees, soft costs, FFE, OSE, etc.
3. An art budget (RACC) is not included in the budget and is assumed to be by owner.
4. Costs associated with negotiations or modification of existing garage Hyatt Regency Portland agreements are not included.
5. Design Phase costs are based on one Design Review. If more than two are required, additional services may be requested. Fees related to the Design Review are excluded.
6. It is understood that there will be impacts to available parking during construction. But at a minimum, the top level of parking will be closed from the structural phase through the enclosure phase.
7. Sidewalks along Multnomah and 1st Avenues will be closed. Emergency exiting from tenant and garage stairs will be maintained.
8. This proposal is based on current structural code (2014 Oregon Structural Specialty Code). The project could be significantly impacted should design not be completed and permitted under current code.
9. **Markups for Changes.** The following percentages are agreed mark-ups for Changes to the Work (per 6.2.1 of the Agreement).
 - 9.1. Subcontractor Default Insurance: 1.3% of the Subcontracted value
 - 9.2. General Liability Insurance: 0.727% of the total contract value
 - 9.3. Builder's Risk Insurance: 0.35% of the total contract value
 - 9.4. Payment and Performance Bond: 0.65% of the total contract value
 - 9.5. Fee: As provided for in 6.2.1

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Exhibit B – Insurance Requirements

Attached to and forming a part of the Agreement between Portland Development Commission and M.A. Mortenson Company, effective as of January 10, 2019.

Design-Builder shall maintain the following limits and coverages:

Worker's Compensation	statutory limits
Employer's Liability	\$1,000,000 each accident \$1,000,000 disease policy limit \$1,000,000 disease each employee
Commercial General Liability	\$2,000,000 each occurrence \$4,000,000 general aggregate (applicable on a per project basis) \$4,000,000 products/completed operations aggregate
Automobile Liability	\$2,000,000 each accident
Umbrella/Excess Liability	\$5,000,000 per occurrence/aggregate
Professional Liability (E&O)	\$2,000,000 each claim \$2,000,000 aggregate

Commercial general liability insurance required under this paragraph shall be written on an occurrence form 9ISO form cg 00 01 2007 version or equivalent) and shall include coverage for products/completed operations. Owner shall be included as an additional insured on a primary and non-contributory basis. Such coverage shall be maintained for two (2) years after final completion.

Automobile liability insurance required under this paragraph shall include coverage for all owned, hired and non-owned vehicles.

Professional liability insurance, if written on a claims made basis shall have a retro date prior to the date of this agreement. Coverage shall be maintained for two years after final completion.

Builder's Risk Insurance: Prior to Commencement of Work, Design-Builder shall purchase and maintain, in a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located, property insurance written on a builder's risk "all-risk" or equivalent policy form in the amount of the initial Contract Sum, plus value of subsequent Contract modifications, comprising total value for the entire Project at the site on a replacement cost basis. Such property insurance shall be maintained until substantial completion and will insure include coverage against risks of loss associated with construction, including without duplication of coverage, theft, vandalism, malicious mischief, collapse, false-work, temporary buildings, and debris removal, including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for architects services and expenses required as a result of such insured loss. If the property insurance requires deductibles, the Owner shall be responsible for such deductibles. Owner and subcontractors of any tier shall be included as additional insureds under the builder's risk policy. The Owner and Contractor waive all rights against each other and any of their subcontractors, sub-subcontractors, agents and employees, each of the other

for damages caused by fire or other causes of loss to the extent covered by property insurance obtained pursuant to this contract or other property insurance applicable to the Work, except such rights as they have to proceeds of such insurance. The builder's risk policy shall be endorsed to waive subrogation against such additional insureds. Contractor shall provide a certificate of insurance to Owner upon request.

All insurance policies shall name Prosper Portland and its successors and assigns as additional insureds.

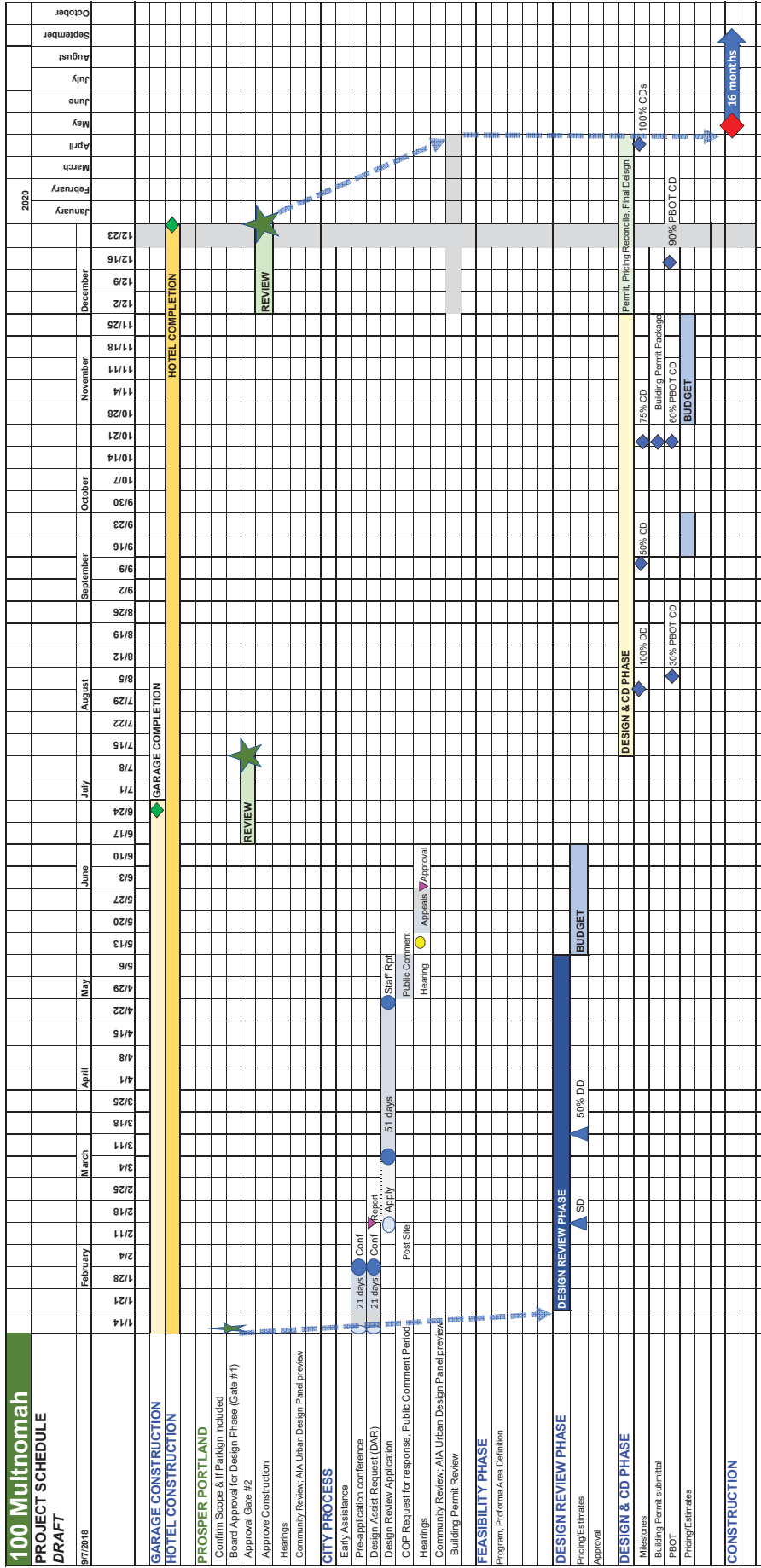
Coverage shall be secured from insurance companies authorized to do business in the state in which the Project is located and rated A-:II or better by A.M. Best Company.
Owner Shall maintain insurances noted in 5.2 and 5.3 of the General Conditions Contract.

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Exhibit C – Preliminary Schedule

Attached to and forming a part of the Agreement between Portland Development Commission and M.A. Mortenson Company, effective as of January 10, 2019.

The Preliminary Schedule is included herein.



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Exhibit D – Preliminary Budget

Attached to and forming a part of the Agreement between Portland Development Commission and M.A. Mortenson Company, effective as of January 10, 2019.

The Preliminary Budget is \$51,734, 624. It is based on the following documents:

1. Baseline: Feasibility Cost Model Study/Target Value Budget (TVB) from November 28th, 2018 established a budget of \$56,785,163
2. TVB Budget Management Log dated June 14, 2019 provides budget adjustment of \$-5,140,539. Items with a status of approved are included in the budget adjustment. Items shown with a status of open or closed are not included.

PROSPER PORTLAND
PORTLAND, OREGON



Feasibility Study (Task 2.3)

Estimate Date: 28-Nov-2018

UniFormat System Level 2		CURRENT ESTIMATE			
		System Qty	System Unit Price	Total Price	GSF Unit Price
A1	Foundations	2,350 sf	\$ 469.47	\$ 1,103,258	\$ 6.32
A2	Basement Construction	0 cf	\$ -	\$ -	\$ -
B1	Superstructure	190,050 sf	\$ 69.47	\$ 13,203,522	\$ 75.60
B2	Exterior Enclosure <i>encl ratio--> 0.5942</i>	103,773 vsf	\$ 95.03	\$ 9,861,714	\$ 56.47
B3	Roofing	23,020 sf	\$ 51.57	\$ 1,187,224	\$ 6.80
C1	Interior Construction	174,650 gsf	\$ 6.60	\$ 1,153,545	\$ 6.60
C2	Stairs	412 riser	\$ 1,473.37	\$ 607,030	\$ 3.48
C3	Interior Finishes	174,650 gsf	\$ 5.19	\$ 907,095	\$ 5.19
D1	Conveying	40 stop	\$ 39,551	\$ 1,582,023	\$ 9.06
D2	Plumbing	174,650 gsf	\$ 6.71	\$ 1,171,125	\$ 6.71
D3	HVAC	174,650 gsf	\$ 10.98	\$ 1,917,550	\$ 10.98
D4	Fire Protection	323,150 gsf	\$ 4.52	\$ 1,461,863	\$ 8.37
D5	Electrical Systems	174,650 gsf	\$ 18.74	\$ 3,272,663	\$ 18.74
E1	Equipment	139,150 gsf	\$ 0.29	\$ 40,250	\$ 0.23
E2	Furnishings	139,150 gsf	\$ 0.03	\$ 4,800	\$ 0.03
F1	Special Construction	0 gsf	\$ -	\$ -	\$ -
F2	Selective Building Demolition	0 sf	\$ -	\$ 401,703	\$ 2.30
G1	Site Preparation	8,000 sf	\$ 11.81	\$ 94,455	\$ 0.54
G2	Site Improvements	8,000 sf	\$ 14.03	\$ 112,243	\$ 0.64
G3	Site Civil / Mechanical Utilities	8,000 sf	\$ 4.06	\$ 32,500	\$ 0.19
G4	Site Electrical Utilities	8,000 sf	\$ 5.00	\$ 40,000	\$ 0.23
Z1	General Requirements	174,650 gsf	\$ 14.28	\$ 2,494,459	\$ 14.28
Z2	Temp Site Services	174,650 gsf	\$ 7.50	\$ 1,310,044	\$ 7.50
Z3	Sidewalk & Street Use Permit Fees	174,650 gsf	\$ 0.72	\$ 125,000	\$ 0.72
Subtotal Direct Construction Price				\$ 42,084,062	\$ 240.96
	Cost Escalation (Construction start of 2Q 2020)		7.738%	\$ 3,256,599	\$ 18.65
	Estimating/Design Contingency		5.000%	\$ 2,104,203	\$ 12.05
	Construction Contingency		3.000%	\$ 1,262,522	\$ 7.23
Subtotal				\$ 48,707,386	\$ 278.89
	Design/Engineering		6.000%	\$ 2,922,443	\$ 16.73
	Contractor Design Phase Services		1.000%	\$ 487,074	\$ 2.79
	Bldg Permits/Plan Check Fees (by owner)		0.000%	\$ -	\$ -
	Testing/Inspection (by owner)		0.000%	\$ -	\$ -
Subtotal				\$ 52,116,903	\$ 298.41
	Subcontractor Default Insurance		1.300%	\$ 582,112	\$ 3.33
	Contractor's Liability Insurances		0.727%	\$ 406,727	\$ 2.33
	Builder's Risk Insurances		0.350%	\$ 195,811	\$ 1.12
	Payment/Performance Bond		0.650%	\$ 363,649	\$ 2.08
Subtotal				\$ 53,665,202	\$ 307.27
	Design-Build Ovhd/Fee		4.250%	\$ 2,280,771	\$ 13.06
TOTAL CONSTRUCTION COST				\$ 55,945,973	\$ 320.33
Green Building Technology Allowance 1.5% (includes construction, insurances, markups/fees)			1.500%	\$ 839,190	\$ 4.80
TOTAL CONSTRUCTION COST (W/GBT ALLOWANCE)				\$ 56,785,163	\$ 325.14

Project Parameters:	Gross Building Square Footage	174,650 gsf
	Bldg Enclosure Area	103,773 vsf
	Typical Floor Plate	20,000 sf
	Floors	10 lvl
	Construction Schedule	16 mo
	Productivity	10,916 sf/mo

Notes:
Concept Estimate

100 MULTNOMAH OFFICE BUILDING
PROSPER PORTLAND
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TARGET VALUE ELECTIVES LIST
June 14, 2019



Value Item	Item Date	Description	Breakdown	Status	Decision Req'd Date	Amount	Responsible	Comments & Notes
PRICING ALTERNATES								
GENERAL								
G1.01	11/28/16	Delete Parking Garage Expansion (ie: don't build any new levels of parking)	Base	Approved		(\$4,500,000)	Owner	High level ROM; this change would allow the addition of ~12k sf office or the deletion of one of the small office levels (~5k sf) - costs associated with this change to the office sf are not included as more information is needed; required to be approved in order for G1.02 to be approved
G1.02	12/3/18	If no new parking is built, change Office L5 to full footprint (~20k sf) and shorten the tower by 1 level (essentially deleting L9)	Base	Approved		(\$1,814,262)	Owner	High level ROM; this change can only happen if G1.01 is approved
G1.03	3/12/19	Elevator - Add Elevator stops atn 3 parking garage levels	Base	Approved		\$121,456	Owner	Includes (3) added elevator stops, required structural modifications, and vestibules at each landing;
G1.04	4/29/19	Balconies - Added balconies (4 on West side, 2 on South side)	Base	Open		\$129,430	Owner	
G1.05	6/11/19	Add showers to 1st level Retail Space	Base	Open		TBD	Owner	Currently awaiting pricing budgets
FOUNDATIONS								
A1.01		Delete 16 augercast piles	Base	Open		(\$57,672)	Engineer	Pending final structural calculations
SUPERSTRUCTURE								
B1.01		Remove (6) columns at level 9 to provide clear space	Base	Open		\$123,173	Owner	Pricing does not include costs impacts for roof and surrounding structural members impacted by reduction of columns and increase member sizes.
ENCLOSURE/ROOF								
B2.01	11/28/16	Delete the premium for bird-safe glazing	Base	Closed		(\$331,820)	Owner	
B2.02a	11/28/16	Reduce floor to floor height by 1'	Base	Closed		(\$482,048)	Owner	Can't approve if B2.02b is approved
B2.02b	11/28/16	Reduce floor to floor height by 2'	Base	Closed		(\$964,091)	Owner	Can't approve if B2.02a is approved
B2.03	11/28/16	Add sunshades to glazing at south facade	Base	Open		\$302,729	Owner	Assumes projection of 1-2'; pending further studies/information
B2.04a	4/29/19	Enclosure system Option 1 - change from concept design to articulating metal panel, punched openings in lieu of curtainwall at NE lobbv, mechanical screen changes, etc.	Base	Approved		\$800,629	Owner	Updated per quantities from 2019.04.29 Revit model and emails from ZGF; PENDING TRADE PARTNER INPUT
B2.04b	4/29/19	Enclosure system Option 2 - change from concept design to articulating metal panel, punched openings in lieu of curtainwall at NE lobbv, mechanical screen changes, etc.	Base	Open		TBD	Owner	Awaiting updated pricing from subcontractor pricing
INTERIOR CONSTRUCTION								

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TARGET VALUE ELECTIVES LIST
June 14, 2019



Value Item	Item Date	Description	Breakdown	Status	Decision Req'd Date	Amount	Responsible	Comments & Notes
C1.01	11/28/16	Build-out egress corridor between exit stairs for multi-tenant floors on L6-L10	Base	Open		\$319,496	Owner	
C1.02	4/29/19	Build 2 hour rated enclosure at existing egress stair in NW corner of parking garage	Base	Approved		\$126,904	Owner	Code Required
INTERIOR FINISHES								
C3.01	11/28/16	Reduce tile in restrooms to wet walls only	Base	Open		(\$155,006)	Owner	
CONVEYING SYSTEMS								
D1.01	3/12/19	Elevators - add destination dispatch	Base	Approved		\$159,681	Owner	
D1.02	6/11/19	Remove elevator stop at top floor	Base	Approved		(\$34,947)	Owner	
PLUMBING SYSTEMS								
D2.01		Impact - Item Description Placeholder	Base	Open		TBD	Owner	
MECHANICAL SYSTEMS								
D3.01		Impact - Item Description Placeholder	Base	Open		TBD	Owner	
FIRE PROTECTION SYSTEMS								
D4.01		Impact - Item Description Placeholder	Base	Open		TBD	Owner	
ELECTRICAL SYSTEMS								
D5.01		Impact - Item Description Placeholder	Base	Open		TBD	Owner	
SITEWORK								
G2.01		Impact - Item Description Placeholder	Base	Open		TBD	Owner	

100 MULTNOMAH OFFICE BUILDING
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TARGET VALUE ELECTIVES LIST
June 14, 2019



Value Item	Item Date	Description	Breakdown	Status	Decision Req'd Date	Amount	Responsible	Comments & Notes
Totals by Status:								
		Approved				(\$5,140,539)	2018.11.28 TVB	TVB + "Approved"
		Open				\$662,150	\$ 56,875,163	\$51,734,624
		Closed				(\$1,777,959)		
		Alternate				\$0	2018.11.28 TVB	TVB + "Approved" + "Open"
		Heading				\$0	\$ 56,875,163	\$52,396,774
						(\$6,256,348)		

Revised GSF
131,350
\$394

Revised GSF
131,350
\$399

The Value Analysis items listed above have been provided to generate conversation and possible solutions for achieving the owner's desired project scope and budget, and should not be interpreted as engineered solutions. By acceptance of any item and prior to incorporating into the design, the Architect / Engineer of Record shall be solely responsible for verification of all design compatibility within the project including but not limited to life safety, code requirements, thermal and moisture protection, building functionality and program requirements.

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Exhibit E – Design Phase Price

Attached to and forming a part of the Agreement between Portland Development Commission and M.A. Mortenson Company, effective as of January 10, 2019.

The Design Phase Price is One Million Four Hundred Ninety Two Thousand Six Hundred and Twenty Dollars (\$1,492,620) subject to adjustment only as provided in the Agreement.

The schedule of values for Design Phase shall be the following two items of work, which will be billed on a percentage complete basis:

Services through Construction Documents:	\$1,492,620
TOTAL	\$1,492,620

As noted in Article 6, the Construction Phase Price shall be added via change order.

Scope of Design Phase Services Include:

Services through Construction Documents

- Upon authorization, complete the Design Development phase incorporating review recommendations provided by the Owner. Services through 50% DD have been completed under sperate agreement.
- Continue development of the BIM model by incorporating civil, structural and mechanical disciplines into a single building model
- Prepare milestone sets of drawings and specifications at 100% DD, 75% CD and 100% CD level.
- Prepare a building permit set of plans (anticipated at 75% CDs) and specs for submittal to the City by Prosper Portland
- Prepare a 100% CD "For Construction" set of plans and specs once permit comments are received
- Prepare a Final Budget (anticipated to be at 75% CDs) to be used for the Construction Phase Price.

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Exhibit F – Design-Builder Personnel and Equipment

Attached to and forming a part of the Agreement between Portland Development Commission and M.A. Mortenson Company, effective as of January 10, 2019.

Design-Builder Supervisory Labor Rates:

Title	Rate
Market Director	\$201.00/hr.
Market Executive	\$195.00/hr.
Senior Project Manager	\$179.00/hr.
Senior MEP Project Manager	\$179.00/hr.
Project Manager	\$145.00/hr.
Assistant Project Manager	\$119.00/hr.
Senior Superintendent	\$197.00/hr.
Superintendent	\$160.00/hr.
Assistant Superintendent	\$119.00/hr.
Senior Project Engineer	\$106.00/hr.
Project Engineer	\$95.00/hr.
Group Safety Director	\$174.00/hr.
Safety Manager	\$145.00/hr.
Safety Engineer	\$91.00/hr.
Group Scheduling Director	\$174.00/hr.
Scheduling Manager	\$141.00/hr.
Scheduler	\$94.00/hr.
Group Quality Director	\$145.00/hr.
Quality Manager	\$114.00/hr.
Integrated Construction Manager	\$145.00/hr.
Integrated Construction Coordinator	\$119.00/hr.
Director of Design Phase Management	\$196.00/hr.
Design Phase Executive	\$190.00/hr.
Senior Design Phase Manager	\$158.00/hr.
Design Phase Manager	\$138.00/hr.
Chief Estimator	\$179.00/hr.
Sr. Estimator	\$142.00/hr.
Estimator	\$109.00/hr.
Director of Operations	\$246.00/hr.
Field Operations Manager	\$230.00/hr.
Project Accountant	\$93.00/hr.
Community Affairs	\$93.00/hr.
Admin Assistant	\$52.00/hr.
Intern	\$37.00/hr.

*** This Billing Rate Schedule is PROPRIETARY to Mortenson Construction and is NOT subject to audit***
*** This Billing Rate Schedule is good through December 31, 2019, and shall be subject to 4% annual escalation***

Craft Labor Rates*:

Group	Straight	Overtime	Double-time
Carpenter Foreman	\$85.01/hr	\$111.92/hr	\$138.84/hr
Carpenter Journeyman	\$75.36/hr	\$99.83/hr	\$124.30/hr
Laborer Foreman	\$69.06/hr	\$90.37/hr	\$111.68/hr
Foreman	\$72.67/hr	\$95.29/hr	\$117.91/hr
Cement Mason Foreman	\$81.91/hr	\$106.79/hr	\$131.67/hr
Cement Mason	\$72.67/hr	\$95.29/hr	\$117.91/hr

**Includes all applicable labor insurance, employment taxes, benefits and burden cost. All rates are good through May 2019, at which time they will be adjusted on substantiated increases.*

Architect Labor Rates:

Title	Rate
Partner	\$325/hr
Project Manger	\$255/hr
Design Architect	\$255/hr
Technical Designer	\$140/hr
Architect 3	\$110/hr
Interior Designer	\$165/hr
Rendering	\$135/hr
Specification Writer	\$145/hr

Rates subject to adjustment per Design Agreement between ZGF and Mortenson.

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Exhibit G – Consultants and Subcontractors

Attached to and forming a part of the Agreement between Portland Development Commission and M.A. Mortenson Company, effective as of January 10, 2019.

The following subcontractors are approved to perform work under this contract:

ZGF (architect of record)

- Lund Opsahl (structural engineering) (DBE, WBE)
- Janet Turner Engineering (civil engineer) (DBE, WBE)
- The Greenbusch Group (acoustical and elevator) (WBE)
- Brightworks (LEED consulting) (ESB)

ESG (consulting architect)

JH Kelly (mechanical/plumbing design-build subcontractor)

- WBS (mechanical/plumbing engineering)

OEG (electrical design-build subcontractor)

- Samata (electrical engineering)

Morrison Hershfield (enclosure consultant)

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Portland, OR 97232

Exhibit H – Permitting Responsibilities

Attached to and forming a part of the Agreement between Portland Development Commission and M.A. Mortenson Company, effective as of January 10, 2019.

DB = Design-Builder			
Description	Obtain	Pay For	Other/Notes
PERMITS			
City of Portland Temporary Construction Hoist Permit	DB	DB	
City of Portland Temporary Street Use Permit for Construction	DB	DB	
City of Portland Public Works Permit (<i>This should be state of Oregon</i>)	DB	OWNER	
City of Portland Commercial Building Permit	DB	OWNER	
City of Portland Plan Check Fees	DB	OWNER	
City of Portland Deferred Submittals Fees (for construction)	DB	DB	
City of Portland Mechanical Permit for Construction	DB	DB	
City of Portland Plumbing Permit for Construction	DB	DB	
City of Portland Electrical Permit for Construction	DB	DB	
City of Portland Refrigeration Permit for Construction	DB	DB	
City of Portland Fire Alarm Permit for Construction	DB	DB	
City of Portland Fire Sprinkler Permit for Construction	DB	DB	
City of Portland Alarm Permit	OWNER	OWNER	
City of Portland Health Department Permit	OWNER	OWNER	
City of Portland Sanitation Permit	OWNER	OWNER	
City of Portland Refrigeration Permit for Construction	DB	DB	
City of Portland Site Development Permit	DB	DB	
City of Portland Urban Forestry Commercial Permit	DB	DB	Part of Building Permit
City of Portland Zoning Approval/Permit for the Hotel	OWNER	OWNER	
City of Portland Zoning Approval/Permit for the Signs	DB	OWNER	
Multnomah County Public Health Permit	OWNER	OWNER	
State of Oregon Elevator Temporary Use Permit	DB	DB	
State of Oregon Elevator Use Permit (Initial)	DB	OWNER	
State of Oregon Elevator Permit (Annual)	OWNER	OWNER	
State of Oregon Temporary / Construction Storm Water Pollution Protection Permit (1200C)	DB	DB	
All other required permits and entitlements for design and construction	OWNER	OWNER	
All other permits for facility operations	OWNER	OWNER	

LICENSES

City of Portland Business License (Mortenson Construction)	DB	DB	Complete
Multnomah County Business Income Tax License	OWNER	OWNER	
Multnomah County Tourist Facility License	OWNER	OWNER	
Multnomah County Food Service License (including food service plan review fees)	OWNER	OWNER	If required
Multnomah County Zoning Approval/ Permit for Exterior Signage	OWNER	OWNER	
State of Oregon Contractor's License	DB	DB	Complete
State of Oregon Food Service License	OWNER	OWNER	If required
State of Oregon Liquor License	OWNER	OWNER	If required
State of Oregon Restaurant License	OWNER	OWNER	If required
All other required licenses for design and construction	OWNER	OWNER	
All other licenses for facility operations	OWNER	OWNER	

UTILITIES

City of Portland - Temporary Construction Water Service Fee	DB	DB	
City of Portland - Temporary Construction Water Usage Fees	DB	DB	
City of Portland - Permanent Domestic Water Service and Tap Fees	OWNER	OWNER	
City of Portland - Permanent Domestic Water Service Usage Fees	OWNER	OWNER	
City of Portland - Permanent Fire Water Service and Tap Fees	OWNER	OWNER	
City of Portland - Temporary Construction Strom Water & Sanitary Waste Service Fee	DB	DB	
City of Portland - Permanent Strom Water & Sanitary Waste Service and Tap Fees	OWNER	OWNER	
CCTV Service Fees	OWNER	OWNER	If required
CCTV Subscription Fees	OWNER	OWNER	If required
Internet/Data Service Provider - Service Fees	OWNER	OWNER	
Internet/Data Service Provider - Subscription Fees	OWNER	OWNER	
Northwest Natural Gas - Permanent Gas Service and Tap Fees	OWNER	OWNER	
Telephone Service Fees (Initial / Installation)	OWNER	OWNER	
Pacific Power & Light - Temporary Utility Service Fee	DB	DB	
Pacific Power & Light - Temp Power Usage Fees	DB	DB	
Pacific Power & Light - Permanent Utility Service Engineering Study Fee	OWNER	OWNER	
Pacific Power & Light - Permanent Utility Service Fee	OWNER	OWNER	
Pacific Power & Light - Permanent Utilities Usage Fees	OWNER	OWNER	
All other required utilities required for design and construction	DB	DB	
All other utilities required for facility operations	OWNER	OWNER	

100 Multnomah Office Building
1075 NE 2nd Avenue
Portland, OR 97232

EXHIBIT I – Prevailing Wage

Attached to and forming a part of the Agreement between Portland Development Commission and M.A. Mortenson Company, effective as of January 10, 2019.

PREVAILING WAGE COMPLIANCE REQUIREMENTS (State Prevailing Wage)

This Project is a “Public Work” for purposes of Oregon’s prevailing wage rate law (ORS 279C.800 to 279C.870). Unless specifically exempted by state law, or through a formal determination by the Bureau of Labor and Industries (“BOLI”), prevailing wage rates are the minimum wages that must be paid to all workers employed on all public work. If the Project is subject to the Federal Davis-Bacon Act requirements, then the wage rate that must be paid is the higher of the applicable state or federal prevailing wage rate.

1. **Prevailing Wage Rate.** All construction on the Project is Public Work as defined by ORS 279C.800(6), and Prosper Portland and the Design-Builder agree that Design-Builder will comply with, and require all contractors and subcontractors for the Project to comply with, all applicable provisions in ORS 279C.800 through 279C.870 with respect to the Project. Each worker in each trade or occupation employed in the performance of the work on the Project, whether by the Design-Builder General Contractor, any contractor, subcontractor or other person performing work on the Project, must be paid not less than the applicable rate of wage for each trade or occupation wage in accordance with ORS 279C.838 and 279C.840. ORS 279C.830(1)(c); and OAR 839-025-0020(5)(a). Design-Builder shall include the requirements of this document in its contract with all contractors and subcontractors for the Project.

2. **Certified Payroll.** Design-Builder shall submit all required weekly certified payroll for work on the Project to Prosper Portland’s designated representative by the fifth (5th) business day of the following month. In addition, Design-Builder shall require that any subcontract related to the Project include a provision requiring the subcontractor (a) to submit all required weekly certified payroll for work on the Project to the attention of the Design-Builder’s representative by the third (3rd) business day of the following month and (b) to include this provision in all of the subcontractor’s subcontracts. Prosper Portland and Design-Builder shall withhold payment as prescribed by ORS 279C.845(7) through 279C.845(8) if certified payroll statements are not filed in the time and manner prescribed under ORS 279C.800 through 279C.870.

3. **BOLI Fee.** Pursuant to ORS 279C.825(1) and the BOLI’s administrative rules, Prosper Portland is required to pay a fee to BOLI. In the case of a public works under ORS 279C.800(6)(a)(B), the fee will be based on the total of the project’s hard construction costs or guaranteed maximum.

4. **Public Works Bond.** Unless exempt under the provisions of ORS 279C.836, prior to starting any work on the Project, Design-Builder and all subcontractors shall file with the Construction Contractors Board a “Public Works Bond” in the amount of \$30,000, with a corporate surety

authorized to do business in the State of Oregon (the "Public Works Bond"). Unless otherwise exempt, Design-Builder shall require in each subcontract a provision requiring the subcontractor and lower tier subcontractors (a) to have a Public Works Bond satisfying the foregoing requirements and filed with the Construction Contractors Board before commencement of work on the Project; and (b) to include the provisions in this paragraph in all of its subcontracts and lower tier subcontracts. Design-Builder shall require General Contractor to verify that all subcontractors have filed the Public Works Bond prior to commencement of work on the Project. Notwithstanding the foregoing, if any other provision of the Contract documents contains a higher bonding requirement than the requirement of this section, then such higher bonding requirement shall apply.

5. Contractor Eligibility. Design-Builder may not select a person or entity as a general contractor or a subcontractor if they are listed on the BOLI list of ineligible contractors. Design-Builder will require that sub-contractors are not allowed to award a contract to any person or entity on the BOLI list of ineligible. Design-Builder will require all sub-contractors include in each contract or sub-contract, provisions (a) prohibiting the award of a contract to a person or entity on the BOLI list of ineligible and (b) requiring that the provisions of this paragraph be included in all contracts and sub-contracts. Design-Builder shall verify to Prosper Portland that none of the contractors on the Project are on the BOLI list of ineligible.

6. Work Day/Work Week. The Design-Builder shall ensure that workers are paid daily, weekly, weekend and holiday overtime pursuant to ORS 279C.520(1) and 279C.540. No person shall be employed for more than 10 hours in any one day, or 40 hours in any one week, except in cases of necessity, emergency, or where the public policy absolutely requires it. In such cases, the employee shall be paid at least 1 ½ times the regular rate of pay for: (1) all overtime in excess of eight hours a day or 40 hours in any one week, when the work week is five consecutive days, Monday through Friday; or (2) all overtime in excess of 10 hours a day or 40 hours in any one week when the work week is four consecutive days, Monday through Friday; and (3) all work performed on Saturday, and on any legal holiday specified in ORS 279C.540.

7. Employee Notice. The Design-Builder shall give employees who work on a Public Works contract, a notice indicating the number of hours per day and days per week that the employees may be required to work as specified in ORS 279C.520. This notice may be given either: (a) in writing, at the time of hiring or before commencement of work on the Project; or (b) by posting a notice in a location frequented by the employees. The Design-Builder shall be responsible for making sure that all sub-contractors comply with this notice requirement.

8. Prompt Payment for Medical Services. The Design-Builder shall require any general contractor or sub-contractor on the Project to promptly make payment, as due, to any person, co-partnership, association or corporation, furnishing medical, surgical and hospital care or other needed care and attention, incident to sickness or injury, to the employees of any such general contractor or sub-contractor. Design-Builder will require any general contractor or sub-contractor on the Project to agree to pay for such services, including all moneys and sums which the General Contractor or sub-contractor collected or deducted from the wages of employees pursuant to any law, contract or agreement for the purpose of providing or paying for such service per ORS 279C.530. Design-Builder shall also comply with ORS 656.017.

9. Failure to Make Prompt Payment. If, upon reasonable concern by Design-Builder that a sub-contractor has failed, neglected or refused to make prompt payment of any claim for authorized labor, equipment, services or materials furnished by any person, or the assignee of the person, in connection with the Project as such claim becomes due, Design-Builder may pay such claim to the person furnishing the labor, equipment, services or materials and charge the amount of the payment against funds due or to become due the sub-contractor under the contract. Design-

Builder reserves the right to make payments directly or by multiple-payee check and will require sub-contractors to consent to such direct and multiple-payee check payments. Upon Design-Builder's request, sub-contractors shall furnish to Design-Builder the information required to facilitate such payments with each application for payment, including: (1) names, addresses, and telephone numbers of any persons making any such claim for labor, equipment, services or material, and (2) a complete listing of outstanding amounts owed to all such persons per ORS 279C.515.

10. Wage Rates: The applicable prevailing wage rates for Oregon Public Works contracts for this Project are the rates effective _____, 201____, as modified by applicable amendments, including but not limited to the Amendment effective as of _____, 201____. All workers shall be paid the applicable prevailing wage rate as set forth in these documents, for work performed on the Project. Design-Builder shall require the General Contractor and sub-contractor to include in each subcontract a provision requiring the subcontractor (a) to pay the prevailing wage rates identified in this Section and (b) to include this provision in all of its subcontracts. A copy of the applicable prevailing wage rates are available from BOLI or its website:

<https://www.oregon.gov/boli/WHD/PWR/Pages/index.aspx>

100 Multnomah Office Building
1075 NE 2nd Avenue
Portland, OR 97232

Exhibit J – Social Equity Program

Attached to and forming a part of the Agreement between Portland Development Commission and M.A. Mortenson Company, effective as of January 10, 2019.



Business Equity Program Specifications

Prosper Portland's *Equity Policy*, as adopted by its Board of Commissioners in Resolution No. 7256, aims to make Portland a prosperous, educated, healthy and equitable city, recognizing that advancing equity must be at the core of our strategic plan. Prosper Portland's Equity Policy includes a framework that seeks to improve Prosper Portland's operational and business practices, support actions that promote accountability, close disparity gaps and increase inclusive community engagement. Equity in contracting and workforce opportunities in the Portland area is essential to achieving the vision of our Strategic Plan.

As such, Prosper Portland's Business Equity Program (**BEP**) centers on improving the success of local small businesses and supporting the growth of construction and development firms owned by people of color and women by providing opportunities for State of Oregon Certified Firms. "Certified Firms" are Minority/Women/Emerging Small Business (**M/W/ESB**) firms as certified by the State of Oregon's Certification Office for Business Inclusion and Diversity (**COBID**) and Disadvantaged Business Enterprises (**DBE**) as certified by the U.S. Department of Transportation.

1. Program Applicability

The BEP is applicable to the following projects:

- Prosper Portland Owned Construction Contracts with Hard Construction Costs greater than \$200,000;
- Prosper Portland-Sponsored Projects receiving an amount greater than \$300,000 of Prosper Portland Resources to support a project with Hard Construction Costs greater than \$200,000;
- Sale of Prosper Portland real property with a purchase price greater than \$300,000 to a private party for a project related to such property that is expected to involve Hard Construction Costs greater than \$200,000; and
- Projects under Intergovernmental Agreements (regardless of whether Prosper Portland is a party to the agreement or not) with Hard Construction Costs greater than \$200,000 and involving \$100,000 or more in Prosper Portland Resources.

In addition, Prosper Portland may at its discretion require BEP compliance as a condition of other Prosper Portland agreements.

2. Program Goals

The overall goal of the BEP is to ensure Prosper Portland projects and programs provide meaningful professional, supplier, and construction contracting opportunities for Certified Firms. Recipients of Prosper Portland project support on BEP applicable projects (including, without limitation, purchasers, borrowers, grantees, developers, consultants, contractors and all their agents and contractors, each a "**Recipient**") are expected to meet the following goals:

- 20% of a project's total Hard Construction Costs shall be allocated to Certified Firms, and

- 20% of a project's Professional Services Costs shall be allocated to Certified Firms.

Prosper Portland strongly encourages Recipients to promote their prime contractors to utilize Certified Firms for all divisions of work.

A directory of Certified Firms can be found by visiting the State of Oregon's COBID website at:
<https://oregon4biz.diversitysoftware.com/>

3. Standards of Compliance

Recipients of Prosper Portland project support on BEP applicable projects and their prime contractors/consultants (each, along with their relevant agents and contractors, a "**Recipient**") shall document all good faith efforts taken to contract with Certified Firms. If a Recipient, or a prime contractor/consultant thereof, has difficulty in achieving BEP goals, it is such Recipient's and prime contractor's/consultant's obligation to immediately notify Prosper Portland and seek guidance. The following tasks are minimum reasonable and necessary steps to comply with BEP goals.

a. Initial meeting

Recipients shall attend an initial kickoff meeting with Prosper Portland Project Staff and Compliance Team at the earliest possible opportunity.

1. Recipients of Prosper Portland project support on BEP applicable projects shall bring the following to the initial meeting:
 - Project Description;
 - Project Design/Construction Schedule; and,
 - Professional Services Team List (A/E, Survey etc...).

The purposes of the initial meeting are:

- To answer questions the Recipient may have regarding compliance with BEP and Prosper Portland's equity goals;
 - For the Recipient to obtain information from Prosper Portland regarding resources the Recipient may utilize in meeting its obligations under the BEP;
 - For the Prosper Portland Compliance Team to explain the Utilization Plan (as explained below);
 - To explain the Ongoing Compliance Report Requirements in the City of Portland's Contract Compliance Reporting System (**CCRS**) with the City of Portland Compliance Staff,
 - To explain how the projects utilization is reported on Prosper Portland's website, and
 - To explain the ramifications of noncompliance with this guidance, including debarment and liquidated damages.
2. If Hard Construction Costs are \$1,000,000 or more, the Recipient and its prime contractor shall attend an additional meeting with Prosper Portland's Compliance team and agency partners to review the scopes of work and determine a potential Outreach Plan at the earliest possible time **no later than two (2) months before**

bidding on construction contracts on the relevant project begins.

b. Outreach Methods - Additional Assistance

1. Recipients, with and through their prime contractor, shall conduct outreach so that Certified Firms have at least fifteen (15) business days after the conclusion of such outreach to respond to any bidding deadlines and be considered for construction contracts on the Recipient's project. Any changes to this schedule must be approved by Prosper Portland.
2. Recipients, with and through their prime contractor, consultant are encouraged to engage in additional outreach methods to ensure maximum participation by Certified Firms, including but not limited to:
 - a. Working with the assistance of Prosper Portland's Partners (See list of partnering organizations in section 5, below) to develop an outreach plan; and
 - b. Hold Outreach events at Partnering Organizations meetings or spaces.

c. Reporting Requirements (CCRS)

BEP applicable projects are subject to compliance reporting requirements. Recipients are required to provide all contract compliance-related data electronically in the City of Portland's Contract Compliance Reporting System (**CCRS**).

All parties identified are responsible for responding to any instructions or requests for information from the City of Portland's Compliance Officer and Prosper Portland's Compliance Coordinator (see section 5) and should regularly check the CCRS to manage contact information and contract records.

Recipients, with and through their prime contractor, consultant are responsible for ensuring all subcontractors/subconsultants have completed all requested items and that their contact information is accurate and up-to-date. Prosper Portland may require additional information related to the contract to be provided electronically through the system at any time before, during, or after contract award.

Information related to contractor/ consultant access of the system will be provided to a designated point of contact upon notification. The CCRS is web-based and can be accessed at the following internet address: <https://portlandoregon.diveristycompliance.com/>.

1. Utilization Plan (UP)

The UP is due to Prosper Portland from a Recipient, with and through their prime contractor, consultant at the **beginning of the project for soft costs** and **one (1) month before construction begins** for hard costs.

A completed UP is required to be submitted electronically in the CCRS. On-screen instructions in the CCRS will guide you through the UP-submittal process. The UP must list ALL subcontractors/subconsultants to be used on the project, their corresponding type of work, their subcontract amount, and their Certified Firm status, if applicable, regardless of the dollar amount. After submission of the UP, you may review your Dashboard for status updates.

2. Monthly Reporting

Recipients, or any prime contractor thereof, shall submit records of subcontractor/subconsultant payments via the CCRS by the 15th day of each month once work has commenced and shall ensure that subcontractors/subconsultants are confirming payments reported to them in the system. Subprime firms are also responsible for reporting participation of lower tier subs.

3. Subcontractor Changes

If any subcontractor/subconsultant is added or replaced after the UP is submitted, the Recipient, and any prime contractor/ consultant thereof, shall make good faith efforts to solicit bids from Certified Firms for the work to be performed.

All subcontractor/subconsultant changes/requests shall be made in the CCRS and will include supporting documentation of the foregoing prior to making any changes. A tutorial for adding subcontractors can be found here:

<https://portlandoregon.diversitycompliance.com/Help/Tutorial/TutorialView.asp?XID=5666&TFL=RequestingASub>.

A Recipient, or any prime contractor/ consultant thereof, shall not add, delete, or replace any subcontractor without prior written consent from Prosper Portland.

4. Good Faith Effort Documentation (Form 2)

D/M/W/ESB BIDS RECEIVED LOG: Due upon request from the Recipient, with and through their prime contractor, if Program Goals Are Not Met.

- a. If the CCRS shows that the Program Goals have not been met, the Recipient, with and through their prime contractor, must submit Form 2 and additional documentation as required. To submit Form 2 and additional documentation, click Attach Waiver Files. When finished click Save Waiver Details before leaving the plan or attempting to complete another step.
- b. Any of Recipient's bidders must have contacted Certified Firm subcontractors/subconsultants in writing to advise them of potential subcontracting/subconsulting opportunities and ensure that they have an equal opportunity to compete for work by providing all subcontractors/subconsultants the same information and informing them of the date and time that sub-bids are due.
- c. Any Recipient, with and through their prime contractor/consultant, must have obtained a minimum of three (3) written bids from D/M/W/ESB subcontractors that specialize in the type of work that will be subcontracted/subconsulted. Failure to obtain three (3) written bids from D/M/W/ESB subcontractors/subconsultants may result in a Recipient being deemed non-responsive and the relevant project out of compliance. Bidders shall submit additional information and provide clarification upon request.

5. Final Reporting

All reporting is due in the **CCRS** 60 days after the project is complete.

The Project's Business Equity Utilization will be posted on Prosper Portland's Website during the life of the project. www.prosperportland.us

4. Failure to comply

Failure to comply with BEP requirement may subject the Recipient to liquidated damages, withholding payments, and/or debarment.

a. Liquidated damages

Recipient's failure to comply with the good faith efforts required under BEP will subject the Recipient to liquidated damages. Such liquidated damages shall be established by agreement with Prosper Portland prior to execution of a binding sale, loan, or other project document.

Liquidated damages will generally be a minimum of \$150,000. Prosper Portland may elect to establish a different amount in the case of particularly large or particularly small projects so that the liquidated damages amount is proportionate to the project and still provides an incentive for BEP compliance.

b. Debarment

Recipient's failure to provide any requested documentation, or to meet any other BEP compliance obligations, may affect Recipient's eligibility to participate on future Prosper Portland supported projects.

c. Withholding payment

In the event of any gross violation of BEP requirements, Prosper Portland may withhold all or part of any progress payment(s) until the Recipient has remedied the violation. If progress payments are withheld; the Recipient shall not be entitled to interest on such payments. If a subcontractor/subconsultant of a Recipient has not complied with BEP, Prosper Portland may elect to withhold only such subcontractor/subconsultant's portion of the progress payment.

5. Prosper Portland's Compliance Team and Partnering Resources Contact Information

Compliance Team

Wendy Wilcox- (Business and Workforce Equity Compliance Coordinator) wilcoxw@prosperportland.us
503.823.3236

Ay Saechao – City of Portland Compliance Officer (Reporting Liaison) Ay.Saechao@portlandoregon.gov
503.823.1090

John Cardenas (Sr. Construction Business and Workforce Equity Project Manager)
cardenasj@prosperportland.us 503-823-3253

Partnering Organizations

COBID-Certification Office for Business Inclusion and Diversity-

<https://oregon4biz.diversitysoftware.com/>

PBDG-Professional Business Development Group

<http://pbdgweb.com/>

NAMC-National Association of Minority Contractors

<http://namc-oregon.org/>

OAME-Oregon Association of Minority Entrepreneurs

<https://oame.org/>

CCRS Links

Contract Compliance Reporting System

<https://portlandoregon.diveristycompliance.com>

Changing a subcontractor

<https://portlandoregon.diversitycompliance.com/Help/Tutorial/TutorialView.asp?XID=5666&TFL=RequestingASub>.



Workforce Equity Program Specifications

The Prosper Portland Board of Commissioners has directed that all Contractors, Developers and Borrowers conducting work on behalf of Prosper Portland maximize apprenticeship and employment opportunities for women and people of color in the construction trades. The goal of the Workforce Equity Program (Program) is for the Contractor's workforce to reflect the diversity of the workforce found in the City of Portland, and that Prosper Portland contracting dollars provide fair and equal opportunities to the jurisdictions' diverse populations. Also, while not required, the Developer/Borrower is encouraged to submit a plan that addresses proposed methods of implementing the Business Equity Program on large construction projects.

This Program applies to Prosper Portland-Owned Construction Contracts greater than \$200,000, to the Prime Contractor on Prosper Portland-Sponsored projects with Hard Construction Costs of \$1,000,000 or more and to all subcontracts of \$100,000 or more, at any tier level, provided Prosper Portland is providing at least \$300,000 towards the project.

Requirements:

- 1) Projects subject to the Program shall:
 - a) Comply with the Workforce Training & Hiring Program to among other things, ensure that a minimum of twenty percent (20%) of labor hours in each apprenticeable trade performed by the contractor and subcontractors are worked by State of Oregon registered apprentices, as such requirements are further described therein; and
 - b) Work toward achieving the Workforce goals as outlined in the table below. The percentage of hours set forth, includes both apprenticeship hours and journey level hours. Using the table, the Contractor shall determine the applicable workforce diversity goal, for the project (i.e. if the project will be completed during Fiscal Year 2011/2012, the workforce diversity goals for the project are 9% Women and 27% People of Color). The fiscal year runs from July 1st through June 30th. A person of Color includes members of either sex who are African-Americans, Hispanic Americans, Asian or Pacific Islanders, Native Americans or Alaskan Native Americans.

Fiscal Year	08/ 09	09/10	10/ 11	11/12	12/ 13	13/14	14/ 15	15/16	16/ 17	17/18
Female	6%	7%	8%	9%	10%	11%	12%	13%	14%	15%
People of Color	25.5%	26%	26.5%	27%	27.5%	28%	28.5%	29%	29.5%	30%

- c) Make all reasonable and necessary efforts to employ a workforce that reflects the diversity of the City of Portland, including recruitment of a diverse workforce through the unions, the apprenticeship programs and other community resources.
- 2) Contractors subject to the Program are encouraged to employ people with disabilities and veterans.
- 3) Contractors and subcontractors subject to the Program must be certified by the City of Portland as an Equal Opportunity Employer.

Workforce Training & Hiring Program Contractor Checklist

Contractor Checklist

The following Workforce Training & Hiring Program (WTHP) requirements are a summary of the key contractual obligations of contractors working on Prosper Portland owned construction projects or Prosper Portland sponsored projects. It is the Contractor's responsibility to read and fully understand this section of the bid specifications and to comply with all provisions of the program, regardless of whether they appear on this checklist. The City administers this program for the Prosper Portland.

CHECKLIST:

1. Prime Contractor:

- A. Submit Projected Hiring Needs form (Exhibit 2) to Compliance Agency within 15 calendar days after bid opening or prior to contract award, whichever occurs first.
- B. Ensure compliance by all subcontractors with subcontracts of \$100,000 or more, and provide them with a copy of the WTHP specifications.

2. Subcontractors, at all tiers, with contracts of \$100,000 or more:

- Submit Projected Hiring Needs form (Exhibit 2) prior to beginning work on the project or within 5 days of signing subcontracts, whichever occurs first.

3. Prime Contractor and all subcontractors with contracts of \$100,000 or more must:

- A. Before starting work on this project: Submit proof of registration as a Training Agent with the Bureau of Labor & Industry (BOLI), Apprenticeship & Training Division. Not a BOLI registered training agent? Contact BOLI at (971) 673-0760 or the City of Portland at (503) 823-6888 for information on how to become a BOLI registered training agent.
- B. Throughout the duration of the project:
 - 1. Ensure that a minimum of 20% of labor hours in each apprenticeable trade performed by the prime and subcontractors of \$100,000 or more are worked by State-registered apprentices.
 - 2. Strive in good faith to meet the applicable workforce diversity goals of employing people of color and women (including both journey level and apprentice workers).
 - 3. Make all reasonable and necessary efforts to employ a workforce that reflects the diversity of the City of Portland, including recruitment of diverse workforce through the unions, apprenticeship programs and other community resources, as described herein.
 - 4. Maintain written documentation of all requests for workers from the unions, apprenticeship programs, and community organizations.
 - 5. When an apprentice is hired, notify the City's Contract Compliance Specialist at (503) 823-6888.
 - 6. Submit the Monthly Employment Record (Exhibit 4) by the 5th of each month to the City's Contract Compliance Specialist. This report can be submitted by either hard-copy by mail or via email, mer@portlandoregon.gov.

WORKFORCE TRAINING AND HIRING PROGRAM SPECIFICATION

I. PURPOSE

A. General Program Description

The Prosper Portland Board has directed that all Contractors, Developers and Borrowers conducting construction work on behalf of Prosper Portland maximize apprenticeship and employment opportunities for minorities and women workers in the construction trades. The goal is for the Contractor's workforce to reflect the diversity of the workforce found in the City of Portland, and that their contracting dollars provide fair and equal opportunities to the jurisdictions' diverse populations.

II. PROGRAM APPLICABILITY

The Workforce Training & Hiring Program (WTHP) is administered by the City of Portland, Bureau of Internal Business Services, Procurement Services Division (Compliance Agency). The WTHP applies to **Prosper Portland-Owned Construction Contracts greater than \$200,000, Prosper Portland-Sponsored Projects with hard construction costs of \$1,000,000 or more with \$300,000 or more in Prosper Portland resources and to each subcontractor having a subcontract of \$100,000 or more** on the project. Contractors and/or Developers shall make reasonable efforts to ensure that their workforce reflects the diversity of the City of Portland.

The Contractor shall thoroughly read this WTHP specification and commit to perform all requirements described herein. The Contractor shall submit Exhibit 2, Projected Hiring Needs at least fourteen (14) calendar days prior to starting work on the project. The Exhibit shall provide complete information. The Projected Hiring Needs must demonstrate how the workforce on this project will fulfill all program requirements, including utilization of apprentices and workforce diversity goals.

III. DEFINITIONS

For purposes of the WTHP, the following definitions shall apply:

Compliance Agency – City of Portland, Bureau of Internal Business Services, Procurement Division

Contract – The Contract awarded as a result of these bid specifications

Contractor – The Prime Contractor to whom a Contract is awarded and any subcontractors with subcontracts of \$100,000 or more

Hard Construction Costs – The cost to build improvements on a property, including all related construction labor and materials, including fixed and built-in equipment costs. Costs not directly related to the construction of an improvement, such as entity overhead, administration or taxes, shall not be considered a part of the Hard Construction Costs.

Owner – The government agency that awarded the Contract or leveraged public involvement in the project through a loan or development agreement

Project – Includes all work performed pursuant to the Contract

IV. ACTIONS NECESSARY TO SATISFY PROGRAM REQUIREMENTS

The Contractor and its subcontractors with subcontracts of \$100,000 or more, at any tier level, shall strive to achieve the applicable workforce diversity goal of employing women and people of color (including both journey level and apprentice workers) on the project.

To the extent allowed by law, Contractors and Subcontractors are encouraged to hire apprentices and journey level workers with consideration of gender and ethnicity.

A. Ensure Compliance by Subcontractors

1. The Contractor shall ensure that each subcontractor having a subcontract of \$100,000 or more, at all tiers, shall comply with all of the provisions of the WTHP specifications. Contractors shall include in their bid all costs associated with this requirement. No change order will be executed in order for the contractor to comply with this section.
2. The Contractor shall provide a copy of this WTHP specification to all subcontractors with contracts of \$100,000 or more executed for the project.

B. Register as a Training Agent

The Contractor shall register with the Oregon Bureau of Labor and Industries (BOLI) as a Training Agent and ensure that all subcontractors who have contracts in the amount of \$100,000 or more are registered as Training Agents. However, registration as a Training Agent in a specific trade is not required if there are no training opportunities in that trade on the project, based on the maximum ratio allowed by BOLI.

1. Only training programs approved by and registered with BOLI may be used to fulfill training requirements under the Workforce Specifications.
2. Training is intended to be primarily on-the-job training in apprenticeable crafts, and does not include classifications such as flag person, timekeeper, office engineer, estimator, bookkeeper, clerk/typist, fire fighter, or secretary. Hours performed in crafts which are not apprenticeable occupations are exempt from the training requirements.
3. Exemptions to the training requirements must be approved by the Compliance Agency in writing prior to starting work on the project. Written requests for exemptions related to the training requirements will be considered by the Compliance Agency during the course of the project, only for extreme circumstances, and must also be approved in writing. All requests to exempt all or any portion of the work on a project shall be submitted to the Compliance Agency (14) days before any work on the project begins. Requests for exemptions should be directed to the City Contract Compliance Specialist.

C. Submit Documentation

The contractor shall submit documentation regarding the following subjects to the Compliance Agency. The Compliance Agency's failure to object to documentation submitted by the Contractor or subcontractor shall not relieve them of the requirements of this section.

1. Training Agent Status

The Contractor and all required subcontractors must submit proof to the Compliance Agency that they are registered Training Agents with BOLI prior to beginning any work on the project. Failure to sign up as a Training Agent prior to beginning work may subject the contractor to liquidated damages.

2. Subcontractor Workforce Information

Exhibit 2, Projected Hiring Needs, must also be submitted for each subcontractor required to register as a Training Agent prior to beginning work on the project or within 5 calendar days after the execution of the applicable subcontract, whichever occurs first. Work by a subcontractor shall not begin prior to submission of such documentation. Failure to sign up as a Training Agent prior to beginning work may subject the contractor to liquidated damages.

3. Contractor and Subcontractor Reports After Work Begins.

The Monthly Employment Report (Exhibit 4) must be submitted by the prime Contractor and any subcontractor having a subcontract of \$100,000 or more to the Workforce Equity Program by the 5th day of each month. The Contractor shall follow the submittal instructions on the report form. All hours subject to prevailing wage rates on public projects, in addition to supervisors, foremen, and superintendents, shall be reported on Exhibit 4.

4. A copy of certified payroll reports may be requested by the Compliance Agency to verify information in the Report. The payroll reports shall be provided within 7 days of the date when the contractor receives the request for the payroll.

D. Use of Apprentices

The Contractor shall:

1. Ensure that a minimum of 20% of labor hours in each apprenticeable trade performed on the project by the prime contractor, and subcontractors with subcontracts of \$100,000 or more, are worked by state registered apprentices throughout the duration of the project. Contractors and subcontractors shall fulfill the 20% apprenticeship hours requirement without exceeding the apprentice ratios approved by the applicable apprenticeship program.
2. Pay all apprentices the wages required by any applicable collective bargaining contract or pursuant to state or federal law and regulations.
3. Not use workers previously employed at journey-level or those who have successfully completed a training course leading to journey-level status to satisfy the requirements of these provisions.
4. Notify the Compliance Agency when an apprentice is hired for this project.
5. Count apprentice hours as follows:

- (a) Hours worked on the project by apprentices enrolled in state-approved apprenticeship programs. If the Contractor is unable to fulfill its 20% requirement, then the Contractor may also use methods (b) and (c) below;
- (b) Hours worked on the project by apprentices who are required to be away from the job site for related training during the course of the project, but only if the apprentice is rehired by the same employer after completion of training; and
- (c) Hours worked on the project by graduates of state-registered apprenticeship programs, provided that such hours are worked within the 12-month period following the apprentice's completion date.

E. Use Apprenticeship Programs for Referrals

Contractors must follow all of these steps in seeking apprentice referrals:

- 1. Contact the appropriate apprenticeship program or dispatch center to request apprentices who are enrolled in the apprenticeship program; and
- 2. Request female or minority apprentices from the union or open shop apprenticeship program if such an action will help remedy historical underutilization in the Contractor's workforce; and
- 3. Keep a written record of the request for apprentices, including name of contact person at apprenticeship program, phone, fax, date, time, job location, start date, etc.; and
- 4. Make reasonable and necessary efforts to recruit apprentice applicants from community organizations/recruitment resources, and seek to enroll them into an apprenticeship program, if the apprenticeship program is unable to supply an apprentice and if the program is open for applications or allows direct entry from community resources.

NOTE: Contractors may contact the Contract Compliance Specialist for assistance regarding the apprentice referral process, or may utilize Exhibit 3, Request for Apprentice form, to document their efforts. A list of community organizations/recruitment resources is also available. Instructions are on the last page of this section of the specifications.

F. Utilize Unions and Community Organizations When Recruiting For Any Positions on this Project

When hiring, requesting, recruiting, or replacing workers for this project, the Contractor shall:

- 1. Make reasonable and necessary efforts to employ a diverse workforce. Such actions should include requests for minority and female applicants. Contractors are notified that direct hiring of employees (such as "walk-ons") without providing notification of that job opportunity, in accordance with paragraph G.2 below, may not constitute a reasonable effort.
- 2. Document its employment efforts. Documentation should be sufficient to establish the Contractor's efforts, and should include:
 - a) Requests to union halls for signatory contractors;
 - b) Requests to union or open shop apprenticeship programs;

c) Requests to community resources who assist contractors with recruitment and referral of workers.

Documentation will be requested by the Compliance Agency from Contractors that are not meeting the workforce diversity goals if it appears that the Contractor has not made reasonable and necessary efforts to acquire a diverse workforce. When requested, the Contractor shall provide that documentation to the Workforce Equity Program within 7 calendar days.

IV. CONSEQUENCES OF NONCOMPLIANCE WITH WORKFORCE REQUIREMENTS

The Owner's commitment to this program is reflected, in part, by the cost of administering the program. Failure to meet the requirements of this section of the specifications negates such funding and impairs the Owner's efforts to promote workforce diversity and to provide fair and equal opportunities to the public as a whole as a result of the expenditure of public funds. Therefore, the parties mutually agree that failure to meet the requirements of this section of the specifications, including but not limited to the submission of required documentation, constitutes a material breach of contract.

In the event of a breach of this section of the contract, the Compliance Agency may take any or all of the following actions:

A. Withholding Progress Payments

The Owner may withhold all or part of any progress payment or payments until the Contractor has remedied the breach of contract. In the event that progress payments are withheld, the contractor shall not be entitled to interest on said payments.

If a subcontractor(s) is responsible for noncompliance with the WTHP requirements, the Compliance Agency may choose to withhold only their portion of the progress payment.

B. Retain sums as damages for failure to comply with Workforce Equity Program Specifications

The parties mutually agree that it would be difficult, if not impossible, to assess the actual damage incurred by the Compliance Agency for the Contractor's failure to comply with the Workforce Specifications. The parties further agree that it is difficult, if not impossible, to determine the cost to the Compliance Agency when workforce opportunities are not provided.

Therefore, if the Contractor fails to comply with the workforce provisions of this contract, the Contractor agrees to pay the sum of \$250 per day for each day of missed apprenticeship hours or until the breach of contract is remedied. Damages may be assessed for failure to meet the 20% apprenticeship training requirements by the prime and each required subcontractor in each trade employed. Damages will be calculated based on the training hours not provided to the Compliance Agency at a rate of \$250 per day. For example, if the Contractor was required to provide 200 hours of carpenter training (20% of 1,000 total carpenter hours), and the Contractor only provided 150 training hours, then the difference (50 hours) is divided by 8 (one day of work) to determine number of days of undelivered training. $(50/8 = 6.25 \times \$250 = \$1,562.5)$.

Damages may also be assessed for failure to fulfill the inclusive hiring process described in Section III, subsections F.

These damages are independent of any liquidated damages that may be assessed due to any delay in the project caused by the Contractor's failure to comply with the Workforce Training & Hiring Program provisions of the contract.

C. Notification of Possible Debarment

By executing this contract, the contractor agrees that it has been notified that failure to comply with the requirements of this portion of the contract may lead to the Contractor's disqualification from bidding on and receiving other Compliance Agency contracts for a minimum of two years and a maximum of three years based on the violation.

E. Other Remedies

The remedies that are noted above do not limit any other remedies available to the Compliance Agency in the event that the Contractor fails to meet the requirements of the Workforce Specifications.

V. REVIEW OF RECORDS

In the event that the Compliance Agency reasonably believes that a violation of the requirements of this section has occurred, the Compliance Agency is entitled to review the books and records of the Contractor and any subcontractors employed on the project to whom the requirements of this section are applicable to determine whether such a violation has or has not occurred.

In the event that the Contractor or any subcontractor fails to provide the books and records for inspection and copying when requested, such failure shall constitute a material breach of this contract and permit the imposition of any of the remedies noted in Section IV above, including the withholding of all or part of any progress payment.

VI. APPRENTICESHIP RATIO DATA

The BOLI ratios of apprentices to journey level workers on the jobsite shall apply. For information regarding the ratios for the various trades, view the BOLI website link below. The information can be found under the Active Approved Standards tab on for each trade and is usually under section VI, "Ratio of Apprentice to Journey Level Workers." The ratios that apply are those listed in the standards of the apprenticeship committee to which the Training Agent (Contractor) is a member. If the applicable trade is not listed, contact the Bureau of Labor and Industries at (971) 673-0760 or your apprenticeship committee

http://www.oregon.gov/BOLI/ATD/A_AG_Standards_8000-8999.shtml

ATTACHMENTS:

Exhibit 1: Recommended Recruitment & Retention Practices
Exhibit 2: Projected Hiring Needs
Exhibit 3: Request For Apprentice form
Exhibit 4: Sample Monthly Employment/will be sent electronically
Exhibit 5: Ratios

Questions Regarding Apprenticeship:

Bureau of Labor & Industries
Apprenticeship & Training Division
800 N.E. Oregon St. # 32
Portland, OR 97232
(971) 673-0760

Questions Regarding Prosper Portland

Workforce Equity Program or Workforce Training & Hiring Program:

Ay Saechao
Program Manager
City of Portland/Outside Services, Purchasing
1120 S.W. Fifth Ave., Room 750
Portland, OR 97204
(503) 823-1090
Ay.Saechao@portlandoregon.gov

Wendy Wilcox
Prosper Portland
222 NW Fifth Avenue
Portland, OR 97209-3859
(503) 823-3236
wilcoxw@prosperportland.us

EXHIBIT 1

**RECOMMENDED GOOD FAITH RECRUITMENT &
RETENTION PRACTICES**

A. Recruitment Efforts

Good faith recruitment efforts are those intense, aggressive, sincere, and result-oriented actions taken by the Contractor designed to accomplish the objectives of the Prosper Portland Workforce Equity Program including the Workforce Training & Hiring Program, and Equal Employment Opportunity Programs. These efforts may assist the Contractor in achieving an "A" level EEO certification and may assist the Contractor in reaching the workforce diversity goals. Good faith recruitment efforts include, but are not limited to:

1. Work aggressively with Contractor's Joint Apprenticeship Training Committee (JATC) to recruit minorities, women and disadvantaged individuals. Provide evidence of these efforts.
2. Assist the JATC by conducting a workshop with minority and women employees to enlist their assistance as recruiters and request their ideas on how to increase employment of underutilized groups.
3. Support the efforts of the Contractor's JATC by giving all apprentices referred to the Contractor a fair chance to perform successfully, allowing for possible lack of previous experience. Recognize that the Contractor is responsible for providing on-the-job training, and that all apprentices should not be expected to have previous experience.
4. Participate in job fairs, school-to-work, and community events to recruit minorities, women, and disadvantaged individuals into the construction trades.
5. Allow scheduled job site visits by participants in community programs, as safety allows, to increase awareness of job and training opportunities in the construction trades.
6. Keep applications of those not selected for an opening. Contact when opening occurs.

B. Retention Efforts

The Contractor shall endeavor to retain minorities, women, and disadvantaged individuals by implementing steps such as the following:

1. Maintain a harassment-free work place.
2. Ensure that employees are knowledgeable about the company's policies if they need to report a harassment problem.
3. Make reasonable attempts to keep apprentices working and train them in all work processes described in the apprenticeship standards.
4. Review and disseminate, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions.
5. Conduct a review, at least annually, of all supervisors' adherence to and performance under the Contractor's EEO policies and affirmative action obligations.
6. Take steps to reduce feelings of isolation among minorities and women to curb hostile attitudes and behavior (e.g., have several minorities and women at the job site, provide access to support group system).
7. Provide adequate toilet facilities for women on the job site.

8. Match minority, female, or disadvantaged apprentices who may need support to complete their apprenticeship programs with a journey-level mentor.

EXHIBIT 2

PROJECTED HIRING NEEDS

This form must be completed by the prime and each subcontractor with a subcontract of \$100,000 or more. Please state how you plan to perform the work on this project, indicating the number of journey workers and apprentices by trade. This workforce plan must demonstrate how your company will fulfill all Workforce Training & Hiring & Workforce Equity Program requirements, including utilization of apprentices. Refer to Exhibit 5 for apprenticeship ratio data. **Complete all columns, with project-specific information.**

BID# _____ CONTRACT AMOUNT \$ _____ PROJECT NAME: _____

COMPANY NAME _____

Federal ID # _____ ☐ Prime Contractor ☐ Subcontractor

List all Trades to be used on this Project	Total # of Journey Workers	Total # of Apprentices	Total # of Female Workers	Total # of Minority Workers	# and Level of New Positions (i.e. 1A or 1J)	Anticipated Start Date	Estimated Total Hours (all workers in each trade)

Please list the apprentices who will work on this project. If you need more space, attach an additional sheet of paper. The Compliance Agency must approve all apprentices on the project.

Name of Apprentice	Trade	Race	Gender	Date of Hire	STAFF USE ONLY

If no current apprentices, indicate when and how they will be hired:

Person in your company who does hiring: _____

COMPANY: _____ CCB# _____ PHONE: _____ FAX: _____

E-mail address for submitting Monthly Employment Reports via e-mail: _____

Are you a registered Training Agent? ☐ Yes ☐ No Are you a ☐ Union ☐ Open Shop contractor?

With which JATCs are you registered to train apprentices? _____

Apprentice committee or union contact person who dispatches apprentices to your company:

Name: _____ Phone: _____ Fax: _____

Name: _____ Phone: _____ Fax: _____

PREPARED BY: _____ (sign and print) DATE: _____

Prime contractor must complete and submit to as designated to Compliance Agency:

Workforce Training & Hiring Program
1120 S.W. Fifth Avenue #750, Portland, OR 97204
Phone (503) 823-6850 or FAX (503) 823-5539

EXHIBIT 3

Request for Apprentice

The contractor may use this form to document efforts when recruiting apprentices.

FAX To: _____ / _____
(Apprenticeship Committee) (Contact/ Dispatcher)

Fax Number : _____ Number of Pages _____

Request From:

Company Name _____ / _____
(Registered Training Agent) (Contact Person)

Phone _____ Fax _____

Date: _____ Time: _____

Apprentice Request:

As a registered Training Agent, I am using this form to request referral of an apprentice for employment with my company in cooperation with the City Workforce Training & Hiring Program. I would like to continue to diversify my workforce. Therefore, please refer ethnic minorities and women for my consideration. If I am unable to receive a referral from my apprenticeship program within a reasonable time, and my apprenticeship program is open for applications or allows direct entry, I may use this form to request a referral to the apprenticeship program from community recruitment resources.

Apprentice referral is needed by this date: _____ Work Starts: _____

Job Site Location: _____ Expected Length of Employment: _____

Project _____ Compliance Agency (City of Portland) _____

Number of Apprentices: _____ Trade/Occupation: _____

Number of Apprentices: _____ Trade/Occupation: _____

Minimum qualifications (if different from apprenticeship standards): _____

Safety needs: ___ Hard hat ___ Gloves ___ Hard-toed boots Other? _____

Please fax this Request for Apprentice form to your apprenticeship committee.

To document your good faith efforts, copies may also be sent to:

City Workforce Training & Hiring
1120 SW 5th Ave. Rm 750
Portland, OR 97204
Phone: (503) 823-6850
FAX: (503) 823-5539

(a) For Apprenticeship Program Only

Please check the appropriate box and fax to City Workforce Equity Program:

☐ I was able to dispatch an apprentice to the project listed above.

Name of Apprentice _____ Race _____ Gender _____ Term _____

☐ I was unable to dispatch an apprentice to the project listed above because _____

Fax this form with dispatch information to 823-5539. Thank you.

EXHIBIT 4

MONTHLY EMPLOYMENT REPORT

mer.xls [Compatibility Mode] - Microsoft Excel

Security Warning: Macros have been disabled. Options...

	A	B	E	F	G	H	I
1	MONTHLY EMPLOYMENT REPORT						
2							
3	COMPANY NAME	FEDERAL TAX ID	MONTH ENDING	BIDNO	PRIME?	FINAL REPORT?	
4							
5							
6	The Monthly Employment/Training Report must be completed by the prime contractor and all subcontractors with contracts of \$100,000 or more. The prime contractor shall submit a report for its workforce on the project. Each subcontractor shall separately submit a report for its workforce on the project. It is the responsibility of the prime contractor to assure that all subcontractors submit Monthly Employment/Training Reports in a timely manner.						
7							
8	Complete the form on the worksheet titled MER (third tab), filling in all categories for each employee working on the project during the reporting period.						
9							
10	Email the completed worksheet as an Excel attachment to mur-mer@portlandoregon.gov no later than the 5th of each month for work performed during the previous month. The emailed worksheet must be titled mer.xls .						
11	Please do not change the worksheet's layout or contents.						
12							
13	Please direct questions about electronic data submission to the same email address.						
14							
15							
16							
17							
18							
19							
20							
21	REVISED 3.11.11						

mer.xls [Compatibility Mode] - Microsoft Excel

Security Warning: Macros have been disabled. Options...

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	FEDID	MONTHENDING	BIDNO	LASTNAME	FIRSTNAME	ZIP	SSN	JOBCLASS	LEVEL	RACE	GENDER	HOURS	PRIME?
2	123456789	8/31/2002	100758	DOE	JANE	97214	9874	1010	A	C	F	32	NO
3	123456789	8/31/2002	100758	DOE	JOHN	97204	7489	1018	J	C	M	154	NO
4													
5													
6													

EXHIBIT 5**Ratios**

The following data may be used to determine the ratio of apprentices on a jobsite in proportion to journey-level workers on the jobsite. The ratios that apply are those listed in the standards of the apprenticeship committee to which the Training Agent (Contractor) is a member. If the applicable trade is not listed, contact the Bureau of Labor & Industries, or your apprenticeship committee.

*Ratios may change pursuant to actions taken by the Oregon State Apprenticeship & Training Council. For the purposes of this contract, the ratios approved by BOLI on the date the bid is advertised shall prevail.

Trade	1st Apprentice	2nd Apprentice	Max
Asbestos/Insulation Workers	1:1	1:4	
Brick/Marble/Terrazzo/Tile Finisher	1:1	1:3	
Bricklayer/Masonry	1:1	1:5	
Carpenter	1:1	1:1 (1:5 union)	1:1 for 1 st 3; Additional apprentices authorized at 1:5
Carpet Installers/Floorlayers	1:1	1:3	
Cement Masons	1:2	1:3	
Drywall Applicator (Ext/Int. Specialist)	1:3	1:5	
Drywall Finisher (Taper)	1:1	1:3	
Electricians			
Inside	1:1	1:2 (1:3 union)	
Outside	1:6	1:6	
Ltd. Energy/Ltd. Residential	1:1	1:2 (1:1 union)	
Construction Lineman	1:1	1:1	
Ltd. Maintenance	1:1	1:2	
Stationary Engineer	1:1	1:3	
Elevator Contractor	1:1	1:1	1:2 thereafter
Environmental Control (HVAC)	1:1	1:1	
Glazier	1:1	1:3	
Hod Carrier/Mason Tender	1:1	1:3 (1:5 union)	
Ironworker	1:1	1:6	
Laborer (Construction)	1:1	1:3 (1:5 union)	
Maintenance Mechanic	1:1	1:3	
Millwright	1:3 (1:5 union)	1:3 (1:5 union)	
Operating Engineer	1:1 (1:1-4 union)	1:1	
Painter	1:1	1:3	
Pile Driver	1:3	1:5	
Pipe Fitter/Steam Fitter	1:1	1:3	
Plasterer	1:1	1:3	
Plumber	1:1	1:1	1:3 thereafter
Roofer	1:1	1:1	
Sheet Metal Worker	1:1	1:1	1:3 thereafter
Sprinkler Fitter	1:1	1:1	
Structural Fabricator	1:1	1:3	
Terrazzo Worker	1:1	1:3	
Marble Setter	1:1	1:3	
Truck Driver (Heavy)	1:1	1:1	

100 Multnomah Office Building
1075 NE 2nd Avenue
Portland, OR 97232

Exhibit K – Green Building Requirements

Attached to and forming a part of the Agreement between Portland Development Commission and M.A. Mortenson Company, effective as of January 10, 2019.

Design-Builder shall be comply with the following requirements with regard to all elements of Project:

Prosper Portland creates economic growth and opportunity for Portland.

1.0 OBJECTIVES OF THE Prosper Portland GREEN BUILDING POLICY

The objective of the Prosper Portland Green Building Policy (this “Green Building Policy” or “this policy”) is to ensure that Prosper Portland’s strategic goals in development and construction advance environmental, social, and economic conditions by:

- Promoting Green Building practices that protect human health and the quality of air, water, and other natural resources and maintaining consistency with the City of Portland’s Climate Action Plan;
- Maximizing public benefits via new construction and redevelopment projects receiving Prosper Portland Financial Assistance as well as in Prosper Portland’s own real property portfolio to increase return on investment, attract and retain tenants, and create equitable access to well-performing and healthy buildings for Portlanders;
- Leveraging economic development opportunities to grow Portland’s global reputation of deep industry expertise in sustainable design, development, and construction; and
- Providing flexibility for borrowers and other partners to incorporate Green Building practices in all projects to the maximum extent practical.

Note: Capitalized terms in this Exhibit K are defined in Section 7 below.

2.0 APPLICABILITY

This policy applies to all Prosper Portland projects that include both a Transaction Type in Section 2.1 and a Project Type in Section 2.2:

2.1 TRANSACTION TYPES

- A project receiving Prosper Portland Financial Assistance greater than or equal to two hundred thousand dollars (\$200,000);
- All real property dispositions; and
- Prosper Portland owned and leased real property at time of lease agreement or planned improvement.

2.2 PROJECT TYPES

- New construction and Major Renovations of commercial and mixed-use buildings;
- Tenant Improvements; and
- New or renovated stand-alone parking structures that are not a part of a broader Green Building project scope.

Once Prosper Portland has confirmed that one of the above transaction types has triggered this policy, Prosper Portland and/or the borrower will use Section 2.2 to determine which building requirements are necessary to comply with this policy.

3.0 POLICY REQUIREMENTS

3.1 NEW CONSTRUCTION AND MAJOR RENOVATIONS OF COMMERCIAL AND MIXED-USE BUILDINGS

- Commercial / Mixed-Use Buildings greater than or equal to fifty thousand ($\geq 50,000$) square feet or greater than or equal to thirty (30) residential units must register and certify for the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) at the Gold level.
- Commercial / Mixed-Use Buildings less than fifty thousand ($< 50,000$) square feet or less than thirty (30) residential units must register and certify for either LEED at the Gold level or Earth Advantage at the Gold level.

3.2 TENANT IMPROVEMENTS

- Commercial / Mixed-Use Buildings greater than or equal to five thousand ($\geq 5,000$) square feet with major modifications to the building's mechanical, electrical, and plumbing systems must register and certify for LEED at the Silver level.
- Commercial / Mixed-Use Buildings less than five thousand ($< 5,000$) square feet or minor tenant improvement modifications must use Creating a High Performance Workplace: Portland's Green Tenant Improvement Guide. (This is a guiding document only and does not require registration or certification of the project.)

3.3 PARKING STRUCTURES

- New or renovated standalone parking structures that are not a part of a new construction or renovation project must register and certify for the Green Parking Council's Green Garage Certification at the Gold level.

4.0 GOOD FAITH DEPOSIT

Borrowers will be required to provide Prosper Portland with a good faith deposit to enforce compliance with the requirements of this policy.

5.0 EXEMPTIONS

Only the Prosper Portland Board of Commissioners may exempt Prosper Portland projects from this policy.

6.0 IMPLEMENTATION

The Executive Director is hereby authorized to (a) administer the policy; (b) create and

periodically update administrative policies or procedures to guide policy implementation; and (c) resolve any dispute arising from the application, administration, or enforcement of the policy.

7.0 DEFINITIONS

Capitalized terms in this Exhibit K have the following meanings:

Green Building: Green building is the practice of creating structures and using processes that are environmentally responsible and resource-efficient throughout a building's lifecycle from siting to design, construction, operation, maintenance, renovation and deconstruction.

Financial Assistance: (A) A direct loan or grant of funds by Prosper Portland to a borrower, or (B) an indirect financial benefit resulting from Prosper Portland's write-down on the value of land in a real estate transaction.

Major Construction Renovation: work that is extensive enough such that normal building operations cannot be performed while the work is in progress, and/or a new certificate of occupancy is required.

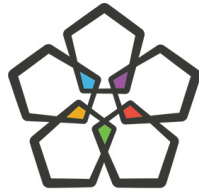
100 Multnomah Office Building
1075 NE 2nd Avenue
Portland, OR 97232

Exhibit L – Property Legal Description

Attached to and forming a part of the Agreement between Portland Development Commission and M.A. Mortenson Company, effective as of January 10, 2019.

Lots 5, 6 and 7, Block 47, HOLLADAY'S ADDITION TO EAST PORTLAND, in the City of Portland, Multnomah County, Oregon.

EXCEPT from said lots the East 10 feet taken for the widening of NE Union Avenue (NE Martin Luther King Jr. Boulevard).



PROSPER PORTLAND

Building an Equitable Economy

RESOLUTION NO. 7324

RESOLUTION TITLE:

AUTHORIZING A DESIGN-BUILD CONTRACT WITH MORTENSON CONSTRUCTION FOR DESIGN AND CONSTRUCTION OF THE 100 MULTNOMAH OFFICE BUILDING


Adopted by the Prosper Portland Commission on July 10, 2019

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Chair Gustavo J. Cruz, Jr.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Alisha Moreland-Capuia MD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Francesca Gambetti	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Peter Platt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner William Myers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Consent Agenda <input checked="" type="checkbox"/> Regular Agenda				

CERTIFICATION

The undersigned hereby certifies that:

The attached resolution is a true and correct copy of the resolution as finally adopted at a Board Meeting of the Prosper Portland Commission and as duly recorded in the official minutes of the meeting.

	Date: July 15, 2019
Pam Feigenbutz, Recording Secretary	