

EXHIBIT A

CM/GC EXEMPTION FINDINGS ORS 279C.330(1) AND ORS 279C.335(2)(b)

1. Firms Available to Bid. All interested and qualified contractors statewide will have an opportunity to provide a response to the RFP, which will be advertised in the *Daily Journal of Commerce*.

2. Operational, Budget, and Financial Data. Western Lane Fire and EMS Authority (Authority) seeks to renovate Station 1, located at 2625 Highway 101 Florence, OR 97439, to improve operational readiness and facility conditions. The project includes remodeling the station to provide more private sleeping quarters, repairing the deteriorated west wall, and replacing the existing membrane roof. The Authority intends to complete all improvements as a single, coordinated project (Project) using available financial resources to self-fund the work. Because the facility must remain operational throughout construction, the project requires careful planning, sequencing, and coordination to minimize disruptions to emergency response services. Early involvement of a Construction Manager/General Contractor (CM/GC) will allow the Authority and the contractor to collaboratively develop construction phasing, identify operational constraints, evaluate constructability, and implement strategies that maintain uninterrupted public safety operations while construction is underway. The Authority further finds that the ability to evaluate and select a contractor based on qualifications, relevant experience, and demonstrated expertise with occupied public safety facilities will significantly improve project outcomes. Early contractor involvement will assist in identifying cost-saving opportunities, refining project scope, mitigating unforeseen conditions, and reducing scheduling conflicts before construction begins. The CM/GC project delivery method has been successfully utilized by numerous public agencies throughout Oregon to reduce financial risk by improving collaboration, minimizing delays, reducing change orders, and providing greater cost certainty through preconstruction services and negotiated Guaranteed Maximum Pricing (GMP). Based on these demonstrated benefits, the Authority finds that use of the CM/GC method for this project is reasonably expected to reduce project risk, improve schedule performance, and deliver substantial value to the Authority through increased efficiency and long-term cost savings.

3. Public Benefit. Efficient completion of the repairs and remodel will address the nonconforming structural elements necessary for station living and could potentially undermine Authority's response to localized hazards, or result in the partial or complete functional integrity of the building. A CM/GC coordinated approach increases the ability for Authority to mitigate the risk of structure failure and to continue to provide a dedicated standard of care to the public. There will be a general public benefit from the expeditious construction of the Project by improving the facilities while minimizing impacts to operations. In addition, the public will benefit from the improved quality and lower cost of the pilot project anticipated through use of the CM/GC process. Approving the CM/GC exemption will allow a contractor to be hired earlier in the process than the traditional design-bid-build process. In turn, this better enables the Authority to complete the Project on time. Creating a Project team at the start of the Project, comprised of the Architect, the Authority, and CM/GC creates a more informed and better

quality decision-making process. A more efficient construction team reduces the Authority's financial exposure and enhances delivery of the Project. The Authority, therefore finds that the CM/GC alternative contracting method is required to ensure a qualified general contractor is retained for the Project, while addressing time and cost constraints.

4. Value Engineering. The RFP selection process, early involvement of the contractor, and negotiated contract approach gives the contractor a significant opportunity to engage in value engineering (i.e. the evaluation of what a system does as compared to cost). The selected CM/GC will be brought on board immediately following award of a contract in order to assist the Project team with construction scheduling, phasing, costing, operator interaction issues, quality assurance, and design constructability reviews. The selected CM/GC will also advise the Authority and the design team regarding specialty construction issues and any long lead time procurements. CM/GC contributions to the design phase permit a collaborative approach to value engineering which ultimately translates into time and cost savings realized by the Authority. Construction issues which may not otherwise be known to the design team can be factored in and addressed while the design is drafted. In turn, this results in a higher quality product, lower costs, and a telescoped timeline.

5. Specialized Expertise. The challenge of completing the Project in operational fire response facilities is significant. It is important to utilize a general contractor that has demonstrated expertise in managing, scheduling, and performing under these conditions in a satisfactory manner. The Authority, therefore, finds that selecting a firm through an RFP process allows the Authority to contract with a firm with the appropriate CM/GC expertise. The necessary mix of experience and expertise for a CM/GC contractor cannot be adequately evaluated in a formal lowest responsible bid selection process. A qualified project manager with strong leadership skills is one of the components required for a successful CM/GC project. The RFP process will allow the Authority to review the qualifications of each proposer's project manager and confirm the manager's ability, experience, record of quality, past performance and integrity needed to carry out the proposer's contractual obligations. The process will also allow the Authority to identify qualified teams that have met critical deadlines in past projects and that have the ability to work collaboratively to meet Project needs. The costs for such specialized expertise are included in the overall Project budgets and will be included within accepted GMPs.

6. Funding Source. Approving the CM/GC exemption will allow a contractor to be hired earlier in the process than the traditional design-bid-build process which will enable Authority to complete the Project diligently. Because the Authority plans to use current cash on hand for the Project, the CM/GC exemption will be the most cost effective and efficient means of Project completion given the nature of repairs and remodel needed. The CM/GC process, with its maximum price provisions, value engineering potential, constant oversight from a project manager, and construction input beginning in the design phase will help the Authority stay within its budget and wisely spend public funds.

7. Market Conditions. Identifying and contracting with the full Project team at an early stage will allow the Authority to capitalize on current market conditions, rather than having them affect a later bid/build phase. Such cost and market variables can be anticipated in the GMP, but ultimately should have no effect on the Authority. The CM/GC subcontractors cannot go over the GMP, but may come in under the GMP, and the Authority will realize those cost differences.

Having a qualified CM/GC play a role as an integrated team member early in the Project with the Authority and other Project members provides advantage to the Authority, as it adds expertise to the design phase which translates into Authority savings and provides more budgetary certainty.

No negative financial impacts to the Authority are expected as a result of using the RFP solicitation process to select a CM/GC for the Project. There is a sufficient pool of qualified Oregon-based construction companies with expertise in the type and size of project planned, and there are additional qualified firms located in the greater Pacific Northwest. It is anticipated that a substantial number of competitors will submit proposals for this Project, allowing the Authority to select from among a number of qualified contractors.

8. Technical Complexity. Because of the site and schedule constraints, effective project planning and coordination will be crucial among the Authority, project manager, and CM/GC. Strong budget and schedule controls will be essential. The conventional design-bid-build approach would contain too much risk for the Authority on this Project. The CM/GC will bring specific construction expertise to the team process and assist in addressing specific Project challenges as part of its pre-construction services. The CM/GC will also provide input on issues such as operations of the facility during construction, public safety, phasing and coordinated scheduling. The CM/GC method encourages innovative planning and coordination that further improve the construction schedule and on-site conditions. The ability to coordinate and manage this project would be especially challenging to an inexperienced or narrowly-focused team. The RFP process allows the Authority to consider the proposer's experience and expertise in completing this type of work, its sensitivity to safety, legal, and operational issues, and the qualifications and experience of its project manager and support team.

9. New Construction or Renovation of an Existing Structure. The Project involves renovation of existing structures.

10. Occupied or Unoccupied During Construction. The Authority facilities will be in use and occupied during construction, adding to the Project's technical complexity and need for a coordinated team.

11. Single Phase or Multiple Phases of Construction Work to Address Specific Project Conditions. The Project includes a multiplicity of technical issues related to structural upgrades, electrical systems, plumbing systems, HVAC systems, and egress, as well as complex sequencing and phasing of work in an occupied fire station that will remain fully operational during the course of construction. It is important to the Project's success for both budget and schedule that the Authority have a general contractor that understands the complexity, has the ability to manage these types of complex projects, and develops bid instructions to attract appropriate subcontractors to perform Project work. The Authority, therefore, finds that selecting a firm through the CM/GC method allows the Authority to contract with a firm with the needed technical phasing expertise.

12. Whether the Authority has the Personnel, Consultants and Legal Council that have Necessary Expertise and Substantial Experience in Alternative Contracting Methods. Staff, in conjunction with the Architect (who was chosen based upon qualifications and experience with the CM/GC project delivery model), an experienced contractor, as well as other Project team members and the Authority Legal Counsel, together, will have the level of expertise with the

CM/GC alternative contracting method needed to produce a high quality Project outcome. The Authority acknowledges that the expertise will come primarily from non-staff elements. To this end, the Authority contract with the chosen Architect obligates the Architect to assist with and oversee the CM/GC selection process.

13. Unlikely to Encourage Favoritism or Substantially Diminish Competition. As noted in Finding 1, CM/GC competition will be encouraged through the use of an RFP solicitation process, with notice of the RFP published so as to reach a wide range of potentially interested proposers. No reduction of competition is expected since the RFP for this CM/GC contract will be advertised in the same manner as a traditional low bid solicitation, with full disclosure of the planned CM/GC alternative contracting method. Uniform evaluation criteria will be used in the selection and award of the CM/GC firm, and the construction work elements will be subcontracted and procured through open competitive bids managed by the CM/GC and based on identified selection criteria. Favoritism cannot play a role in the selection of the CM/GC, as award will be based upon set, weighted RFP criteria. All qualified firms will be able to participate in an open, competitive selection process, with an opportunity to protest the award before it is final.

14. Will Result in Substantial Cost Savings. The CM/GC contracting method has the potential to achieve substantial cost savings for the Authority through the involvement of the contractor in the design phase of the Projects. Early input by the CM/GC during the design process is expected to contribute to general cost savings through constructability assessments, life cycle cost analysis, and value engineering. By having the CM/GC available before the design is finalized, the contractor is able to participate in the design, propose cost saving revisions, and ensure the constructability of the Project so that costly change orders are less likely.

Cost savings will also be realized because, through the RFP selection process, the Authority can select a well-organized, experienced CM/GC. This should also lead to fewer change orders and, in turn, reduce staff and Architect time to design, negotiate, and administer the changes.

Lastly, the CM/GC method allows for early procurement of major equipment, allowing the Projects to avoid cost increases due to material shortages or cost escalation. If subcontracted costs are less than identified in the guaranteed maximum price, some or all of the savings will be passed on to the Authority under the agreement required of the CM/GC.

15. Time Savings. An exempt CM/GC process allows the Authority to condense the overall time required to complete construction of the Projects by enabling the Authority to procure construction services simultaneously or shortly after soliciting Architect services. Having the CM/GC on board early in the process allows for coordination in the development of the Project construction schedules and the initiation of early site work, where advantageous or warranted. This can help to shorten construction periods and minimize construction operational impacts. Early detection of potential construction difficulties, from a contractor's view, can also prevent potential delays and costly and time-consuming change orders.