



Pacific Crest Middle School
Secure Entry Vestibule

Reynolds School District

Proposal for Construction Manager/General Contractor for the
Reynolds Secure Entrances District Wide

4. PROPOSAL FORM

CONSTRUCTION MANAGER/GENERAL CONTRACTOR (CM/GC) SERVICES

Reynold School District – Secure Entrances District Wide

The undersigned proposer submits this proposal in response to the Reynolds School District’s Request for Proposals (RFP) dated March 28, 2015, for the contract named above. The proposer warrants that proposer has carefully reviewed the RFP and that this proposal represents proposer’s full response to the requirements described in the RFP. The proposer further warrants that if this proposal is accepted, the proposer will contract with the Reynolds School District, agrees to all terms and conditions found in the attached contract, and will provide all necessary labor, materials, equipment, and other means required to complete the work in accordance with the requirements of the RFP and contract documents.

No proposal will be considered unless the proposer is licensed with the State of Oregon Construction Contractors Board, pursuant to ORS 701.055 (1), prior to submitting a proposal. The proposer hereby acknowledges the requirement to carry or indicates the ability to obtain the insurance required by the contract documents. Indicate in the affirmative by initialing here:

The proposer hereby acknowledges receipt of Addendum Nos. 1 , , to this RFP. Name of

Proposer: Business Address: Telephone Number: Fax Number: Email Address:

Kirby Nagelhout Construction Company

20635 Brinson Blvd. Bend, OR. 97701

Phone 503-530-8420, Fax 541-385-5834, miket@kirbynagelhout.com

Authorized Signature:



Printed/Typed Name: Michael C. Taylor

Title: Vice President

Date: April 28th, 2016

State of Oregon Construction Contractors Board License No: 95590

Note: Complete and execute this form and include as the first page of the proposal.

**Reynolds School District - Secure Entrances District Wide
Construction Manager/General Contractor (CM/GC) Services RFP**



Reynolds School District #7
1204 NE 201st Avenue
Fairview, OR 97024

4/28/2016

Re: RFP – Construction Manager/General Contractor Services - Reynolds Secure Entrances District Wide

Reynolds School District,

We are pleased to submit Kirby Nagelhout Construction Company's (KNCC) response to the "Request for Proposal" for the upcoming Safety and Security Upgrades at Alder, Davis, Glenfair, Hartley, Margaret Scott, Salish Ponds, Sweetbriar and Woodland Elementary Schools as well as HB Lee, Reynolds and Walt Morey Middle Schools, Reynolds Learning Academy-West and the Edgefield Campus. We have a high level of interest in these projects and are committed to meet all of the requirements of the RFP. We feel we are uniquely qualified for these projects and have significant experience in the Oregon Public CM/GC process.

This summer KNCC will celebrate our 30 year anniversary in the construction business and during that time, we have gained significant experience in the construction and renovation of many such K-12 security improvement projects. Education projects accounts for more than 50 percent of our work history and we have completed more than 85 K-12 and Higher Education projects in Oregon. Many of these K-12 education projects included advanced security upgrades and construction practices which help insure school safety. KNCC staff of professionals understands the importance and expectations of insuring that schools are a place where students, teachers and staff feel safe and protected. Additionally, to better understand the expectations of the Reynolds School District policy regarding background and security verification, KNCC staff attended the work session conducted by the Reynolds School District on March 16.

In September 2015, KNCC completed two K-12 projects for the Bend La Pine School District that had significant security upgrades. Pacific Crest Middle School and Silver Rail Elementary School each had significant exterior safety upgrades which help insure student and staff safety. Additionally KNCC is in the process of completing several existing school upgrades and renovation work for the Pendleton School District which includes safety and security upgrades to Sunridge Elementary, Pendleton High School and McKay Elementary School. Working in and around in session schools and occupied buildings is also a specialty of KNCC.

Kirby Nagelhout Construction has the experienced dedicated staff to insure the Reynolds School District the successful completion of these critical school safety improvement projects. If I can answer any questions or be of additional assistance, please contact me.

Respectfully,

A handwritten signature in blue ink, appearing to read "Mike Taylor", is written over a white background.

Mike Taylor, Vice President
miket@kirbynagelhout.com
office: 541-389-7119 cell: 541-410-4574

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Portland, OR 97223

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2.1 Management of Work

A. Overall Preconstruction Services Plan

Construction management of a CM/GC project begins on day one in the pre-construction phase and continues through the construction phase into closeout. KNCC recognizes the importance of each of these phases and will utilize our systems and expertise to ensure the Reynolds School District's goals and needs are met in each phase.

PRE-CONSTRUCTION PHASE MANAGEMENT

ESTABLISH TEAM GOALS FOR THE PROJECT

Our approach to the construction management of the design phase ensures the district's needs are met. We establish team goals for the project, and lead in the areas where our expertise contributes to the goals. KNCC uses a methodical process of evaluating the structural materials and affected systems, providing detailed accurate estimates. Development of project goals will occur collaboratively between the District, Day CPM Services, BLRB, and KNCC.

The established goals serve to guide the team through all decisions made during design and construction of the project. They will be displayed as a constant reminder on various forms of communication throughout the process. As the District's CM/GC partner in the design phase, KNCC will incorporate team goals and needs into our estimating, constructability analysis, value engineering, and logistical and planning services and continue communicating these goals through the construction phase.

DESIGN PHASE MANAGEMENT

Our job in pre-construction is to be a collaborative partner to the team, providing insight from a veteran contractor's point of view. We have the overarching purpose of maximizing scope and value in the design and meeting the District's budget and needs.

Deliverables to be provided by KNCC at each design estimate:

- Fully detailed milestone estimates reflecting the current design utilizing KNCC's cost database to accurately estimate building components not fully detailed.
- Results of our building component evaluation process and constructability review.
- Master schedule outlining the project from design to construction completion.
- Value engineering ideas, decisions, and costs tracked in our **Building Component Selection Log (BCSL)**.

KNCC's building component evaluation process is a method of analyzing materials and systems in a manner that facilitates prompt decision making by all team members. To be efficient, designers and owner's need quick and accurate cost, quality, schedule, and constructability information from their CM/GC partner.

KNCC reviews every major system and component in detail and logs any notable items on the Constructability Review Log to help identify opportunities for better value and better quality. Any cost impact to the budget, and associated decisions, will be logged on the Building Component Selection Log, discussed later, to capture those potential budget modifications. From this review we provide information on:

- Initial and life cycle cost
- Schedule, quality, and durability reviews
- Constructability analyses
- Value engineering recommendations
- Adjacent system impact assessments

This information allows the team comprised of the District, Day CPM, BLRB, and KNCC to make completely informed decisions regarding the direction of design and budget. KNCC will provide detailed information as needed through the design phase to help guide decisions.

As decisions are made regarding specific materials and systems, KNCC documents those decisions in the Building Component Selection Log (BCSL). This log tracks decisions and allows all team members to know where the budget stands at any moment in time, especially between milestone estimates.

This organized process and detailed information provides multiple advantages to the District:

- Smooth and efficient design process, resulting in more efficient design team efforts
- Scope guidance to maximize budget goals
- Easy information flow throughout the team with decision tracking
- Organized project information for the District to share with their board and stakeholders

QUALITY CONTROL FOR DESIGN

Delivering a high quality and durable facility is equally as important as completing the project on schedule and within budget. As the design process advances, quality control focuses on specific products and systems. Initial reviews are performed to identify longevity, durability and required maintenance. Details that affect critical systems like the exterior envelope are reviewed by our team and suggestions to improve the system are discussed with the design team.

The goal of these efforts will be to develop a clear construction document that enables the construction team to coordinate, execute and validate high quality installations of all building systems.

BID DOCUMENTS

Building component analysis, pre-construction planning, and document review culminate in the development of complete and accurate bid documents that clearly define quality expectations, define schedule requirements, and make subcontractor expectations clear from bid day to final acceptance. Clear, concise KNCC bid documents guarantee:

- Scope is defined to each trade, ensuring no work is missed or duplicated, and pricing is accurate.
- Quality expectations are detailed, including adherence to KNCC's 7-step quality control program, submittal procedures, mock-up requirements, and commissioning requirements.
- Detailed schedule requirements are known by all bidders. This includes dates submittals must be delivered, procurement timelines, durations for specific scopes of work, and location they will be working in.
- All bidders know behavioral expectations of working on a school district project and safety requirements.
- Every aspect of the project is defined up front, allowing all bidders to submit fully informed bids that will effectively lower cost.

PRE-CONSTRUCTION SUCCESS

KNCC's proven procedures and management staff ensure a successful pre-construction effort. We are committed to providing the best value and maximum scope of work for your budget through accurate estimating, accurate scheduling, and complete bid document development resulting in a smooth construction process.

SUBCONTRACT PLAN FOR MWESB FIRM INVOLVEMENT

Our subcontract solicitation and procurement process described in this section is proven and includes targeted efforts towards MWESB firms. KNCC possesses the database of all MWESB firms in the state and will target these folks through advertisements in minority publications, postings at OAME, and personal phone calls by project team members promoting interest in the projects. Our passion for and success in community involvement and MWESB firm involvement is second to none.



William E. Miller Elementary School

B. Key Issues and Risks

On a school upgrade/renovation project, there are several key risks to the success of the project.

PROBLEM SOLVING

Past clients and design team members have commented on KNCC's strategy for problem solving of always trying to find the best solution for the project. If all team members work towards this goal, it will help make sure the project, and the team, are successful. With multiple sites, unique challenges will be identified for each building and KNCC will prepare suggestions to mitigate any problems.

PLANNING FOR SUCCESS

Working on similar school security upgrade renovation projects in the past and currently, the biggest challenge is optimizing the schedule to complete the entire scope in the short summer breaks. KNCC attacks this challenge with the following key elements:

- A detailed schedule and thorough plan developed during preconstruction
- Early procurement of long lead items, having materials ready and waiting for start of summer.
- Early work phasing to allow optimal usage of summer for major construction activities.
- Night shift work if required.
- Double shift work if required.
- Opportunities for enhanced efficiencies between sites
- Early planning for closeout and Substantial Completion on time.

EARLY INVESTIGATIONS

With any remodel, it can be challenging to discover all existing conditions that could affect design and constructability. KNCC's experienced staff will immediately begin investigations, including invasive investigations if needed, in the building confirming details and the methods of how we will implement the design and provide any comments on constructability concerns. This may be as simple as removing ceiling tiles or as complex as sawcutting concrete to find existing conditions. All work will be conducted safely and covered for safe student usage until summer.

This information will be documented and incorporated into subcontractor bid documents so they have a clear understanding of how best to execute the design and minimize unforeseen items during construction. This time spent by KNCC upfront will provide for a better initial plan and schedule minimizing potential for delays or cost impacts.

C. Work Sequencing and Phasing

PHASING AND PACKAGING

Projects, such as this one, feature smaller portions of work that require bid packages clearly defining the scopes of work, unique phasing requirements, logistics, and optimized packaging of scopes for bidding purposes.

KNCC's past successes of identifying critical, long lead procurement items, such as door hardware, store-front systems, and electronic hardware, and working to procure those items ahead of time to provide a quicker start once school is out will maximize the summer work providing for a successful project.

Additionally, a staging yard either on or off site will be setup and any pre-work would take place without impacting school operations. If it is acceptable to the District, select minor scopes of work could take place during the evenings or nights when the school is vacant if advantageous to the schedule. These opportunities would be clearly communicated to all stakeholders, including teachers, and proper security, safety and cleaning efforts would take place. All badging will be in place at this time.

Having maximized procurement and investigation prior to summer, the summer activities will consist of the major renovation work. Starting in the identified staging areas will allow for the other parts and pieces of the work in the adjacent spaces to take place. Activities will be clearly scheduled in the bid documents and executed in this phase to optimize subcontractor's efforts, thus resulting in lower bid costs and maximum value for the District.

This plan requires detailed scheduling and bid documents from the onset for all three summers and will be repeated successfully for all three summers. KNCC's successful past experience executing invasive remodels of schools during short summer work periods at Mountain View High School, Bear Creek Elementary School, Pendleton School District's district wide improvements, among others will provide assurance to the Reynolds School District the work will be completed without interruption to the start of school September 2016, 2017, and 2018.

D. Fast Track Project Approach

The above phased approach, with initial investigation work taking place during Spring Break and procurement for preparation of the short summer period work is the key to success for fast track, summer school projects such as this. KNCC's schedule will reflect a day-by-day, and hour-by-hour, plan in an easily understood format which will ensure expectations are understood by all. With daily schedule reviews, any threats to the schedule will be immediately identified and plans will be immediately rolled out to correct the work, never jeopardizing the fixed completion date and start of school.

*E. Plan for Good Relationships with Project Team Members***FOCUS ON THE PROJECT**

We pride ourselves on exceptional customer service, quality project delivery, and being an irreplaceable project team member. We achieve this through the following key attributes:

- A positive attitude
- A problem solving process focused on the project
- Proven project management systems
- Frequent and timely communication
- Transparent management

KNCC provides updated information at each team meeting and always updated information on our cloud based project management program, *Procore*.

During preconstruction and construction, if a problem or challenge arises, KNCC will work with the team to determine a strategy with a focus that is in the best interest of the project. Solutions are analyzed with an attempt to mitigate impacts to schedule, quality, and budget, all of which are critical elements for the success of this grant funded school project. Problem solving with the project's best interest as the focal point, will yield success for the project and all parties involved.

As discussed elsewhere in this proposal, part of this focus on the project includes a focus on the successful involvement of local and diverse partners in the community. Our team is personable and committed to community involvement with a passion for inclusion. Our focus on the project and the team will include support of the District's Local and Diverse Partnership Program (LDPP) and promotion of community partnerships.

Our processes, tools, and significant experience will be a key success factor for maintaining excellent relationships from project start to completion.

"I have no reservations in highly recommending this firm for any construction work, large or small. They successfully completed for me some of the most complex projects on time and within budget" **Paul Eggleston, Retired Facilities Director, Bend LaPine School District**

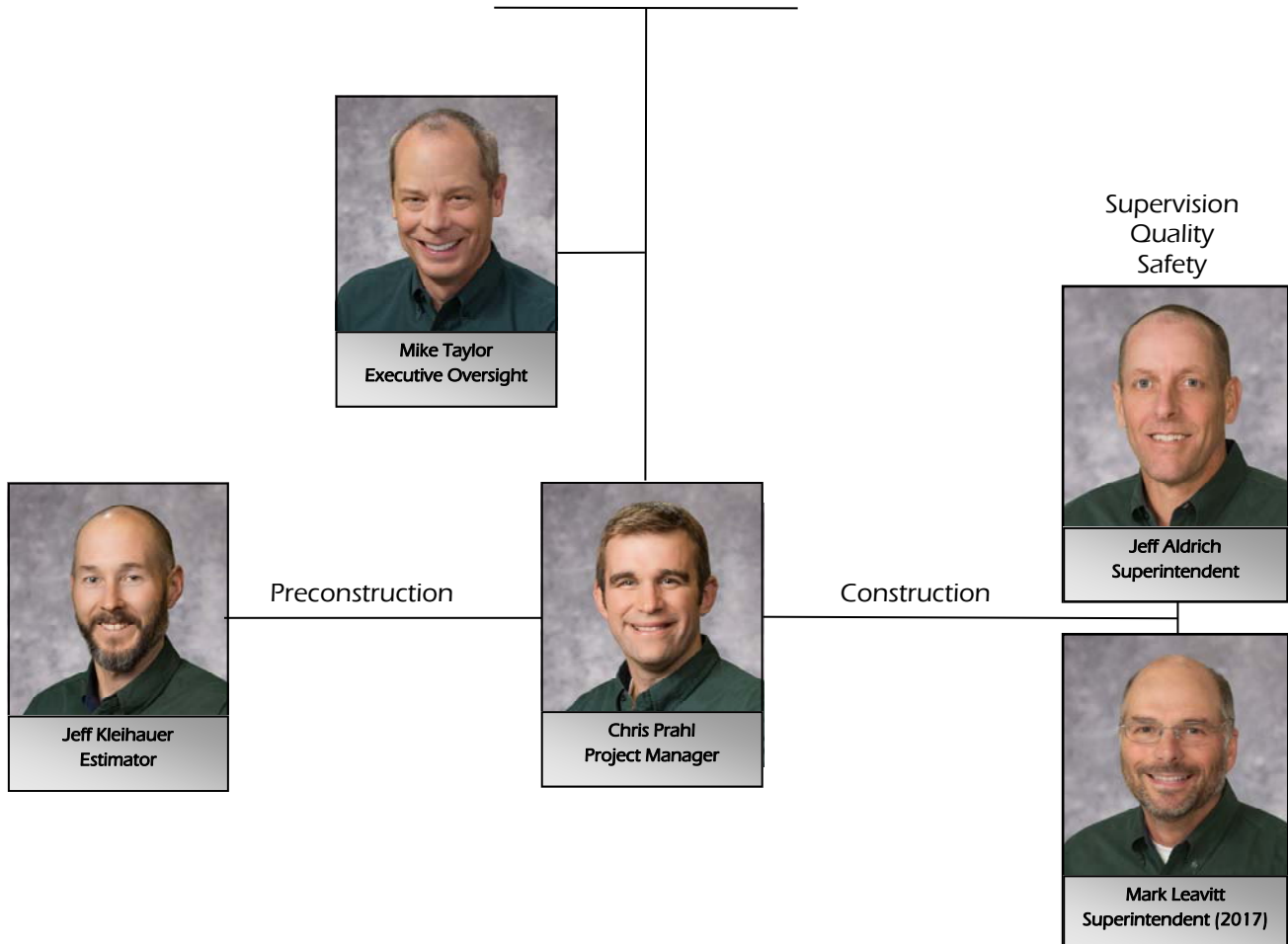
2.2 Personnel & Organization

A./B. Project Organization Chart

PROJECT TEAM

KNCC’s team is comprised of individuals who thrive in the collaborative environment of the CM/GC process. They work to build quality projects and lasting relationships with the team of project owners, architects, and other stakeholders. All members of the proposed team have significant experience in sustainable construction, K-12 and educational projects, CM/GC contracting, and public construction projects.

As a company we work closely together during the design and construction phases of each project always focused on adding value to the process. Executive level involvement is the standard. Mike Taylor will be highly involved in pre-construction efforts and participate in many of the day to day decisions and activities during the construction phase. Chris Prah, Jeff Aldrich and Mark Leavitt will form a cohesive team of on-site managers and are committed to the success of your project. Jeff Aldrich will be involved in all three summers while Mark Leavitt will join the team for the summer of 2017 to support the 8 sites being renovated. KNCC’s experience with multiple site educational summer projects has helped us understand the staffing needed to ensure success of this project.



B./C. Resumes, Percentage on your Project, and Location**Mike Taylor***Vice President—Executive Oversight*

Mike has 32 years of construction experience and has been with KNCC since 1991. He has been involved in a wide range of projects and has extensive experience in Oregon public CM/GC work. As KNCC's Vice President, Mike plays a critical role in pre-construction services and his innovative solutions, constructability analysis, and scheduling expertise have resulted in substantial savings to project owners. Mike works to develop solutions centered on the needs of the client and the demands of the project before construction starts while expanding options and creating efficiencies. This service-oriented approach will ensure Reynolds School District gets the most value for their money.

Level of Involvement

Preconstruction - 20%

Construction - Oversight

EDUCATION

Oregon State University

PROJECT EXPERIENCE**Bear Creek Elementary School**

10,000 square foot addition and 53,000 square foot renovation to the existing school including new wood framed construction, completely new electrical and data systems, new interior finishes, ADA upgrades to restrooms, and new HVAC system and controls throughout the facility.

\$4,776,667 (Public CM/GC)**2010, 6 month project****Angus Eastwood, Bend LaPine School District, Facilities Development Supervisor, 503-807-4125****Pendleton School District, District-Wide Upgrades (Public CM/GC) 2015**

Pendleton School District's 2015 District-Wide Upgrades projects consisted of safety and security upgrades, IT infrastructure upgrades, HVAC upgrades, re-roofing, and various architectural improvements at McKay Elementary School, Sunridge Middle School, and Pendleton High School.

\$5,517.235 (Public CM/GC)**2015, 4 month project****Dave Fischel, Wenaha Group, Vice President, 541-215-0443****Helix School District Capital Improvements—Griswold High School (Public CM/GC)**

The Helix School District Capital Improvements included a rehabilitation of the existing 15,000 square foot Griswold High School (1926). Work included construction of two new classrooms, two new restrooms, complete remodel of existing restrooms, ADA improvements throughout, new elevator, classroom remodels, administrative offices, HVAC system and electrical system replacement, and a new stand-alone 11,500 square foot practice gym.

\$4,142,000 (Public CM/GC)**2013, 12 month project****David McKay, HMKCO, Project Manager, 503-453-2836**



Chris Prah
Project Manager

Chris has been with KNCC for 10 years, and has been a Project Manager and Superintendent nearly that entire time. With over ten years of construction experience, Chris has managed a variety of public CM/GC and design build projects. Chris has been involved in the pre-construction phase of various CM/GC projects, including Warm Springs K-8, UUFCO New Home Project, and Bear Creek Elementary School Renovation. Chris is a team player with an eye for detail and prides himself on working as part of a team with designers and clients throughout the pre-construction and construction phases. He will pay close attention to the Reynolds School District's objectives and ensure all are properly implemented and coordinated.

Level of Involvement
Preconstruction - 20%
Construction - 80%

EDUCATION

B.S. Civil Engineering, Business Administration—Oregon State University

PROJECT EXPERIENCE

Warm Springs K-8 School (Public CM/GC)

The Warm Springs project consisted of a new 83,000 SF K-8 school facility on 20-acres in the Warm Springs Reservation. As the owner's preconstruction partner KNCC aided significantly in maximizing scope and value through our thorough approach to preconstruction with multiple bid packages and strategic alternates.

\$18,053,902 (Public CM/GC)

2014, 14 month project

Dave Fischel, Wenaha Group, Vice President, 541-215-0443

Bear Creek Elementary School (Public CM/GC)

10,000 square foot addition and 53,000 square foot renovation to the existing operational school including new addition, completely new electrical/data systems, new interior finishes, ADA upgrades to restrooms, structural upgrades, and new HVAC system with controls throughout the facility.

\$4,776,667 (Public CM/GC)

2010, 6 month project

Angus Eastwood, Bend LaPine School District, Facilities Development Supervisor, 503-807-4125

Hillside Elementary School

(Public Prequalified Hard Bid)

53,200 square-foot new elementary school has created excellent educational spaces with the use of economical materials and construction methods. This project included a multi-purpose gymnasium space and a large commercial kitchen.

\$8,261,325 (Public CM/GC)

2012, 14 month project

David McKay, HMKCO, Project Manager, 503-453-2836



Level of Involvement
Preconstruction - 20%
Construction - 100%

Jeff Aldrich *Onsite Superintendent*

Jeff is an experienced construction superintendent with 10 years of experience building the most technical and highest quality construction projects. Jeff also owned his own general contracting company for 5 years. Jeff recently joined KNCC and is quickly providing significant value to our Portland office and company operations. Jeff has recent experience working on such projects as Corbett High School Library remodel and microchip cleanroom construction in Hillsboro, New Mexico, and Arizona.

Jeff's background includes owning his own business which helps in the appreciation for responsible stewardship of project funds and the importance of the highest quality construction by doing things right the first time. He will bring this background and strong work ethic to the Reynolds School Districts Middle School Secure Entrances project.

EDUCATION

Embry-Riddle Aeronautical University

PROJECT EXPERIENCE

Corbett High School Classroom Conversion. (Public Hard Bid-With Previous Employer)

Fast track conversion of existing library space to two code and ADA compliant classrooms including design and production of record drawings. Hollow metal doors, windows, framing and acoustical ceiling grid in a six week duration.

2007, \$70k

Corbett School District, Business Services 503-261-4200

Intel D1C Basebuild and Tool Installation (Private CM/GC-With Previous Employer)

New construction of 130,000 s.f. of cutting edge semiconductor manufacturing space incorporating a number of unique elements and producing several firsts in the microchip industry. Heavily involved in all aspects from design to certification including installation of process "tools" and utilities.

1999-2003, \$45m

Intel Fab 32 Basebuild (Private CM/GC-With Previous Employer)

Installation of 140,000 s.f. of Cleanpak gel seal ceiling grid, suspension system and seismic restraints. Also responsible for installation of fall arrest system to provide 100% tie-off capability above the ceiling.

2012--2013, \$25m

Intel Fab11X VOC Abatement (Private CM/GC-With Previous Employer)

Excavation and placement of 650 cubic yards of concrete slab and foundation to accommodate 450 tons of structural steel, six Munters gas fired VOC abatement units, 1500 linear feet of 60 inch diameter duct work, three 132 foot exhaust towers and tie in to operating facility without interruption.

2010-2011, \$15m

Rick Boucher, Intel NM (Rio Rancho) 505-794-0889



Mark Leavitt

Onsite Superintendent (Summer of 2017)

Mark has been an employee of KNCC since 2013 and has over 20 years of construction experience. Mark has been involved in managing several CM/GC and K-12 school projects, and has just completed the new Pacific Crest Middle School for the Bend-LaPine School District. Mark's experience and track record with ground up and remodel construction under tight time constraints, and ongoing operations is exemplary and qualifies him as a strong candidate to contribute on our team for the Reynolds Secure Entrances Project.

Level of Involvement

Preconstruction - 0%

Construction Summer 2017- 100%

PROJECT EXPERIENCE

Bend LaPine School District Middle School (Public Hard-Bid)

The project consists of the construction of a new 121,000 sq.ft., 2-story middle school., and will house approximately 800 students.

The interior learning spaces will include six communities, each with three learning studios (classrooms). Each community has a science lab, collaboration space, and smaller area for quiet studies. Finishes will include CMU, sheet metal siding and roofing in earth tones, with the mass of the building being broken up by multiple roof forms. Large exterior windows and clerestories were designed to provide natural lighting to interior spaces, as well as provide a connection from the building's interior to exterior learning areas.

\$28,320,995

2015, 14 month project

Angus Eastwood, Bend LaPine School District, Facilities Development Supervisor, 503-807-4125

Unitarian Universalist Fellowship of Central Oregon (UUFEO) (Private CM/GC)

This project consists of mas excavation and utility work on an approximately 12.5 acre site for the construction of a new approx. 17,000 sq.ft. church.

Design highlights include a 250-seat sanctuary, seven meeting/classroom spaces, a catering kitchen, an administrative office suite, and support spaces. In addition to its primary use, the building will serve the community as an event and performance space, a preschool, and will host yoga classes, art exhibits, and other community meetings.

\$7,927,456

2015, 10 month project

Michael Marino, Marino Consulting, Project Manager, 541-325-1510



JEFF KLEIHAUER

Lead Estimator

Jeff has 27 years of construction and estimating experience and has been with KNCC since 2007. Jeff's intimate knowledge of construction costs and extensive CM/GC budgeting experience allows the project team to make timely decisions that bring value to a project. Jeff will take charge of the estimating process and remain available on an as-needed basis to support the team with any additional estimating needs that may arise through construction. Jeff has provided key estimating and pre-construction support to a variety of projects, including Warm Springs K-8 Academy and the Helix School District Capital improvements.

Level of Involvement
Preconstruction - 20%
Construction - As Needed

EDUCATION

Bachelor of Science—Conservation of Natural Resources—Kent State Univ.

PROJECT EXPERIENCE

Pendleton School District, District-Wide Upgrades (Public CM/GC) 2015

Pendleton School District's 2015 District-Wide Upgrades projects consisted of safety and security upgrades, IT infrastructure upgrades, HVAC upgrades, re-roofing, and various architectural improvements at McKay Elementary School, Sunridge Middle School, and Pendleton High School.

\$5,517,235 (Public CM/GC)

2015, 4 month project

Dave Fischel, Wenaha Group, Vice President, 541-215-0443

Sherman County Grade School Relocation & K-12 Facility Project (Public CM/GC)

Currently under construction, this project consists of renovations and additions to the existing middle and high school followed by a construction of a new grade school construction attached to the operational middle school and high school creating one functioning campus.

\$9,200,5625 (Public CM/GC)

2016, 14 month project

Michael Marino, Marino Consulting, Project Manager, 541-325-1510

Helix School District Capital Improvements—Griswold High School (Public CM/GC)

The Helix School District Capital Improvements included a rehabilitation of the existing 15,000 square foot Griswold High School (1926). Work included construction of two new classrooms, two new restrooms, complete remodel of existing restrooms, ADA improvements throughout, new elevator, classroom remodels, administrative offices, HVAC system and electrical system replacement, and a new stand-alone 11,500 square foot practice gym.

\$4,142,000 (Public CM/GC)

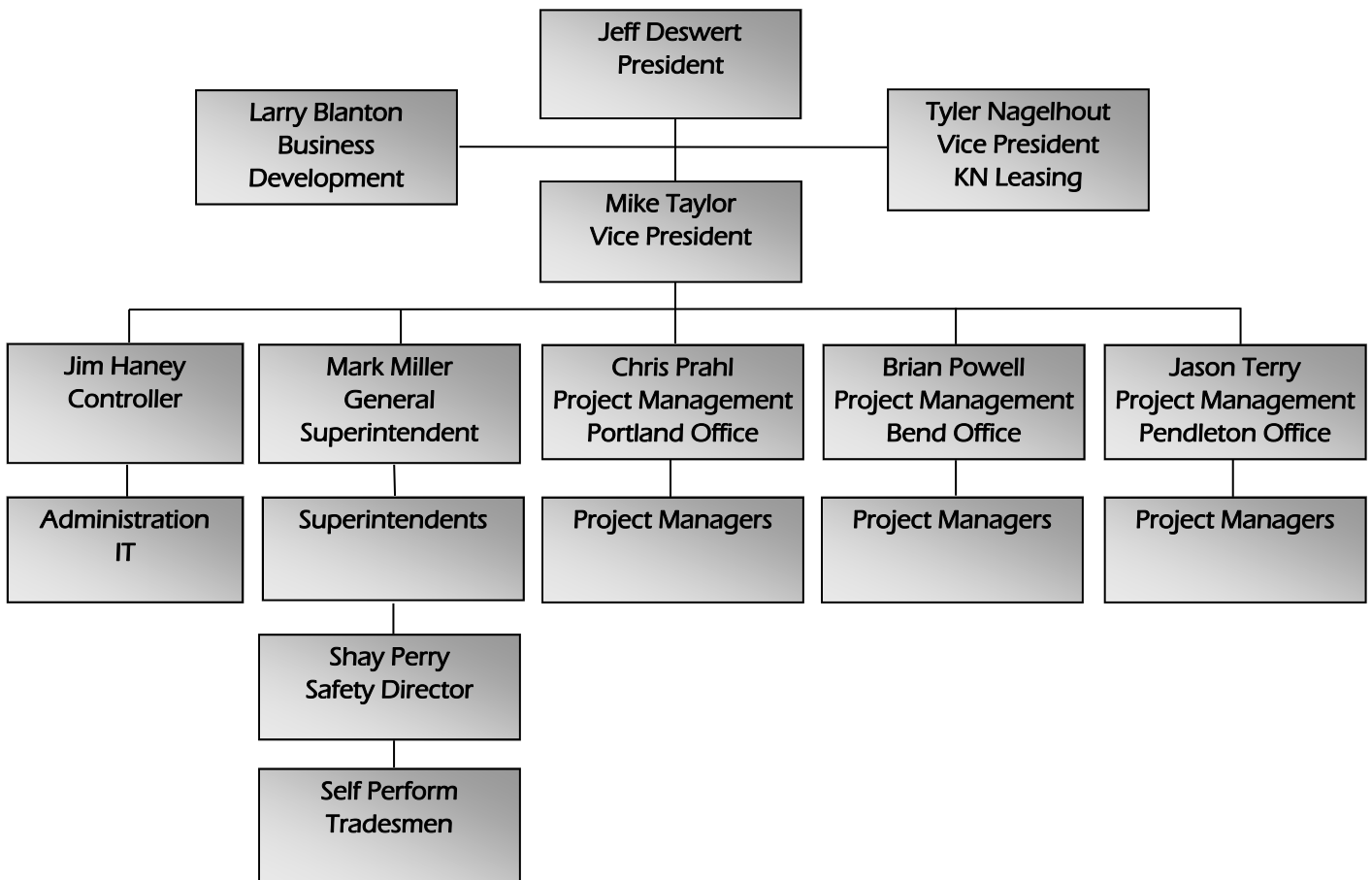
2013, 12 month project

David McKay, HMKCO, Project Manager, 503-453-2836

D. Company Organizational Chart

Kirby Nagelhout Construction Company was founded in 1986 and has steadily grown into the capable, reputable builder it is today. With a staff of over 100 employees who work on more than 75 projects a year, we offer the personal attention of a small company and the resources of a large scale commercial contractor.

Since our inception, we have grown into one of the largest Oregon contractors and we provide a wide array of construction services throughout the State of Oregon and into areas of Washington. With a growing network of offices throughout the state our geographical reach has never been larger, increasing our ability to respond to our client needs. Our newest office in the Portland area gives us the ability to dedicate resources locally to oversee the Reynolds School District’s District Wide Secure Entrances Project.



2.3 Cost Management

A. Cost Estimating and Value Engineering Approach

ESTIMATING TECHNOLOGY

KNCC's pre-construction and estimating team use the latest technology to provide quick, accurate, and meaningful estimates. Lead Estimator Jeff Kleihauer utilizes estimating tools to create estimates including *Timberline Estimating* and *On-Screen Take-Off*. These tools facilitate accurate material quantities and seamlessly integrate them into the estimate.

Utilizing these systems in tandem allows for quick and easy cost comparisons between different materials and systems across all scopes of work. Our team brings this capability to pre-construction meetings and promotes a team approach to fast and efficient decision making.

Our estimates even at the schematic level are detailed down to each activity for each system allowing for real time analysis of costs and review of scope down to the smallest detail. In between phases of estimating, we utilize our Building Component Selection Log to track decisions and adjust the budget in real time so all parties know exactly where the budget, and scope, is.

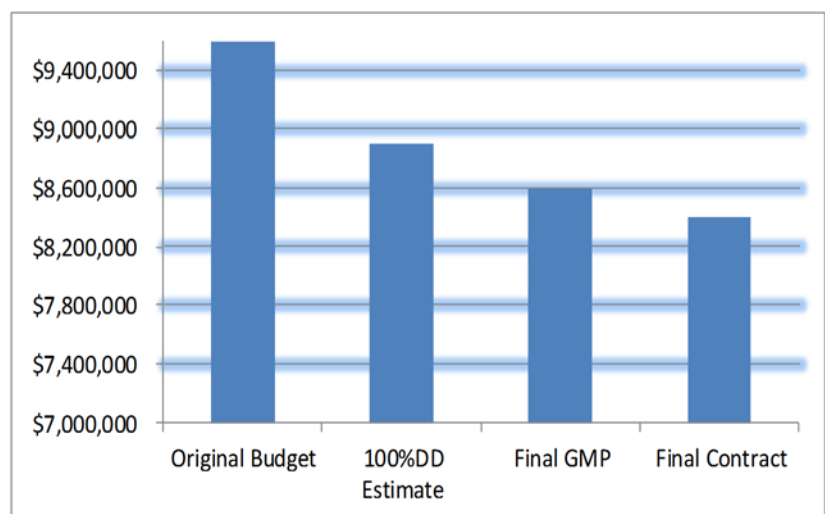
These tools prove successful on all of our CM/GC projects, including the following example.

Pre-construction Success—Mountain View High School

KNCC was selected as Bend LaPine School District's CM/GC partner toward the end of the design development phase. After a quick and detailed estimate by our estimating team, it was immediately clear that the district's budget was not enough to allow for all of the scope they wished to complete. We embarked on a thorough planning and building component analysis process to bring the project within budget.

- We thoroughly investigated existing conditions, looking for ways to incorporate the scope efficiently and reduced the budget.
- Innovative suggestions based on our research of systems and products reduced the budget significantly between the original estimate and the final GMP.
- Many of the implemented suggestions did not affect the program as they were hidden elements of construction, such as sewer piping and fireproofing.
- Through thoughtful pre-planning and superb execution we completed the project ahead of schedule further reducing final costs and ultimately met the district's budgetary goals.

Budget Amount—Mountain View High School



VALUE ENGINEERING

KNCC's methodology and experience with value engineering is based on the view that it is most effective when performed early in the design process, monitored effectively, and communicated to all of the project team. All systems that value engineering could add value too are identified early and tracked with KNCC's developing estimate during pre-construction. Each system is assigned a time period in the design schedule when it is most appropriate to select the proposed value engineering option that best suits the owners program. Evaluations of those systems will happen on schedule and allow the design team to move forward without costly delays or redesign efforts.

VALUE ENGINEERING SUCCESS PLAN

Upon award of the project KNCC will meet with the Reynolds School District, Day CPM, and BLRB. The purpose of this will be, first to meet as a team, then to gather the following information that is critical for a successful project:

- Understand the programing requirements.
- Review any "District Standards" for use of construction materials, mechanical systems, & technology.
- Review the existing building before demolition.
- Actively participate in design discussions, developing an understanding of the District's goals.

With this information we will develop our first estimate package. Deliverables will include the following:

- An estimate of the most current design documents that includes a detailed breakdown of all items in the design document and all assumptions made for details not yet developed.
- A review of conditions discovered in the physical exploration of the existing structure. The goal of this is to identify value engineering options that may exist in the current facility and communicate them to the team.
- The list of value engineering suggestions with both approximate costs and the optimal time to make those decisions. With this project consisting primarily of a remodel, time to value engineer for most the architectural systems is not as critical so the focus will be on what to demolish and the Mechanical, Electrical and Plumbing systems to utilize.
- The initial Building Component Selection Log. This is the tool, described elsewhere in the proposal, that KNCC utilizes to keep all of the potential and accepted value engineering items organized so the entire team can clearly see what the current financial status of the project is during pre-construction.

While at first glance value-engineering and pre-construction estimating can seem simple, it is in reality a process that without the proper organizational tools can devolve into chaos. The experience and the methods that KNCC will bring to the project will keep this process very organized and available for all team members to view at any time. That will in turn lead to project success.

B. Managing and Tracking Costs

TIMELY AND ACCURATE COMMUNICATION

KNCC utilizes technology thoughtfully to promote communication and following up with phone calls and meetings as needed. Routine updates of logs and meeting minutes are keys to communication of costs and other reports.

Subcontract invoices are reviewed monthly confirming accuracy of amounts billed. These subcontract and supplier billings, as well as changes, are entered into *Timberline* providing one complete job cost report. Up to date cost reports can be obtained anytime from virtually anywhere. KNCC's team will provide monthly reporting and cost forecasts in both pre-construction and construction phases including:

- Current job cost report and job cost forecast showing expected final costs.
- Building Component Selection Log
- Budget Transaction and Contingency Balance Log.

Reporting tells the District and BLRB where the budget and costs stand on a given day. Our job does not end at providing reports, KNCC actively manages and controls changes and claims protecting the District's funds.

COST CONTROL

Cost control begins during design. There is no better tool for managing costs during construction than pre-construction planning. That is what makes the CM/GC process with KNCC so effective. Cost control includes timely and accurate reporting, effective change management, and recognizing savings at the right time. KNCC's system provides one place to track job costs, budget transactions, and report status of subcontract changes. This provides an effective tool for accurate project accounting.

Kirby Nagelhout Construction Company														
Warm Springs K-8														
Project # 1171														
Change Order Request (COR) Log														
ISSUE NO	COR NO	Description	RFI	ASI	APR	Other	Date	GMP Acctgt	Rough Order Costs	Pending Amount	Approved CO Amount	Contingency Transaction	Date Submitted	Date Approved
007		Finish Schedule Clarifications	5				8/8/13	OR						
047		RTU1/RTU2 Weights				X		OR	-\$8,000.00					
056	046	Fire Extinguisher and FECC Changes			29		1/23/14	OR	-\$500.00					
060		Roof Valley Venting						OR	\$10,000.00					
067		Remove/Replace Rafters for Mech. Equip.				X		OR	\$5,000.00					
070		Diellate Roof Cjap Vents			23		1/6/14	OR	-\$2,500.00					
075		Offsite Water Pipe Changes			23		1/13/14	OR						
074	052	Computer Lab Flooring Clarification			24		1/15/14	OR		\$3,425.00			1/30/14	
075	060	SC1 at Opposite			25		1/16/14	OR		-\$914.00			1/29/14	
076		Backing at Cyp Board Control Joints				X	1/20/14	C	\$7,500.00					
077	061	Alternates 3, 4, and 7				X		OR		\$106,900.00			1/23/14	
078	063	Water Hose for Public Works				X	1/21/14	OR				\$4,217.00	1/30/14	
079		Concrete New Steps			26		1/22/14	OR						
080		Football and Play Field Changes			27		1/25/14	OR	\$80,000.00					
081		Coiling Door Electrical Connection			28		1/22/14	OR						
082														
083														
TOTALS									\$91,500.00	\$109,411.00	\$194,404.00	\$31,610.00		

CONTINGENCY SUMMARY	
Original Contingency Amount	\$485,759.00
Approved COs to Contingency	\$31,610.00
Current Contingency Balance	\$454,149.00
Rough Order Costs to Contingency	\$7,500.00
Pending COs to Contingency	\$0.00
Anticipated Contingency Balance	\$426,649.00

GMP SUMMARY	
Original GMP	\$17,619,597.00
Approved COs to GMP	\$194,404.00
Current GMP	\$17,814,001.00
Rough Order Costs to GMP	\$54,000.00
Pending COs to GMP	\$109,411.00
Anticipated Allowance and Contingency Savings	\$0.00
Anticipated GMP	\$18,007,412.00

KNCC Budget Transac-

C. Establishing and Maintaining a Contingency Fund.

CONTINGENCY CONTROL

Contingency and cost control begins during design. In fact, it begins the first day KNCC is involved in this project. There is no more effective tool for managing costs during construction than effective pre-construction planning. That is what makes the CM/GC process with KNCC so effective. Cost control is also about timely and accurate reporting, effective change management, and recognizing savings at the right time.

KNCC's system, including *Sage Timberline*, provide one place to for job costs, track budget transactions, and report status of subcontract changes. This provides an effective and accurate tool for confident and transparent project accounting.

CHANGE MANAGEMENT OVERVIEW

- Bid documents as previously described form the basis of agreement with subcontractors. KNCC expends a great deal of effort building these bid documents and clarifying expectations so that subcontractors' bids are complete.
- KNCC raises the bar when examining subcontractor changes. Labor rates are agreed to in subcontracts, and unit costs are scrutinized by KNCC to make sure rates are fair and meet industry standards. KNCC's bid documents eliminate frivolous subcontractor change orders. The District will never see a change order from KNCC that hasn't been through our rigorous review process.
- Proper on site coordination and scheduling is critical to managing costs and minimizing changes and claims. Significant work during pre-construction will result in excellent construction schedules and logistics plans, all of which will be strictly adhered to by KNCC's site staff and subcontractors.
- Our experience has shown that when teams work together collaboratively and creatively there are often solutions to cost issues that do not affect the budget. A no cost, fair, minimal impact solution will always be the first place to start when an issue arises.

SAVINGS REALIZATION

KNCC recognizes that contingency does not exist to protect the GMP until the last day of the project. We treat and manage the money in the GMP like it is our own with the goal of maximizing the savings to the owner. KNCC will evaluate risk levels every day and will determine with the District, Day CPM, ZCS, and other stakeholders the appropriate level of contingency. As risk abates, KNCC will evaluate the amount remaining with the team and release portions of contingency as savings to the District to be used for project upgrades or as the District wishes.



D. Proposed Method of Documenting line item Components of the GMP

PRELIMINARY ESTIMATE

Preliminary estimates include detailed estimates broken down by system and component. This estimate is conveniently summarized in different ways, such as by area, to help the team make decisions and see the data. The detailed estimate is accompanied by a specific list of assumptions and clarifications helping to establish the baseline for the budget and for the team to have a comprehensive understanding of the budget.

As the project moves into the GMP phase, the preliminary estimates with the products of our building component selection process are reviewed and a detailed estimate is developed based on the GMP set of design documents. This estimate includes detailed takeoffs of quantities and costs broken down similar to the preliminary estimates, with additional detail where applicable, and including a summary of assumptions and clarifications by division.

PROJECT CHANGES—IMPACT TO THE GMP

The first step when any change is proposed is to validate whether it is justified in comparison to the scope subcontracted and its reasonableness in terms of industry standards and historic pricing. If it is determined to be a change to the subcontracted scope of work as it is not shown in the design documents, KNCC then thoroughly vets this change in terms of the detailed GMP estimate to determine if it is within the scope of the District Wide Secure Entrances project.

If a proposed change is determined to be included within the GMP but not reasonable assumed or specifically included by the subcontractor, this will be transparently transferred from contingency to the budget line item. If it is determined to be added scope of work that could not have been reasonably assumed or required to complete the original scope of work defined in the GMP documents, KNCC will explain in detail and provide a change request for owner review and approval.



Silver Rail Elementary School

E. Past Performance on CM/GC Contracts

In recent years, KNCC has successfully completed over \$200 million in public and private CM/GC projects in Oregon while bringing skill and innovation to the process. Our staff has extensive experience and will be a true partner to the Reynolds School District and BLRB. We know the value of preconstruction. We provide accurate and reliable estimating, thorough product research, constructability reviews, and true value engineering. The following project examples have all utilized our CM/GC process described in this proposal.

Our model for CM/GC contracting is straightforward: **maximize effort and efficiency in pre-construction to achieve a well-conceived design that is within budget and a construction plan that provides a high quality project delivered on time.**

- **Preconstruction and Design:** The development phase of the project requires maximum effort by the entire team to achieve a thorough and complete design which meets the project's budget. We aid in design development through the Building Component Evaluation Process (described in the Approach section). We build local involvement, safety, quality control, and logistics plans to be used throughout the project.

- **Construction:** We implement, maintain, and actively manage the plans developed in preconstruction. Thorough planning assures a well-organized and prioritized construction process from day one. We actively manage the process to minimize change orders, maintain schedule, and maximize quality.
- **Closeout:** Excellent planning and execution leads to a seamless and timely turnover process and successful project for the whole team.

The CM/GC process allows our team to hit the ground running, actively engaging with the Reynolds School District and BLRB to guarantee:

- Local subcontractor and supplier opportunities are maximized
- Every opportunity to add scope and value is capitalized on
- Quality is assured
- Student and Public safety is guaranteed
- Schedule is maintained
- Funds are maximized
- Relationships are fortified

Following are five CM/GC projects executed utilizing our CM/GC model.



Sherwood Height E.S.

Below is a list of some of our most recent experience working with CM/GC GMP for public sector projects.

Project	Griswold High School	Warm Springs K-8 Academy	Pendleton School District 2015 Summer Upgrades	Sherman County School District	Bear Creek Elementary School
Owner Contact Name	Helix School District, Darrick Cope, 541-475-2175	JCSD 509J Darryl Smith 541-475-6192	Pendleton School District Jon Peterson 541-276-6711	Sherman County School District Michael Marino 541-325-1510	Bend/LaPine School District Angus Eastwood 503-807-4125
Architect Contact Name	BLRB Architects Greg McCracken, 509-252-5080	BBT Architects Al Leverage 541-382-5535	BBT Architects Al Leverage 541-382-5535	BBT Architects Todd Turner 541-382-5535	Steele Associates Architects Scott Steele 541-382-9867
CM Contact Name	HMKCO David McKay 503-453-2836	Wenaha Group Dave Fishel 541-215-0443	Wenaha Group Dave Fishel 541-215-0443	Michael Marino 541-325-1510	Owner Managed
Location Completion Date	Helix, Oregon Aug. 2013	Warm Springs, Oregon 2014	Pendleton, Oregon 2015	Moro, Oregon 2015	Bend, OR 2010
Description	The project included a full modernization of the existing 15,000 square-foot Griswold High School. Work included construction of two new classrooms, two new restrooms, complete remodel of existing restrooms, ADA improvements throughout, new elevator, classroom remodels, and administrative offices.	An approximately 80,000 square-foot kindergarten through 8th grade school situated on a 20-acre site in Warm Springs, OR. The building featured media room, conference rooms, classrooms, administrative offices, among other school features.	The project consists of retrofits to glazing, doors, hardware, masonry, and other finishes for security upgrades at Pendleton High School and Sunridge Middle School. The project was completed during the summer break to minimize disruption to education facilities.	Currently under construction, this project consists of renovations and additions to the existing middle and high school followed by a construction of a new grade school construction attached to the operational middle school and high school creating one functioning campus	10,000 sf new addition and 53,000 sf of renovation to an existing elementary school, including new wood framed construction, completely new electrical and data systems, nearly all new interior finishes, and new HVAC and controls systems throughout.
Final Contract Value/Change Orders	Public CM/GC \$4,126,988 \$182,442	Public CM/GC \$18,053,902 \$845,360	Public CM/GC \$5,517,235 Savings of \$256,000	Public CM/GC \$9,200.625 \$35,000 projected	Public CM/GC \$4,200,000 Savings of \$49,000

2.4 Schedule, Quality, and Safety

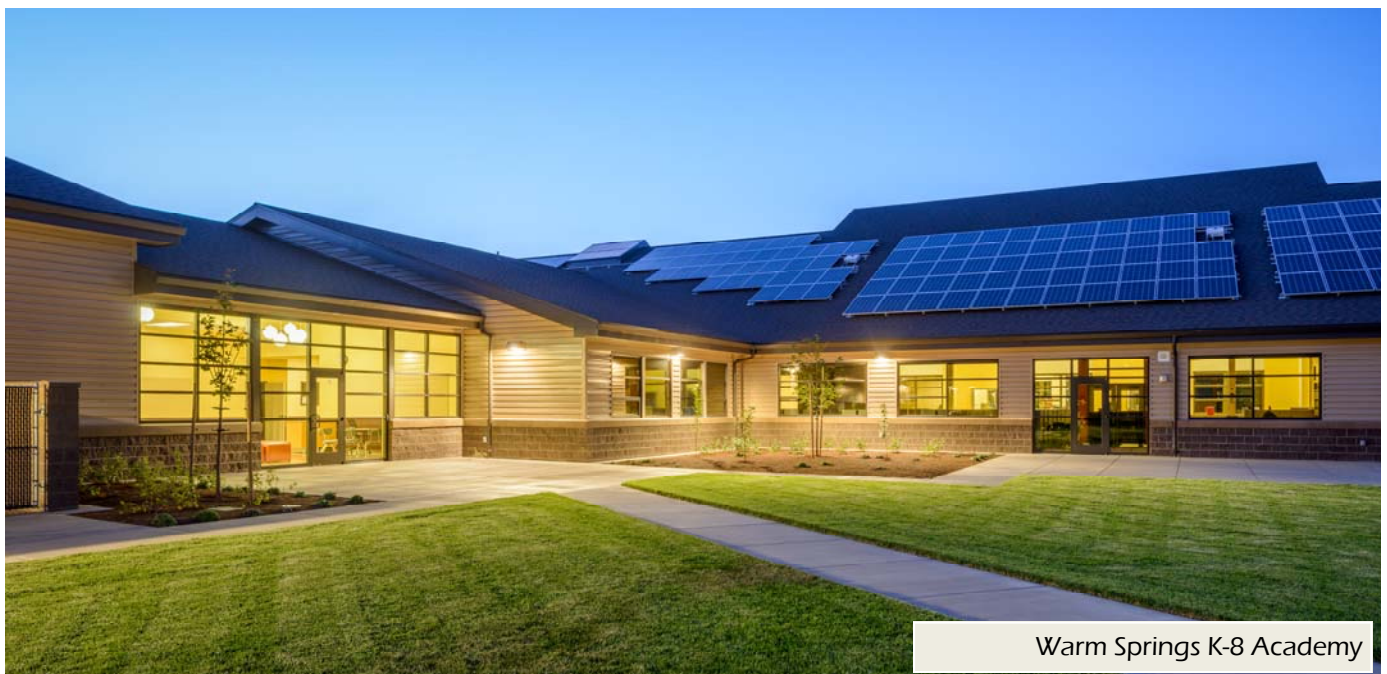
A. Approach to managing the Construction Schedule.

Planning/Phasing: KNCC initially develops the master schedule during the preconstruction phase and refines the schedule regularly with more detail as the design develops. The following steps will be taken during the planning and development of the master schedule.

- Gather input from the school district, the design team, potential bidders, and other stakeholders.
- Identify logistical constraints and safety concerns.
- Identify design milestones.
- Identify long lead equipment and material.
- Identify major construction milestones i.e., building dry-in, permanent power, completion date.
- Coordinate requirements and timing of any owner furnished items.
- Identify needed phasing to take advantage of concurrent activities between sites.

Scheduling/Monitoring: As the project transitions from preconstruction to construction, the master schedule becomes a tool for controlling the dynamic nature of construction projects. Our process for keeping projects on schedule include the following tasks:

- Populate long lead and procurement items into logs for easy schedule incorporation and tracking.
- Update master schedule on a weekly basis, before issuance of a three-week look-ahead schedules.
- Issue three-week look-ahead schedules on a weekly basis providing greater detail of the work activities the master schedule indicates need to be accomplished.
- Hold weekly subcontractor coordination meetings during construction and review upcoming schedule and logistic requirements.
- Identify threats to the completion date by tracking the arrival of long lead items and subcontractor performance and develop contingency plans.
- Make intelligent and informed adjustments to maintain completion dates when schedule challenges arise.



Warm Springs K-8 Academy

SCHEDULE MANAGEMENT

This project will require a CPM (Critical Path Method) schedule be developed and delivered immediately upon joining the team. We are prepared to create the schedule incorporating the early procurement, phasing, multiple sites, and multiple summers required to build this project within the required timelines and ensure Substantial Completion prior to the start of school.

SCHEDULE CONTROL

KNCC knows that in terms of educational construction, the project is not successful unless its schedule is met. This requires pre-planning, strict adherence to schedule requirements, weekly five-week look-ahead schedule communication, organized jobsites, and a KNCC team with the experience to make it happen. We utilize *Microsoft Project* to manage the project schedules.

It is critical we develop the master schedule early, incorporating early procurement and phased construction, early in the pre-construction phase and obtain everyone's input. This helps create a "we are all in this together" spirit for all of the team working to get this project designed and started.

PRECON—SCHEDULE DEVELOPMENT

To maintain schedule throughout pre-construction, we identify key design milestones for delivery of the design and associated budget estimates. Those milestones will culminate in a permit and start of construction work. We understand the design team needs time to finish quality documents and KNCC will work with the District to ensure this is incorporated into the plan. With this information, we will complete the detailed CPM schedule providing our plan to substantial and final completion.

We encourage and help all team members, including owner and the design team, to strictly adhere to design milestones to allow appropriate bidding and construction time. With this schedule in hand, we will pick the dates for early bid packages and phase the bidding as required to meet established procurement deadlines in order to achieve the Substantial Completion for staff to get ready for the 2016, 2017, and 2018 school years. With the current dates shown, certain packages for early procurement may be needed.

CONSTRUCTION—SCHEDULE MANAGEMENT

As the project transitions from pre-construction to construction, the master schedule becomes a tool for controlling the dynamic nature of construction projects. Our process for keeping projects on schedule include the following tasks:

- Populate long lead and procurement items into logs for schedule incorporation and tracking.
- Update the master schedule weekly, before issuance of the five-week look-ahead schedules.
- Issue more detailed five-week look-ahead schedules weekly.
- Conduct weekly subcontractor coordination meetings and review upcoming schedule and logistics.
- Identify threats to the completion date by tracking long lead items, subcontractor performance and develop contingency plans to account for any delays.
- Make informed adjustments to maintain completion dates when challenges arise.

B. Labor and Materials Availability

KNCC's thorough understanding of regional labor markets ensures that the District receives qualified subcontractors and craftspeople to serve this project. We have successfully operated across the State while also carefully partnering with and mentoring many of the subcontractors and craftspeople who serve the region. **KNCC's extensive knowledge of labor and supply markets allow our clients invaluable insights into each participant's strengths and weaknesses.**

SUBCONTRACTOR SELECTION

Over the years KNCC has developed a regional database of subcontractors and suppliers who could best serve this project. Not every subcontractor will be qualified to perform work on every project, while others strike the right balance of providing high quality services at competitive prices.

Sourcing subcontractors is accomplished by communicating the upcoming opportunity to bid the work. We build interest early in the design phase by utilizing subcontractors to help supply information for estimating the scopes of work they specialize in. During this process we communicate the goals for the project to the subcontractor community and expand the number of people who begin to understand those goals as early in the project as possible.

When it comes time to provide competitive bids for work on the project we are drawing those bids from a qualified and well informed group of subcontractors. Success is further guaranteed by providing a detailed "Bid Document" for each of the scopes of work so that expectations discussed in the design process are clearly communicated to all bidders.

Once bids are collected KNCC will sit down with you and review all bids and the reasons for selecting each of the recommended subcontractors. The School District team will have input into the final subcontractor selection and have a clear record of how the selection process was conducted.

We are committed to the entire City of Fairview and Reynolds School District community to maximize the investment utilizing the area contractors and suppliers, and understand what "Local" means to the school district's community we work in.

C. Opportunities and Challenges for Efficient Construction Progress

EFFICIENT CONSTRUCTION

The scope of this project is designed a manner to optimize efficiency in construction. KNCC sees the largest risk to efficient construction process is procurement of material. The current draft project schedule shows award of subcontracts in each summer in early or late June which do not allow for much procurement time between then and start of construction. Once brought on board, KNCC will investigate the current status of the design documents and look for opportunities to accelerate the subcontract bid date or begin procurement of long lead materials earlier if acceptable to the team. This maximizes the short week summer work periods, improves the efficiency of the construction during the summer reducing temporary weather protection and facility requirements, and make sure the building is open for school prior to start of school. If procurement is complete, the duration of putting the work in place is reduced.

D. KNCC's Quality Control Plan

“**Quality Assurance**” begins in the design phase. Once the physical attributes of the project has been conceived, the process of determining what materials and systems will be utilized begins. These materials and systems will be analyzed by KNCC as the design develops towards final construction documents. The goal is for the construction documents, and the individual specification sections to clearly define the quality expectations of the project.

KNCC will work closely during design to assemble a detailed QA/QC plan and relate that plan to specific elements of the project. The QA/QC plan will ensure all elements of importance are carefully scrutinized and specific plans are in place to assure correct assembly and installation. Special attention will be paid to those elements that become hidden in the finished product, such as various elements of the exterior envelope assembly. This is a process where as contractors we utilize our hands on experience to evaluate how the building structure will be constructed, how different products need to be coordinated, and how those products work together in systems like the exterior envelope. This effort in pre-construction eliminates oversights that can increase costs during construction.

The QA/QC plan will pass the information that was carefully developed by the entire team and communicate it clearly without misunderstanding to the craftsmen who install the product.

“**Quality Control**” begins with the start of work in the field. KNCC will implement our “Seven Step Quality Control Program”. This is a process of supervision, inspection, and documentation that focuses on ensuring that all of the time spent planning for quality assurance during design is properly implemented in the field. KNCC’s “Seven Step Quality Control Program” is based upon the following principles;

- 1. Right Product** KNCC will ensure the right product is delivered to the site for installation and ensure it matches the approved submittal.
- 2. Right Location** KNCC will at all times have critical grid lines, benchmarks, and building survey clearly marked, always visible, and communicated to all of the trades. This is not left to chance and it leads to success in delivering any high quality project.
- 3. Right Application Process** KNCC will verify at the beginning of each trade’s work the correct application process is used for the product until the work is completed.
- 4. Right Substrate** KNCC will inspect substrates prior to product installation and ensure they meet specified tolerances and conditions.
- 5. Right Time** KNCC will ensure proper coordination of the sequence of construction activities. Logical sequencing is critical to the quality of the finished product.
- 6. Right Conditions** KNCC will ensure products are installed in conditions suitable to the application.
- 7. Right Protection.** The previous six steps will guarantee a high quality project. It is important to protect that quality. KNCC will ensure that finished work is properly protected from the work of subsequent trades.

E. General Safety Program

KNCC SAFETY PROGRAM

Safety is our first priority on all of our projects. We have a well-established safety program, set forth by company-wide site safety requirements and training. Mandatory on-site safety meetings are held weekly for all of our projects including both subcontractor and our own work forces. Our primary objective is a safe environment for our workers, subcontractor's employees, and any person visiting the site.

KNCC's written safety policy must be reviewed and signed by all employees and subcontractors upon arrival on site. It addresses a range of safety issues from material safety data sheets to emergency procedures, clean work site, use of personal protective equipment, and fall protection. At this time, they will also be required to review site specific safety plans as well as any temporary barricade and public safety requirements. Job site superintendents receive specialized safety training in areas such as fall protection, trenching safety, and cranes and rigging. On each and every job site we require adherence to the following safety measures:

- **Weekly All Hands Safety Meeting:** Weekly site safety meetings with all on site personnel required to attend.
- **Task Specific Safety Meetings:** Additional safety meetings and specific hazard plans are required if particularly hazardous operations are to occur, such as overhead crane operations.
- **Equipment Operations:** All operators of equipment are trained on the safe and efficient function of the machines. Operator certification cards are required to be current at all times.
- **First Aid:** First aid cards are required to be held by at least 2 members of each crew.
- **PPE:** High visibility outer garments, hard hats, boots and eye protection shall be utilized by all of our workers.
- **Job Specific Orientation:** Upon the first day of work at a site all KNCC employees and subcontractor staff will be given an orientation to ensure their full understanding of all safety requirements, expectations, and existing hazards.
- **Job Hazard Analysis:** Weekly written Job Hazard Analysis will be generated and reviewed with all personnel on site.
- **Safety Walk:** We select a KNCC employee from a different jobsite to perform a weekly safety walk which gives us a chance to analyze our sites from a worker's perspective.

DRUG AND ALCOHOL PROGRAM

All employees of KNCC are required to pass drug and alcohol testing prior to employment. Our firm conducts random drug and alcohol testing for all of our employees both in the field and office. A similar program will be required of all subcontractors.

WORKERS COMPENSATION EXPERIENCE MODIFIER

Workers Compensation Modifiers are based upon the previous three years' incident rate. KNCC's workers compensation modifier is 0.64. Our continuous effort in safety promotion and maintenance of a strong safety culture assures safe, clean, and efficient projects.

KIRBY NAGELHOUT
CONSTRUCTION COMPANY
GENERAL CONTRACTOR
541-389-7119 BEND, OREGON

HARD HAT AREA | **SAFETY VESTS SAFETY GLASSES REQUIRED**

NO EXCEPTIONS
SUBCONTRACTORS AND VISITORS MUST CHECK IN AT THE CONSTRUCTION OFFICE.
Thank You For Your Cooperation

2.5 Local Conditions and MWESBE

A. Local Labor Market and Building Conditions

AREA LABOR MARKET

Having worked in nearly every major community across the State of Oregon over the past 30 years and with our office off Nimbus Ave. in Portland, KNCC uniquely understands the complexities and the needs of the area's various labor markets. We bring our experience and extensive database not only from our projects around this area, but from our work across the state, often including mostly metro area firms. We know the effort it takes to encourage interest of qualified subcontractors and tradespeople.

Contractors in the area are currently seeing higher backlog than they have experienced in the recent past and therefore labor is in high demand. KNCC will work with subcontractors and suppliers to ensure they understand the project requirements through outreach and clear bid document specification. This will help them to understand the labor commitment required to maintain the project's timelines and ensure the team contracted can complete the project within the requirements.

KNCC is a member at the area builders exchanges and will utilize these resources to ensure maximum participation from Multnomah County and City of Fairview Metro area contractors.

Success in Warm Springs—At our recently completed Warm Springs K-8 Academy project, the owner and KNCC established a goal for tribal labor involvement on the project. We outreached early with the Owner's help, participating in community sessions and training opportunities. KNCC worked with subcontractors during bidding and subcontracting with strategies for exceeding those goals through training opportunities and working with the tribal employment and training office. Subcontractors hired personnel, KNCC monitored and tracked the results weekly reporting at each owner's meeting, and the final result was a project that exceeded the goals of the Owner.

AREA BUILDING CONDITIONS

KNCC has notable successful project experience in many communities in the Willamette Valley and across the State of Oregon. Much of this experience was gained first-hand by often self-performing excavation, concrete, wood, and steel on our projects over the years. This yields a management staff with an understanding of what it really takes to work in the wet winters and humid summers of the Portland metro area.

Mitigation of exposure to wet weather will be a requirement and KNCC's experience working in areas where weather can come and go and potential for rain is a concern will yield a quality initial plan with extensive contingency plans making sure the project is successful.

Our teams manage construction in these conditions everyday and have the skills necessary to deal with any and all conditions unique to working in this region,.

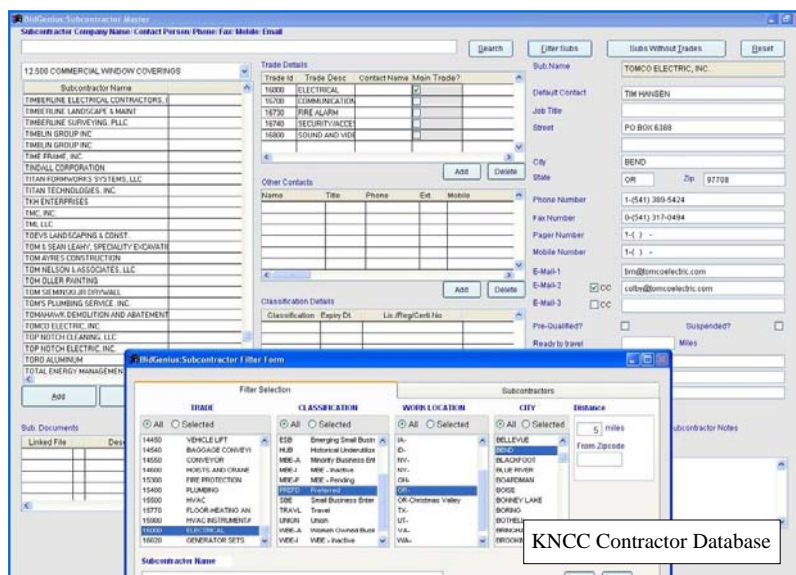
B. MWESB Experience

PROMOTING MWESB PARTICIPATION

KNCC has been a leader in encouraging and helping minority, women, and emerging small business (MWESB) obtain contracting opportunities and connect with the State of Oregon program that helps support their success. Our success is found in establishing early goals for MWESB participation and Reynolds School District material suppliers and vendors, and assign that to the project success criteria list early to keep it in our focus throughout the project.

We routinely reach out to these subcontractors who may be looking for project work to help give them the skills and knowledge they need to compete and opportunities for success. This includes educating them on procuring required insurance and understanding the prevailing wage and public works bond requirements. The State also recognizes certain exemptions to providing a public works bond for MWESBE contractors. Where applicable, we will help these contractors determine how these exemptions could help them.

The State lists 165 certified MWESB firms in Multnomah County alone. If the area under consideration is expanded to cover Clackamas, Marion, and Washinton Counties, the number of certified firms jumps to 688. This list will be the starting point for KNCC’s outreach effort starting with phone calls and notifications of the upcoming project. In addition to area publications and builder’s exchanges, we will advertise for bids in state publications that specifically target MWESB contractors such as *Contracts and Careers* and *The Skanner*, hold open houses to inform people about the project and answer questions, and follow up with additional phone calls ensuring involvement. We will visit local material suppliers, vendors, and subcontractor’s offices to setup accounts and solicit interest. Through a targeted and concerted outreach effort, KNCC will make certain that the District’s MWESB and local goals are met.



*C. Local and Diverse Partnership Program Goals & Other Partnerships***PROMOTING AND MAXIMIZING COMMUNITY BENEFIT**

KNCC is an active community member and always strive to maximize the benefit of our projects to the surrounding community. Some strategies that have proved successful in the past, such as at the Warm Springs K-8 Academy project, were to team with local employment agencies to develop a skilled labor pool for subcontractors and general project labor to pull from. We can require subcontractors to include a goal for local labor force and local supplier usage in their bid and provide tracking information as we did on the Warm Springs K-8 project.

We often hold open houses and public tours for our projects, and this would be a major focus on this project. These open houses would allow for guided tours during construction for students, staff, and community members to see the projects in first person and hear from the professionals doing the work. This acts to encourage investment in the projects but also educate on the construction process and potential careers in construction. We would encourage attendance by the District, Day CPM, BLRB, and certain subcontractors to help show the diverse opportunities within the business.

In addition to the items noted above, KNCC has had successful experience encouraging training and education opportunities, such as Reynold's Student / Career Technical Education (CTE). This typically includes classroom visits by KNCC or trades personnel as well as job shadowing opportunities and mentorships. KNCC will work with the District and Day CPM immediately afterward to develop and document a plan for the successful implementation of a program to exceed the district's goals for the Local and Diverse Partnership Program.

I want to recognize you and your Team for their efforts with the workforce opportunities that are being provided out on the project. It is greatly appreciated to have a General Contractor that shares the same goals and are as proactive with these efforts. Keep up the Great Work and Thank you all for your hard work on this project! **Rob Quaempts, Wenaha Group, Warm Springs K-8 Academy**

2.6 Contract Formats

2.7 Deviations from the RFP

A. Identify Proposal Deviations from the Requirements in the RFP

RFP DEVIATIONS

KNCC is pleased to provide a proposal in compliance with the requirements of RFP document proposed and does not identify any specific deviations.

CONTRACT FORMATS (Pertaining to Section 2.6 of the RFP)

Having worked in the public CM/GC realm for many years and successfully completing many projects, KNCC understands public contracting law and the contracts typically used within this area. We have reviewed the RFP and the contract provided and expect negotiations to be minimal, if required at all.



Warm Springs K-8 Academy



Bear Creek Elementary School Summer Addition & Renovation

3.1 Proposed Fee



A. Preconstruction Services Estimated Total Cost and Hourly Billing Rates

Our team of construction professionals will be at the disposal of the owner and design team to assist with developing a complete, cost effective design best fitting the needs of the Reynolds School District and the grant funding requirements. Our proposed pre-construction team is experienced and prepared to immediately assist in further development of the plan, schedule, and budget.

Pre-construction services will be performed on a time and material basis with no markup and KNCC estimates the overall preconstruction costs to not exceed \$29,550.

Ln #	Description	Unit	Total	Rate	Line Cost
1	Project Manager 1/4 Time	hrs	120	85.00	\$10,200
2	3 ES Constructability Reviews	hrs	40	75.00	\$2,250
4	3 ES Estimate	hrs	40	80.00	\$3,200
5	5 ES & 3 MS Constructability Reviews	hrs	40	75.00	\$2,250
6	5 ES & 3 MS Estimate	hrs	40	80.00	\$3,200
7	RLA W & Fairview Constructability Reviews	hrs	40	75.00	\$2,250
8	RLA W & Fairview Estimate	hrs	40	80.00	\$3,200
9	Permitting Assistance	hrs	10	75.00	\$750
10	Project Schedule	hrs	40	75.00	\$2,250
Total NTE Personnel Precon					\$29,550

B. Construction Services Fixed Fee, General Conditions, and Self-Performed Work.

KNCC is pleased to propose a fee of 5.0% for the project as a percentage of the Guaranteed Maximum Price, including Corporate Overhead and Profit, Performance and Payment Bond, Commercial General Liability/Auto Insurance, Builders Risk Insurance, and corporate office administrative expenses and support.



Bend LaPine Administration Building—Before & During



General Conditions: KNCC has estimated the proposed Not to Exceed General Conditions cost based on the Exhibit C and is pleased to present the estimate below. Based on KNCC's experience performing similar summer school renovations on multiple sites, we feel a second superintendent will be critical for the Summer of 2017 to help supervise the 8 sites that summer, and this cost has been included in our estimate below. Based on this past experience, this distributed supervision is critical for many sites, such as those scheduled in the Summer of 2017, in order to ensure quality, safety, and schedule.

Ex C ID	Description	Budget
B.1	Project Manager	\$158,900.00
B.2	Project Engineer (by B.2)	\$0.00
B.3	Superintendent	\$186,680.00
B.4	Field Supervision (by B.4)	\$0.00
B.5	Field Coordination (by B.4)	\$0.00
B.6	General Foreman (by B.4)	\$0.00
B.7	Quality Control (by B.2/B.4)	\$0.00
B.8	Safety	\$3,365.12
B.9	Trade Coordination (by B.4)	\$0.00
B.10	Temporary Office Equipment	\$1,641.28
B.11	Printing/Reproduction	\$721.71
B.12	Temporary Phones (Monthly)	\$0.00
B.13	Fuel/Maintenance	\$0.00
B.14	Substance Abuse Testing (Included)	\$0.00
B.15	Construction Signage	\$2,734.16
B.16	Progress Photos (Included)	\$0.11
B.17	Temporary Office (Monthly)	\$0.00
B.18	Postage/Delivery	\$902.00
B.19	Internet Service (Included)	\$0.00
B.20	Vehicles (by B.2/B.4)	\$0.00
B.21	Submittal Review & App. (by B.2/B.4)	\$0.00
B.22	Courier Delivery Service (by B.18)	\$0.00
B.23	Cleanup Drop Box & Disposal Fees	\$12,960.81
B.24	Office Furniture (Included)	\$0.00
B.25	Office Cleanup (Included)	\$0.00
B.26	Drafting & Detailing	\$0.00
B.27	All Background Checks & Fngprnt	\$618.00

Ex C ID	Description	Budget
B.28	Site Security (by B.4)	\$0.00
B.29	Office Security	\$0.00
B.30	Sustainability Coord./Sup. (by B.2/B.4)	\$0.00
B.31	Clerical/Secretarial (by B.2/B.4)	\$0.00
B.32	Project Coordination	\$0.00
B.33	Estimating and Cost Engrng.(by B.2/B.4)	\$0.00
B.34	Overtime for CM/GC Supervisory Staff	\$0.00
B.35	Field Engineer	\$0.00
B.36	Delivery Services	\$0.00
B.37	Project Foreman (by B.35)	\$0.00
B.38	Forklift for Misc. Materials (Cost of Work)	\$0.00
B.39	Loading & Unloading of Misc. Materials	\$29,658.20
B.40	Job Site Cleanup	\$410.32
B.41	Office Supplies (Included)	\$0.00
B.42	Temporary Toilets/Sinks	\$8,970.00
B.43	First Aid Supplies (Included)	\$0.00
B.44	IT Equipment	\$0.00
B.45	Material Handling (Cost of Work)	\$0.00
B.46	Staging Area Maintenance (Included)	\$0.00
B.47	Safety Barrier/Warnings/Handrails	\$10,668.32
B.48	Cost for Sustainable Const. Practices	\$0.00
B.49	Temp. Water Inc. Dist. & Utility Charges	\$0.00
B.50	Drinking Water	\$1,950.00
B.51	Small Tools	\$2,017.08
B.52	Maint. & Monitoring Erosion Cont. (by B.4)	\$0.00
B.53	Travel/Mileage/Subsistence (Included)	\$0.00
B.54	Site Webcam & Services	\$0.00

TOTAL = \$422,197

Self-Performed Work: KNCC has the capabilities to perform many of the trades required to complete the project including concrete formwork and placement, steel fabrication, steel erection, carpentry, and equipment operations. On a CM/GC project such as this, KNCC will competitively bid all scopes of work for the project and we will provide competitive bids for these scopes of work, turning the bid in 24 hours prior to the other subcontractor bids. KNCC will make our crews available to assist if required for early investigation or select scopes that the owner deems necessary. These would be performed based on a guaranteed maximum price with only the CM/GC mark-up applied to these costs, no self-performed markup.