

# PROJECT CHARTER

Project Name: The Portland Building Reconstruction Project

Project Number: B00018

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## Document Purpose

The purpose of this document is to establish the mission, background, scope requirements and goals, guiding principles, and outcomes for the Portland Building Reconstruction project and to clarify roles, responsibilities and decision-making authorities for those involved in the project.

## Project Vision Statement

Provide a resilient building that serves community and workplace needs for current and future City operations for years to come.

## Project Mission Statement

Reconstruct the Portland Building in a fiscally responsible way, creating a functional, accessible, sustainable, seismically upgraded workplace.

## Project Principles

- Accessibility
- Cost conscious
- Historic preservation
- Quality workplaces
- Seismic resiliency
- Sustainability

## Project History and Business Need

The existing building has significant deficiencies including but not limited to: water intrusion, structural degradation, end-of-life mechanical and electrical systems, expensive operations and maintenance, and inadequate technology infrastructure. In addition, it was built prior to the significant improvements to the seismic code which occurred in the 1990s.

Multiple studies and assessments were completed addressing various fiscal and business scenarios including demolishing the existing building and building new on the current site or building a new building on a different site including within the downtown core and in East Portland. It was determined the best alternative was to invest in the City's current asset and reconstruct the Portland Building. This was fiscally responsible, preserved the existing government center in the downtown core, was appropriate for the business needs of the City employees, provided convenient access to the public, and would maintain a historically significant building.

On October 21, 2015, Portland City Council adopted a Resolution directing the Office and Management and Finance to develop a Request for Proposals and solicit bids for the reconstruction of the Portland Building for an amount not to exceed \$195 million for the design, relocation, reconstruction, and project management and to be complete by the end of 2020.

## Project Requirements and Expectations

While this project initially began as a maintenance project, the maintenance solution required such extensive work on the building that it provided an opportunity to achieve much more. At a minimum, the project will do the following:

1. Eliminate water intrusion issues.
2. Repair structural degradation and upgrade seismic level to meet current code for existing buildings.
3. Upgrade/replace HVAC and other building systems that are at/near the end of their useful life.
4. Upgrade accessibility of the building.

Additionally, the project provides an opportunity to:

1. Preserve the historic integrity of the building
2. Meet the City’s goals for equity and inclusion as set forward in the Equity and Inclusion Plan for the Project, as well as goals for DWMESB participation in consultation services.
3. Work with the Bureau of Planning and Sustainability to ensure the City’s Green Building Policy is appropriately applied to the project, including the expectation it will achieve a minimum certification of LEED Gold.
4. Improve the quality and efficiency of the workplace.
5. Improve the technology infrastructure to support current and future technology solutions.

The Project will also require moving and relocating staff to accommodate the construction work. The Project will do this with the goal of minimizing disruptions of staff and services to customers.

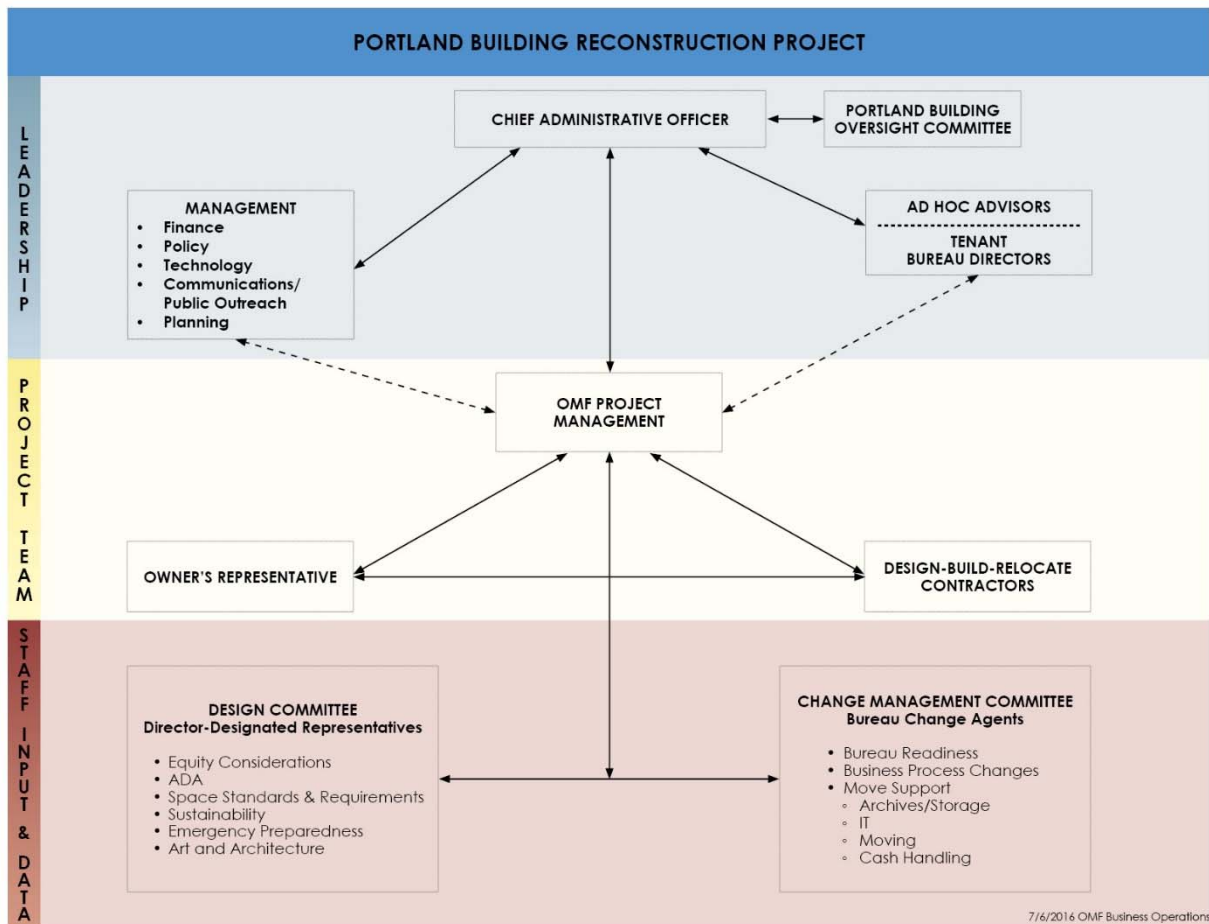
**Aspirational Goals and Anticipated Benefits**

1. Maintain the historic and iconic status of the building.
2. Incorporate current best practices in construction, design, and technology to create a 21<sup>st</sup> century facility that meets community, business, and operational needs.
3. Follow Universal Design practices.
4. Create a flexible and efficient building.
5. Demonstrate fiscal responsibility by using high quality and durable materials and systems.
6. Provide systems and materials that are economical to operate and maintain.
7. Balance remodel costs with the need to keep life-cycle costs low.
8. Increase daylight within the building.

**Project Milestones Schedule**

RFP and award	February 2016 thru July 2016
Design start	August 2016
Target budget and scope	December 2016
Guaranteed Maximum Price	TBD
Construction Start	TBD
Project completion	By the end of 2020

## Organization and Communication Flow Diagram



### Project Roles, Responsibilities, and Decision-Making Authority

The project involves multiple stakeholders, committees, groups and team members, including those shown in the diagram above and detailed below. Additional stakeholders will be consulted and incorporated as needed.

#### Leadership

Leadership guides and directs the project to ensure successful outcomes.

#### Portland City Council

City Council is comprised of the elected Mayor and four elected Commissioners.

**Purpose:** Decision-making authority for the City of Portland.

**Role:** Has responsibility to taxpayers for the project outcome.

**Decision-Making:** Ultimate decision-maker; authorizes contracts and budget.

Decisions to date:

Resolution # 37158: directed the Office of Maintenance and Facilities to solicit bids for the Portland Building Reconstruction project in an amount not to exceed \$195 million with construction to be completed no later than 2020.

Resolution #37160: directed OMF to develop a proposal for dedicating an amount equal to 1% of the hard construction costs for community opportunities and enhancements.

Resolution # 37159: directed OMF to develop a City office space lease rate equalization plan for bureaus located in the central business district.  
Ordinance # 187559: authorized the Portland Building Reconstruction project competitive bid process exemption and use of progressive Design-Build-Relocate (DBR) alternative contracting method ordinance.  
Ordinance # 187560: authorized the contract of DAY CPM Services LLC as the Portland Building Reconstruction Project Owner's Representative and to provide public outreach services.  
Resolution #37223: approved and directed OMF to implement the Community Opportunities and Enhancements Plan for the Portland Building Reconstruction project and allocate \$1 million of the project budget for these purposes.  
Report 860-2016: Council accepted the report to award Howard S. Wright and the DLR Group the progressive Design-Build-Relocate contract for an initial Guaranteed Maximum Price of \$140 million.

Upcoming decisions:

- Authorize bond ordinance
- Annual budget authorizations
- Policy trade-offs as they arise

Council update milestones:

- Phase I-a report
- Target value report
- Guaranteed Maximum Price report
- Updates from CAO related to oversight including Portland Building Community Oversight Committee reports.

**Chief Administrative Officer (CAO)**

**Purpose:** The CAO is the Project Sponsor

**Role:** Primary responsibility to ensure the project is completed on time, on budget, and fulfills the required scope. Provides regular updates to Council; meets regularly with the lead project manager and project leadership.

**Decision-Making:** Makes decisions that affect scope or require modifications to budget or schedule that do not require City Council authorization.

**CAO to provide written authorization for the following decisions:**

- Target Value Amendment confirming target cost, scope, and schedule.
- Guaranteed Maximum Price Amendment contractually setting the contract cost, scope, and schedule.
- Change orders over \$100,000.
- Any other contract changes not requiring City Council authorization.

**Tenant Bureau Directors**

**Purpose:** Provide bureau and technical insight/input to CAO on critical project issues.

**Decision-Making:** No project decision-making authority; provides input to CAO. Bureau Directors will be making bureau-specific decisions within project parameters.

## **Ad Hoc Advisors**

**Purpose:** Advisors in the industry who the CAO may call upon for advice on project issues and strategies.

**Decision-Making:** No project decision-making authority; provides advice to CAO when requested.

## **Management**

**Purpose:** Provides input to the CAO to help the project succeed. Coordinates with stakeholders and ensures timely completion of project components.

**Role:** Provide overview of the project and input on key decisions.

**Decision-Making:** Manages components of the project. Provides input to CAO.

Individuals have decision-making responsibility based on specific roles as outlined below.

### **Key Members:**

- Facilities Strategic Planning
- OMF Communications Manager
- BTS Information Systems Manager
- BTS Assistant Director
- BRFS Director
- Business Operations Manager
- Chief Procurement Officer
- BPS Conservation Program Manager
- Facilities Services Division Manager
- Senior Policy Analyst

## **Project Team**

The Project Team is composed of OMF staff, Owner's Representative, and the DBR team. Within the Project Team is the Core Team. The required members of the Core Team will generally be the lead manager of each group, plus any specialists significant to the current issues. The Project Team will be co-located throughout the duration of the project.

### **OMF Project Team**

**Purpose:** Manages the day-to-day requirements of the project for the City.

**Role:** Manages the DBR and Owner's Representative contracts; identifies and provides recommendations on key decisions for the CAO and City Council; manages the project timeline, budget, and scope, and reports/interacts with stakeholders (internal and external), consultants, and teams.

**Decision-Making:** OMF Project Team members have authority for day-to-day decisions for the project. Decisions changing approved schedule, budget, or scope, must be approved by the CAO or the City Council. Owner Team members will approve all invoices, change orders under 25% that do not change the overall project budget, schedule adjustments that do not change the key schedule milestones, and detailed scope decisions which support the primary scope decisions approved by the CAO or City Council.

- Lead Project Manager and Core and Shell Project Manager
- Facilities Tenant Improvement and Relocation Project Manager
- Mechanical, Electrical, Plumbing, and Operations Project Manager

- BTS End User Project Manager
- BTS Infrastructure Project Manager

### **Owner's Representative**

**Purpose:** Assists Facilities Project Management with day-to-day management of the project and provides technical expertise and oversight for the project. Provide public outreach support and coordination and social equity consultation services.

**Role:** Provides technical expertise and knowledge in focus areas and in overall management of progressive design-build. Supports the needs of the OMF Project Team. Provides oversight of DBR contract and billings.

**Decision-Making:** Provides input and recommendations to the OMF Project Team, Management, and to City leadership as needed. Decision-making is deferred to the City.

**Key Members:**

- Project Executive
- Senior Project Manager
- Assistant Project Manager

### **Design-Build-Relocate Contractor (DBR)**

**Purpose:** Design, build, and provide relocation services for the Project.

**Role:** Provide all design services and are the architect(s) and engineer(s) of record, provides all construction services, and coordinates and facilitates all required moves.

**Decision-Making:** Provides input and recommendations to City Project Management and to City Leadership as needed. Decision-making is deferred to the City.

**Key Members:**

- Project Manager
- Design Project Lead
- Sustainability Manager
- Diversity Manager
- Estimating
- Controls and Scheduling Lead / Superintendent
- Interiors/Change Management
- Principal-In-Charge - Contractor
- Principal-In-Charge - Architect

## **Committees**

### **Portland Building Community Oversight Committee (PBCOC)**

**Purpose:** Provide community oversight on the Portland Building Reconstruction project and reports their findings to the CAO.

**Role:** Members are selected by each Council member for a total of five committee members. Members review project components, which includes budget, disadvantaged/minority/women-owned/emerging small businesses (DMWESB) performance, schedule, scope, and sustainability, and identifies if the project is meeting desired results. The Project Team and the Project's equity workgroup provide reports and information to the PBCOC for use in their reviews. In turn, the committee provides a quarterly report to the CAO on project status.

**Decision-Making:** Scope is limited to oversight; the committee determines what is included in their oversight status reports.

### **Change Management Committee**

**Purpose:** Provide Bureau voice to the Project Team, communicates project information to their bureaus, and gathers information critical to overall project updates, business continuity and moves. Ensures bureau readiness for changes associated with the project.

**Role:** Composed of one representative from each City Bureau within the Portland Building; may include additional members from interested bureaus. Members communicate information to staff in their bureaus, ready staff for changes related to the project, and bring concerns, needs, issues, etc. from their bureaus to the attention of the Project Team for resolution.

**Decision-Making:** No decision-making authority; makes recommendations and gives input to Project Team on needs and requirements of bureau staff related to the project.

**Primary Topics:**

- Communications and project status updates
- Bureau move readiness
- Move support (ex. archiving/storage, IT needs, customer communications)
- Business process changes

### **Design Committee**

**Purpose:** Provides bureau voice to the Project Team for design and project policy related decisions.

**Role:** Composed of one representative from each City Bureau within the Portland Building. Members are the design input voice for their Bureau and will assist the Project Team with design-related decisions that directly affect the Bureaus. Members are the primary design liason between the Project Team and their bureau.

**Decision-Making:** No decision-making authority; members provide recommendations and input to the Project Team for design-related decisions. Members have the authority from their Bureau Director to fully represent the needs of the Bureau.

**Primary Topics:**

- Designing a workplace to meet 21<sup>st</sup> century needs
- Sustainability
- Tenant improvement and space guidelines
  - Equity considerations
  - Accessibility considerations
  - Ergonomic considerations
  - Emergency preparedness
- Relocation and temporary space allocations
- Technology integration as it applies to tenant improvements in the temporary space and new space
- Art discussions

## Key Project Contributors

### Operations and Maintenance (O&M)

**Purpose:** Provide input to the Project Team.

**Role:** Evaluate facility operations and maintenance for the reconstructed Portland Building; assist in developing and reviewing performance specifications and Basis of Design (BOD) documents and provide input on the Owner Project Requirements for the building. The Project Team will collaborate with Operations and Maintenance from the initiation of design through construction, commissioning, and closeout of the project.

**Key Facilities Contributors:**

- Security
- Janitorial
- Facilities Technicians
- Other Programs Specialists

### Bureau of Technical Services (BTS)

*This is in addition to members of BTS that are a part of the Owner Team above.*

**Purpose:** Provide input to the Project Team.

**Role:** Evaluate facility technology and security systems for the Portland Building and provide input on the Owner Project Requirements for the project's design; assist in developing and reviewing performance specifications and BOD documents that will be included in the contract documents. The Project Team will collaborate with BTS from the initiation of design through construction, commissioning, and closeout of the project.

### Bureau of Planning and Sustainability (BPS)

**Purpose:** Provide input to the Project Team.

**Role:** Provide expertise and input on sustainability goals and decisions for the Project. Ensure implementation of Green Building Policy and related City policies.

### Office of Equity and Human Resources (OEHR)

**Purpose:** Provide input to the Project Team.

**Role:** Provide expertise and input on design aspects of ADA requirements and universal design, gender support, racial equity and inclusion considerations, etc. Provide expertise on equity in contracting.