

From: Vonnie Mikkelsen

Sent: Monday, June 22, 2026 4:16 PM

To: <Springfield Mayor and Councilors>

Subject: Special Meeting: June 22, 2026 - Local Construction Industry Concerns - Chamber's perspective

Dear Mayor VanGordon, City Councilors, and City Manager, Nancy Newton:

On behalf of the Springfield Area Chamber of Commerce, I'm writing regarding the City Hall Deferred Maintenance and Modernization Project and the broader conversation it has sparked within Springfield's construction industry. To be clear, the Chamber is not taking a position on the technical merits of the CM/GC procurement process, nor are we offering an opinion regarding which firm should be selected for this project. We recognize that City staff are responsible for administering public contracting processes in accordance with applicable laws and requirements.

However, given the concerns that have now been raised by multiple local contractors and employers regarding this procurement process, we believe those concerns warrant additional review before the City moves forward with final authorization of the selected CM/GC partner. We respectfully encourage Council to pause and take a closer look at the questions being raised by industry regarding the competitiveness of the process and its alignment with the City's broader economic development objectives.

We are concerned by what appears to be a growing disconnect between public procurement outcomes and the City's broader economic development objectives. We have heard concerns from multiple local contractors regarding this procurement. While each firm has raised different issues and perspectives regarding the process itself, a common theme has emerged: **qualified local contractors increasingly feel they are struggling to compete for major public sector projects in our region.**

Whether that perception is ultimately correct is less important than the fact that it is being expressed consistently by multiple employers who have decades of experience delivering complex public projects for agencies such as the University of Oregon, Lane Community College, local school districts, and other public institutions. From the Chamber's perspective, this is not about one project, one company, or one procurement. It is about **whether our public investment practices are aligned with our economic development goals.**

The City of Springfield has worked hard to support business investment, job creation, workforce development, and long-term economic growth. More recently, the City has established a direct financial interest in the success of local employers through the payroll tax, which ties a portion of future City revenues to local employment and wage growth. For that reason, we believe it is appropriate to ask a broader question: when Springfield undertakes major public capital investments, how are we evaluating the impact those investments have on local economic capacity, local employment, workforce development opportunities, and the long-term competitiveness of Springfield-based firms?

We are not suggesting that local firms should receive special treatment, nor that project quality, risk management, or taxpayer value should be compromised. We are suggesting that **if multiple qualified local firms are consistently finding themselves unable to compete for major public projects, the City should seek to understand why and determine whether its procurement practices are fully aligned with its economic development objectives.**

We encourage Council to explore this question as part of its ongoing oversight of major capital projects and future procurement policies. At a minimum, we believe this conversation warrants greater attention and transparency before it becomes a larger challenge for one of Springfield's key industry sectors. We appreciate your leadership and your continued commitment to both responsible stewardship of public resources and a strong local economy.

Respectfully,

Vonnie Mikkelsen, IOM

President and CEO

Springfield Area Chamber of Commerce