

City of Independence

MEMORANDUM

DATE: April 9th, 2012

City Council Office

TO: Honorable Mayor and Members of the City Council

FROM: Zachary C. Walker, Management Analyst

ZW

SUBJECT: Contract Review for Little Blue Parkway, Phase 10



Before you is an ordinance authorizing the City Manager to enter into an agreement with V.F. Anderson Builders in the amount of \$3,859,395.14 for the construction of Little Blue Parkway Phase 10, which will complete one-half mile north of Bundschu Road to U.S. 24 Highway. In accordance with Section 1.43.007 (D) of the City Code, I have reviewed this contract to ensure protocol was followed in the bidding process.

Having reviewed all applicable documentation and actions related to this bid, it is my opinion that this is a satisfactory contract and all parties have fulfilled their obligations accordingly. Staff worked diligently to attract bidders to this project, including placing advertisements in two area newspapers, as well as mailing notifications to well over one-hundred vendors.

Four bids were submitted, and V.F. Anderson Builders was selected by virtue of being the lowest response by a qualified and responsible bidder. The spread between the four bidders is reasonable and is indicative that all bidders were utilizing similar assumptions and methodologies. In this instance, bidders were asked to provide estimates for a "base bid" that assumed an asphalt surface as well as an "alternate bid" that assumed a concrete surface, with the concrete surface being preferred because of its lower cost of maintenance. The selected contractor was able to provide an "alternative bid" that was lower than the "base bid" of the second lowest contractor.

Additionally, staff noted that this contractor has previously completed projects on behalf of the City, including the Westport and Northern storm sewer project and the 39th Street Improvements project, as well ongoing work at the Sheley and Chrysler storm sewer project and anticipated work with the Intersection Concrete Overlay construction.

All contract documents have been reviewed and I am certain that they contain no provisions that would be considered harmful or unacceptable to the City. A bid bond has been submitted as required in the amount of 5% of the contract, DBE goals of 7% have been satisfied, and the contractor agrees to complete the project within 210 consecutive calendar days or be levied liquidated damages. Finally, the ordinance does allow the City Manager to execute change orders up to \$385,000 without further Council approval, which seems reasonable.

Please let me know if you should have any further questions regarding this matter.

C: Robert Heacock, City Manager
John Pinch, Deputy City Manager
Larry Kauffman, Assistant City Manager
Jane Sharon, City Clerk
John Powell, Public Works Director