



## **Finance Committee Agenda**

July 11, 2016

8:00 AM

Board Conference Room, 1<sup>st</sup> Floor, City Hall

- 1. Call to Order**
- 2. Financial Updates**
- 3. Action Items**
  - A. Approve the minutes from the June 27, 2016 meeting
  - B. Approve a maintenance agreement with Lippert Mechanical for annual HVAC maintenance and on-call repair services (Administration)
  - C. Approve the purchase of a new John Deere X570 Tractor for the Nature Sanctuary (Administration)
  - D. Approve a maintenance agreement with Arbor Masters for tree trimming on-call services (Public Works)
  - E. Approve a construction services agreement with Merrill Industrial Electrical for electrical improvements at the Parks headquarters (Public Works)
  - F. Approve Change Order No. 5 with Insituform Technologies for the cured-in-place lining work for the Sanitary Sewer Phase 3 repairs (Public Works)
- 4. Non-Action Items**
  - A. 2017 Budget Calendar
- 5. Unfinished Business (postponed from prior meetings)**
- 6. Other Business**
- 7. Adjourn**



**Finance Committee Meeting**  
**June 27, 2016 – 8:00 a.m.**  
Executive Chambers – Board Room

**Minutes**

**1. CALL TO ORDER**

Chair Sportsman called the meeting to order at 8:00 a.m. A quorum was present.

- **Members Present:** Chair Marc Sportsman, Vice Chair Dave Rittman, Diane Driver and Robert Lock
- **Other Aldermen present:** Jim Werner
- **City Staff Present:** City Administrator Lauren Palmer, Public Works Director Alysen Abel, Community Development Director Stephen Lachky, Police Chief Kevin Chrisman, Finance/Human Resources Director Matthew Chapman, City Treasurer Steve Berg, Assistant to the City Administrator Tim Blakeslee and City Clerk Melissa McChesney
- **Others Present:** Michael Keenan and David Cochran, Cochran Head Vick & Co., P.C.

**2. FINANCIAL UPDATES**

**3. ACTION ITEMS**

**A. Approve the minutes from the June 13, 2016, meeting**

**Diane Driver moved to approve the June 13, 2016, minutes. Robert Lock seconded; motion passed 4-0.**

**B. Accept the audited financial statement for fiscal year 2015 as prepared by Cochran Head Vick & Co., P.C.**

Finance/Human Resources Director Matthew Chapman stated that the auditors had issued an unmodified opinion since the first review of the audit at the May 9 meeting.

David Cochran, Cochran Head Vick & Co., stated that the 2015 audit included a draft communication and management letter. He thanked City Administrator Lauren Palmer and the City staff for their work on the 2015 audit. Michael Keenan explained that the audit was of the basic financial statements of the City in 2015 that included an infrastructure report and an adjustment for special assessments. He noted that the City changed the accounting policy in 2015 related to the pension plan through the addition of Governmental Accounting Standards Board (GASB) statements 68 and 71 and adjustments were made to the beginning net position and fund balance.

The Finance Committee discussed changes to the audit process from prior years and noted it was more thorough than before. City Treasurer Steve Berg shared some of the issues that arose during the process. City Administrator Lauren Palmer discussed sewer write-offs, noting that there was discussion about a reasonable time to write off bad debt and engaging a collection service to collect older debt in the future. Palmer explained the issue with resolving the value of the land known as 45 Park Place, noting that staff reached out to the appraiser who confirmed that the April 2014 appraisal was still valid. The auditors accepted this confirmation.

**Driver moved to recommend that the Board of Aldermen approve the audited financial statements for the fiscal year ending December 31, 2015. Rittman seconded; motion passed 4-0.**

Chair Sportsman thanked the aldermen for their financial expertise and experience. Palmer noted that the City would have a consulting relationship with the auditors throughout the year. She also

said that the audit was delayed because of the appraisal issue and the timing of the judicial foreclosure and the sheriff's sale for 45 Park Place.

**C. Approve a maintenance agreement with Blue Valley Public Safety Inc. for the outdoor warning sirens**

Public Works Director Alysén Abel stated that the City maintained four sirens which were part of the Platte County Regional Tornado and Public Warning System. Maintenance was contracted annually with Blue Valley Public Safety Inc. who was the authorized representative for the region. She added that staff would contact the vendor to find out if a multi-year contract was an option instead of an annual renewal.

**Driver moved to approve the maintenance agreement with Blue Valley Public Service Inc. for the outdoor warning sirens in the amount of \$2,808. Rittman seconded; motion passed 4-0.**

Dave Rittman mentioned that the City had discussions in the past about adding sirens and Abel responded that none had been added. She noted that staff was aware of the issue and was working with intergovernmental partners to evaluate options for adding coverage. A recommendation will be made to the Board of Aldermen at a later time.

**D. Approve a small construction agreement with Havens Construction for the River Hills Storm Sewer Reconstruction**

Public Works Director Alysén Abel explained that in 2013 there was a small failure in the area adjacent to 10201 River Hills Drive, which was a different location than the problem that occurred in 2015. She added that the hole had been previously filled, but due to heavy rains in May a 15 foot sinkhole had appeared. Based on a recent inspection of the structure, staff did not find evidence that the pipe was properly grouted for a water-tight seal. Two contractors evaluated the storm sewer – Havens Construction worked on several properties in Thousand Oaks and Beemer Construction worked on the QuikTrip development. Havens Construction provided a more cost-effective alternative that would not require tree removal.

Further discussion focused on the quality of work being done, what it would look like from the ground and determining if other storm sewers in the city had the same issue.

**Driver moved to approve a small construction agreement with Havens Construction for the River Hills Storm Sewer Reconstruction in an amount not to exceed \$5,000. Rittman seconded; motion passed 4-0.**

**E. Reject bids related to the Nature Sanctuary garden tractor**

Assistant to the City Administrator Tim Blakeslee stated that the Nature Sanctuary Donation Fund budgeted for the purchase of a new garden tractor in 2016. A bid opening was held in June and one bid was received that was \$1,200 over budget. Blakeslee added that two other vendors were contacted to find out why they did not bid and one commented that they did not understand the bidding process.

Staff recommended rejecting the bid and rebidding the purchase with the removal of the mower deck to see if the new bid would fit within the budget. Rittman commented that the Parkville Rotary Club was looking to donate money for a City project and the tractor could be an option.

**Driver moved to reject all bids and direct staff to reduce the scope by adding the mower deck as a bid alternate and rebid the equipment. Rittman seconded; motion passed 4-0.**

The Committee discussed modifying the purchasing policy to increase the minimum for competitive bids because vendors were reluctant to bid for smaller purchases under \$2,500.

**4. NON-ACTION ITEMS**

**5. OTHER BUSINESS**

**6. ADJOURNMENT**

Chair Sportsman declared the meeting adjourned at 9:04 a.m.

Submitted by:

\_\_\_\_\_  
Melissa McChesney  
City Clerk

\_\_\_\_\_  
Approval Date

## CITY OF PARKVILLE Policy Report

Date: July 5, 2016

Prepared By:  
Tim Blakeslee  
Assistant to the City Administrator

Reviewed By:  
Lauren Palmer  
City Administrator

**ISSUE:**

Approve a maintenance agreement with Lippert Mechanical for annual HVAC maintenance and on-call HVAC repair services.

**BACKGROUND:**

Parkville City Hall was built in 2007 with partial proceeds from the 2006 Certificates of Participation (COP). City Hall is approximately 22,000 square feet and is home to Administration, Community Development, Municipal Court, Police, sewer billing and Public Works. City Hall also serves as the meeting place for numerous city boards and is the leased home of the Parkville Economic Development Council (PEDC). The long-term maintenance and upkeep of City Hall is important for promoting a positive public image as well as responsibly managing the taxpayer's investment. City Hall has the following HVAC equipment to keep the building at a comfortable temperature level:

Equipment	Make	Model #	Size	Location
Rooftop Unit	Trane	TCD600A40	50 Ton	Roof
Rooftop Unit	Trane	TSC120A4RNA	10 Ton	Roof
Exhaust Fan	Greenheck	GB-071-4	225 CFM	Roof
Exhaust Fan	Greenheck	GB-121-4	1175 CFM	Roof
Unit Heater	Berko	HUH-AA527	5 KW	Garage
Unit Heater	Berko	HUH-AA527	5 KW	Garage
Split System	Mitsubishi	MCW-52	2 Ton	Garage & IT Room

The commercial HVAC equipment at City Hall requires regular maintenance to remain operationally functional over the course of the year. Most recently, the City had a contract with the Waldinger Corporation to provide regular HVAC maintenance between 2011 and 2013. The contract with the Waldinger Corporation ended in June 2013 and was not renewed.

Staff research shows that after September 2013 regular maintenance was not performed on the City Hall HVAC equipment. This is likely a reason for the increasing number of equipment malfunctions and increasing repair costs. In an effort to become proactive in regards to annual HVAC maintenance requirements, city staff issued a Request for Proposals (RFP) for regular HVAC maintenance and on-call HVAC services on May 27, 2016. A pre-proposal conference was held at Parkville City Hall on June 10, 2016. Four commercial HVAC service providers attended the pre-proposal conference. Proposals were due to City Hall on June 24, 2016. Lippert Mechanical was the only company to submit a proposal for regular HVAC maintenance and on-call HVAC services.

Staff reached out to the three other organizations to find out why they did not submit a proposal. One of the organizations let staff know that the equipment at City Hall is outside their scope of

**ITEM 3B**

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work. Another organization stated that it was a lot of paperwork and they have had other government jobs with fewer requirements. Staff did not get response from the other pre-proposal conference attendee.

Lippert Mechanical submitted two maintenance options as part of its proposal for regular HVAC maintenance and on-call HVAC services:

Proposal	Cost
Bi-Annual	\$1,614.30
Quarterly	\$2,533.32

The options differ only in the frequency of service to the rooftop units and split system. Service to the remaining units is one time per year in both options. The on-call rate of \$108 per hour is the same in both options. Based on the recently completed reserve study, the average operational life of the current primary 50 ton Trane HVAC unit is 15-20 years. The unit is currently 9 years old and has reached its approximate mid-life point. Due to equipment age and previous maintenance history, staff recommends the quarterly maintenance option from Lippert Mechanical. While staff did not receive any other RFP responses, Lippert Mechanical’s hourly rate is \$4 per hour lower than that of Waldinger that is a direct market competitor and has been regularly used for service at City Hall. Reference calls to other organizations that use Lippert have been universally positive.

**BUDGET IMPACT:**

The General Fund includes \$2,500 for HVAC Maintenance and Repair (501-06-01-01). Based on the numerous HVAC repairs done in late spring and the recent emergency HVAC motor repair it is anticipated that this line currently has expenditures of \$2,620.86. As part of the contract, two annual service appointments would be completed this year in an amount totaling \$1,266.66. Although this line item will exceed budget in 2016, savings in other lines within the administration division of the General Fund will be adequate to cover the anticipated overage.

**ALTERNATIVES:**

1. Approve a maintenance agreement with Lippert Mechanical for annual HVAC maintenance and on-call HVAC repair services.
2. Provide other direction to staff to meet the desires of the Finance Committee.
3. Postpone the item.

**STAFF RECOMMENDATION:**

Staff recommends the approval of a maintenance agreement with Lippert Mechanical for annual HVAC maintenance and on-call HVAC repair services.

**POLICY:**

The Purchasing Policy, Resolution No. 10-02-14, requires the Finance Committee to approve all purchases above \$2,500 upon recommendation of the city staff.

**SUGGESTED MOTION:**

I move to approve a maintenance agreement with Lippert Mechanical for annual HVAC maintenance and on-call HVAC repair services for a base amount of \$2,533.32.

**ATTACHMENT:**

1. Maintenance Agreement – Small Construction Contract

## **SMALL SERVICES AGREEMENT MAINTENANCE OR REPAIR PROJECT**

THIS SERVICE AGREEMENT, entered into on this 11th day of July 2016 by and between the CITY OF PARKVILLE, MISSOURI ("City") and Lippert Mechanical Service Corporation, ("Contractor").

WHEREAS, the City seeks to hire Contractor to provide certain Services as described in Exhibit "A" to this Agreement (the "Services"); and

WHEREAS, the City has budgeted funds to acquire the services necessary to complete the Services; and

WHEREAS, Contractor has the necessary staff and qualifications to provide the Services to the City.

NOW THEREFORE, IN CONSIDERATION of the mutual covenants and agreements set forth herein, the parties mutually agree as follows:

### **I. SCOPE OF SERVICES**

- A. The term "Services" when used in this Agreement shall mean any and all labor, material, equipment, insurance, surety bonds or other thing of value that may be required by this Agreement including its exhibits.
- B. The City agrees to retain Contractor and Contractor agrees to perform and complete the Services described in the **Exhibit "A"** – Scope of Work, attached hereto and incorporated by reference for a period of one (1) year from the date of this Agreement.
- C. Contractor represents it has all necessary skills, personnel, financial capacity, licenses, permits, knowledge, and certifications required to perform the Services described herein.

### **II. COMPENSATION**

- A. As consideration for providing the Services, the City shall pay Contractor as set forth in **Exhibit "A"**.
- B. Contractor shall submit its invoices to the City either at completion of the Project, or on such milestone or other interim terms as set forth on **Exhibit "A"**. Contractor's final invoice shall be accompanied by Waivers and Releases of Claim on the forms attached as **Exhibit "B-2"** to this Agreement, executed by Contractor any all subcontractors with contract values of \$5,000 or more, and notarized. If partial payments are authorized on **Exhibit "A"**, then Contractor shall submit partial waivers on the form attached as **Exhibit "B-1."** The City agrees to pay the balance of an approved invoice, or undisputed portions of a disputed invoice, within 30 days of the date of receipt by the City. In the event of a dispute, and prior to the invoice's due date, City shall pay the undisputed portion of the invoice and notify Contractor of the nature of the dispute regarding the balance.
- C. Contractor shall maintain accounts and records, including personnel, property, and financial records, adequate to identify and account for all costs pertaining to the Agreement and such other records as may be deemed necessary by the City to assure proper accounting for all funds. These records will be made available for audit purposes to the City or any authorized representative, and will be retained for three years after the expiration of this Agreement unless permission to destroy them is granted by the City.

### III. SCHEDULE

- A. Time is of the essence in performance of this Agreement.
- B. Unless otherwise directed by the City, Contractor shall commence performance of the Services upon execution of this Agreement.
- C. Services shall be completed within the schedule set forth on **Exhibit "A"**.
- D. Neither the City nor the Contractor shall be in default of the Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party.
- E. If **Exhibit "A"** contains a provision for Liquidated Damages, it shall be because the parties have agreed that late completion of the Services by Contractor would cause irreparable harm to the City, which harm is difficult to quantify; and that the parties have agreed that the amount stated in Exhibit "A" for Liquidated Damages is a fair approximation of the daily costs that the City would incur for late Substantial Completion of the work.

### IV. CHANGES

- A. The City reserves the right issue Changes, both additive and deductive, to the Scope of Work at the City's discretion. Contractor shall advise the City of additional costs and time delays, if any, resulting from such Changes, before Contractor performs the Changes. No adjustment to the Contract Time or Contract Price will be permitted unless Contractor has advised the City of the potential impact prior to commencing work on the Change, and the City either issues a Change Order which is agreed to by the parties, or the City directs the Contractor to proceed.
- B. Contractor shall provide Services under this Agreement only upon written request of the City and only to the extent defined and required by the City. Any additional services or materials provided by the Contractor without the City's prior written consent shall be at the Contractor's own risk, cost, and expense, and Contractor shall not make a claim for compensation from the City for such work.

### V. INDEMNIFICATION

- A. Contractor shall indemnify and hold harmless the City and its departments, elected officials, officers, employees and agents, from and against all liability, suits, actions, proceedings, judgments, claims, losses, damages, and injuries (including attorneys' fees and other expenses of litigation, arbitration, mediation or appeal), which in whole or in part arise out of or have been connected with Contractor's negligence, error, omission, recklessness, or wrongful or criminal conduct in the performance of Services, including performance by Contractor's employees and agents; or arising from any claim for libel, slander, defamation, copyright infringement, invasion of privacy, piracy and/or plagiarism related to any materials related to materials furnished by Contractor in the course of performance of the work, except to the extent that such claims arise from materials created or supplied by the City.
- B. Contractor's obligation to indemnify and hold harmless shall remain in effect and shall be binding on Contractor whether such injury shall accrue, or may be discovered, before or after termination of this Agreement.

### VI. INSURANCE

- A. Contractor shall secure and maintain, at its expense, through the duration of this Agreement insurance as set forth on **Exhibit "C."**

**VII. ASSIGNMENT OF AND RESPONSIBILITY FOR PERSONNEL**

- A. Contractor's assignment of personnel to perform the Services shall be subject to the City's oversight and general guidance. The City reserves the right to request qualifications and/or reject service from any and all employees of the Contractor.
- B. Unless otherwise stated in **Exhibit "A"**, Contractor shall be represented by a Superintendent or Foreman authorized to give and receive all instruction and notices from and to the City at all times while performing Services, and shall have on site a person who is fluent in all languages necessary to communicate instructions regarding the work and information regarding medical emergencies with Contractor's employees and subcontractors.
- C. All of the Services required hereunder will be performed by the Contractor or under Contractor's supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and Local law to perform such services.
- D. None of the work or services covered by this Agreement shall be subcontracted without the prior written approval of the City. Any work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this Agreement including, but not limited to, indemnification, insurance and warranties.
- E. Contractor and all subcontractors with a contract value of \$5,000 or more shall execute affidavits on the form attached as **Exhibit "D"**, attesting to their compliance with RSMo. § 285.530.5 concerning compliance with Missouri's Worker Eligibility requirements.
- F. Contractor and all subcontractors must require all on-site employees to complete the ten-hour construction training program required under Section 292.675 RSMo. unless they have previously completed the program and have documentation of having done so. Contractor shall execute the affidavit attached as **Exhibit "E"**, attesting that it has provided OSHA safety training for its on-site employees. Contractor will forfeit a penalty to the City of \$2,500 plus an additional \$100 for each employee employed by Contractor or any subcontractor, for each calendar day, or portion thereof, such employee is employed without the required training. See Section 292.675 RSMo.
- G. No illegal drug or alcohol usage will be tolerated at the Site. All persons admitted to work on the Site will dress appropriately and avoid foul language. Music shall not be played at volume levels that would be objectionable to third-parties. Any worker found by the City to be violating these conduct requirements will be removed immediately.

**VIII. WARRANTY**

- A. The Contractor warrants to the City that materials and equipment furnished under the Contract will be of good quality and new unless the Scope of Work documents require or permit otherwise. The Contractor further warrants that the work will conform to the requirements of the Scope of Work documents and will be free from defects, except for those inherent in the quality of the Work the Scope of Work documents require or permit. Work, materials, or equipment not conforming to these requirements may be considered defective. The Contractor's warranty excludes remedy for damage or defect caused by abuse, alterations to the work not executed by the Contractor or its subcontractors or suppliers, improper or insufficient maintenance or improper operation. If required by the Owner, the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment. The Contractor's warranties required by the Agreement (express and implied) shall remain in full force and effect even if a material or equipment item is required by the Owner to be manufactured by a specific entity, and no other equivalent product manufactured by any other entity is acceptable.
- B. The Contractor's warranty in Section IX.A. shall not be construed to replace, change or

otherwise limit any statutory or common law warranty rights of the Owner, or any other Contract requirements.

**IX. OWNERSHIP OF WORK PRODUCT**

Contractor agrees that any documents, materials and/or work products produced in whole or in part by or through it under this Agreement, any intellectual property rights of Contractor therein (collectively the "Works") are intended to be owned by the City. Accordingly, Contractor hereby assigns and agrees to assign to the City all of its right title and interest in and to such Works.

**X. RELATIONSHIP OF THE PARTIES**

A. Contractor represents that it is an independent contractor and that no personnel performing any of the Services shall be employees of or have any contractual relationship with the City.

**XI. NOTICES**

A. All notices required by this Agreement shall be in writing, and unless otherwise directed by this Agreement, shall be sent to the addresses as set forth in this Section:

B. Notices sent by Contractor shall be sent to:

City of Parkville  
Attn: City Administrator  
8880 Clark Ave.  
Parkville, MO 64152

C. Notices sent by the City shall be sent to:

Tom Cleaver  
Business Development Manager  
1600 N. Topping  
Kansas City, MO 64150

**XII. CORRECTION OF WORK**

The Contractor shall promptly correct work rejected by the City or failing to conform to the requirements of the Agreement, whether discovered before or after Substantial Completion and whether or not fabricated, installed or completed. Costs of correcting such rejected work, including additional testing and inspections, the cost of uncovering and replacement, and compensation for services and expenses of a designer made necessary thereby, shall be at the Contractor's expense. If the Contractor fails to correct nonconforming Work within ten (10) days after receipt of written notice from the City, the City may correct it at Contractor's expense.

**XIII. TERM AND TERMINATION**

A. The term of this agreement shall be one (1) year from the effective date of this agreement and it may be renewed for two additional one year terms upon written notice by the City at least 30 days prior to expiration of the then current term.

B. The effective date of this Agreement shall be the date of execution, when the Agreement is signed by both parties.

A. Notwithstanding anything to the contrary in this Agreement or exhibit, the City reserves the right and may elect to terminate this Agreement at any time, with or without cause, by giving at least ten (10) days' written notice to the Contractor. The City shall compensate Contractor for the Services that have been completed to the City's satisfaction as of the

date of termination. Contractor shall perform no activities other than reasonable wrap-up activities after receipt of notice of termination.

- C. The City may terminate the Agreement for cause if the Contractor
1. refuses or fails to supply enough properly skilled workers or proper materials;
  2. fails to make payment to Subcontractors for materials, equipment, services or labor in accordance with the respective agreements between the Contractor and the Subcontractors;
  3. disregards applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of a public authority;
  4. or its Subcontractors or Sub-subcontractors causes a work stoppage due to any strike, picket, boycott or participates in any voluntary or involuntary cessation of Work; or
  5. otherwise is guilty of substantial breach of a provision of the Agreement.

When any of the above reasons exist, the City may without prejudice to any other rights or remedies of the City and after giving the Contractor and the Contractor's surety, if any, seven (7) days' written notice, terminate the Agreement and may, subject to any prior rights of the surety, if any:

1. Exclude the Contractor from the Project site and take possession of all materials, equipment, tools, and construction equipment and machinery thereon owned by the Contractor;
2. Direct the work of subcontractors; and
3. Finish the Work by whatever reasonable method the City may deem expedient. Upon written request of the Contractor, the City shall furnish to the Contractor a detailed accounting of the costs incurred by the City in finishing the Work.

When the Owner terminates the Agreement for one of the reasons stated in Section XIV. A., the Contractor shall not be entitled to receive further payment until the Work is finished.

If the unpaid balance of the Contract Price exceeds costs of finishing the Work, including compensation for the services and expenses of a designer, and legal, consultant and testing fees made necessary thereby, and other damages incurred by the City and not expressly waived, such excess shall be paid to the Contractor. If such costs and damages exceed the unpaid balance, the Contractor or its surety, if any, shall pay the difference to the City upon demand. The obligation for payment, if any, shall survive termination of the Agreement.

#### **XIV. RESOLUTION OF DISPUTES**

- A. Should the Contractor believe that it is entitled to any relief due to errors, omissions or defects in the Plans or Specifications, or as a result of any act or omission of an independent contractor designer in connection with the Project, the City shall cooperate with the Contractor by permitting the Contractor to pursue legal action against the designer in the name of the City at Contractor's sole risk and expense as the City would otherwise have against such designer. The City shall pay to Contractor such sums as may be recovered from the designer on behalf of Contractor. Other than this duty of cooperation and remittance, the City shall have no liability or obligation to Contractor for any act, error, omission, negligence or breach of duty by a designer.
- B. City and Contractor agree that disputes relative to the Work shall first be addressed by negotiations between the parties. Such negotiations shall take place within thirty (30) days

of demand by the party seeking resolution of the dispute. If direct negotiations fail to resolve the dispute, the party initiating the claim that is the basis for the dispute shall be free to take such steps as it deems necessary to protect its interests; provided, however, that notwithstanding any such dispute Contractor shall proceed with the Work as per the Contract Documents as if no dispute existed.

- C. In order to preserve its rights to dispute a matter hereunder, the complaining party must submit a written notice to the other party setting forth the basis for its complaint within twenty (20) calendar days following receipt of the decision of the City Public Works Director as to such matter or other action on which the dispute is based. A decision of the City Public Works Director (where appropriate) under GC-7 above; notice of dispute, and direct negotiation, shall be conditions precedent to further action.
- D. Arbitration of disputes.
  - 1. Claims, except those waived as provided for elsewhere in this Agreement, which have not been resolved by the procedures described above, shall be decided by arbitration which, unless the parties mutually agree otherwise, in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association currently in effect at the time of the arbitration. The demand for arbitration shall be filed in writing with the other party to the Contract and with the American Arbitration Association.
  - 2. A demand for arbitration may be made no earlier than concurrently with the filing of a request for mediation, but in no event shall it be made after the date when institution of legal or equitable proceedings based on such Claim would be barred by the applicable statute of limitations.
  - 3. An arbitration pursuant to this Section may be joined with an arbitration involving common issues of law or fact between the City or Contractor and any person or entity with whom the City or Contractor has a contractual obligation to arbitrate disputes which does not prohibit consolidation or joinder. No other arbitration arising out of or relating to the Contract shall include, by consolidation, joinder or in any other manner, an additional person or entity not a party to the Contract or not a party to an agreement with the City Contractor, except by written consent containing a specific reference to the Agreement signed by the City and Contractor and any other person or entities sought to be joined. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent or with a person or entity not named or described therein. The foregoing agreement to arbitrate and other agreements to arbitrate with an additional person or entity duly consented to by the parties to the Agreement shall be specifically enforceable in accordance with applicable law in any court having jurisdiction thereof.
  - 4. Claims and Timely Assertion of Claims. The party filing a notice of demand for arbitration must assert in the demand all Claims then known to that party on which arbitration is permitted to be demanded.
  - 5. Judgment on Final Award. The award rendered by the arbitrator or arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

**XV. MISCELLANEOUS PROVISIONS**

- A. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Missouri.

- B. Assignability. Contractor shall not assign any interest on this Agreement, and shall not transfer any interest in the same (whether by assignment or invitation), without the prior written consent of the City thereto. Provided, however, that the claims for money by Contractor from the City under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the City.
- C. Media Announcements. Contractor shall not be authorized to make statements to the media or otherwise on behalf of the City without express direction and consent of the City
- D. Compliance with Local Laws. Contractor shall comply with all applicable laws, ordinances, and codes of the State of Missouri and local governments, and shall save the City harmless with respect to any damages arising from any tort done in performing any of the work embraced by this Agreement.
- E. Equal Employment Opportunity. During the performance of this Agreement, Contractor agrees as follows:
  - 1. Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, religion, or sex. Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, national origin, religion, or sex. Such action shall include, but not be limited to, employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
  - 2. Contractor will, in all solicitation or advertisements for employees placed by or on behalf of Professional, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, religion, or sex.
  - 3. Contractor will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement so that provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.
- F. Interest of Members of a City. No member of the governing body of the City and no other officer, employee, or agent of the City who exercises any functions or responsibilities in connection with the planning and carrying out of this Agreement, shall have any personal financial interest, direct or indirect, in this Agreement, and Contractor shall take appropriate steps to assure compliance.
- G. Interest of Contractor and Employees. Contractor covenants that he/she presently has no interest and shall not acquire interest, direct or indirect, in the study area or any parcels therein or any other interest which would conflict in any manner or degree with the performance of his/her services hereunder. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed.
- H. Entire Agreement. This Agreement represents the entire Agreement and understanding between the parties, and this Agreement supersedes any prior negotiations, proposals, or agreements. Unless otherwise provided in this Agreement, any amendment to this Agreement shall be in writing and shall be signed by the City and Contractor, and attached hereto.
- I. Severability. If any part, term or provision of this Agreement, or any attachments or amendments hereto, is declared invalid, void, or enforceable, all remaining parts, terms, and provisions shall remain in full force and effect.

- J. Waiver. The failure of either party to require performance of this Agreement shall not affect such party's right to enforce the same. A waiver by either party of any provision of breach of this Agreement shall be in writing. A written waiver shall not affect the waiving party's rights with respect to any other provision or breach.
- K. Third Parties. The Services to be performed by the Contractor are intended solely for the benefit for the City. Nothing contained herein shall create a contractual relationship with, or any rights in favor of, any person or entity not a signatory to this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

CITY OF PARKVILLE, MISSOURI

By: \_\_\_\_\_

Nanette K. Johnston, Mayor

ATTEST:

\_\_\_\_\_

Melissa McChesney, City Clerk

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**Exhibit A: SCOPE OF WORK AND PRICING AGREEMENT**

This Agreement constitutes a Master Agreement for a period of one (1) year from the date of this Agreement. All work performed hereunder shall be in accordance with the terms and conditions of this Agreement.

I. The annual maintenance plan is as follows:

A. SCHEDULE OF EQUIPMENT TO BE COVERED:

Unit #	Equipment Type	Make	Model #	Size	Location
RTU1	Rooftop Unit	Trane	TCD600A40	50 Ton	Roof
RTU2	Rooftop Unit	Trane	TSC120A4RNA	10 Ton	Roof
EF1	Exhaust Fan	Greenheck	GB-071-4	225 CFM	Roof
EF2	Exhaust Fan	Greenheck	GB-121-4	1175 CFM	Roof
UH1	Unit Heater	Berko	HUH-AA527	5 KW	Garage
UH2	Unit Heater	Berko	HUH-AA527	5 KW	Garage
CU1 & FCU1	Split System	Mitsubishi	MCW-52	2 Ton	Garage & IT Room

B. HVAC PACKAGE ROOFTOP AND SPLIT SYSTEMS: THE SERVICES DESCRIBED BELOW WILL BE FOR THE PACKAGE ROOFTOPS OR SPLIT SYSTEM AIR-CONDITIONING/GAS HEATING SYSTEMS LISTED ON THE “SCHEDULE OF EQUIPMENT TO BE COVERED”

1. SPRING START-UP INSPECTION – The following services will be performed during or shortly after seasonal start-up:
  - a. Check filters. Replace as required
  - b. Check/clean drain pan as required
  - c. Check/clean condenser coils once per year
  - d. Check fan and motor bearings. Lubricate as required
  - e. Check belt condition and tension. (change belt once per year)
  - f. Check drives and pulleys for tightness
  - g. Check system for oil and refrigerant leaks by visual inspection
  - h. Check oil supply and refrigerant charge with calibrated gauges
  - i. Check operation of refrigerant controls. Calibrate controls as required
  - j. Check general operation and condition of compressors
  - k. Check oil pump operation and oil level (if applicable)
  - l. Check discharge pressure and suction pressure
  - m. Make pump down capacity check
  - n. Check operation of damper motors and controls

- o. Check operation of expansion valves
- p. Check and calibrate operation of system microprocessor controls
- q. Check wiring for loose connections
- r. Adjust and tighten linkages on all dampers
- s. Check voltage and amperage of compressors
- t. Check operation and setting of unloaders (if applicable)

2. MID-SEASON INSPECTION (SUMMER):

- a. Check filters. Replace as needed
- b. Check evaporator coil condition
- c. Check and clean drain pan as required
- d. Check and clean condenser coils
- e. Check fan and motor bearings. Lubricate as required
- f. Check belt condition and tension. Change if applicable
- g. Check drives and pulleys for tightness
- h. Check general operation of unit and controls
- i. Check refrigerant charge
- j. Check for vibration and noise
- k. Check for loose connections
- l. Check oil pressure and level (if applicable)

Review maintenance procedures with building engineer and make recommendations for additional service or repair, if required.

3. FALL START-UP INSPECTION – The following services will be performed during or shortly after seasonal start-up.

- a. Check / Replace filters as required
- b. Check fan motors and bearings. Lubricate as required
- c. Check belt condition and tension. (change if applicable)
- d. Check drives and pulleys for tightness
- e. Check operation of damper motors and controls
- f. Check and tighten linkages as required
- g. Check burner condition
- h. Check heat exchanger condition
- i. Check operation of heating controls
- j. Check gas pressure for proper burner operation
- k. Check flame signals and all safety devices
- l. Check fan / limit switch operation
- m. Check fan and limit switch operation
- n. Check economizer controls
- o. Check operation of combustion blower motor
- p. Check and tighten electrical conditions

4. MID-SEASON INSPECTION (WINTER):
  - a. Check filters. Replace as needed
  - b. Check fan and motor bearings. Lubricate as required
  - c. Check belt condition and tension. (change if applicable)
  - d. Check fan and limit operation
  - e. Check burner condition
  - f. Check heat exchanger condition
  - g. Check operation of safeties and ventor motors
  - h. Check flame safety operation
  - i. Check general operation of heating system
  - j. Tighten all electrical connections

Review maintenance procedures with building engineer and make recommendations for additional service or repair, if required.

C. EXHAUST FANS: THE SERVICES DESCRIBED BELOW WILL BE FOR THE EXHAUST FANS LISTED ON THE "SCHEDULE OF EQUIPMENT TO BE COVERED"

1. EXHAUST FAN OPERATING INSPECTION - The following services will be performed during or shortly after spring. This service is normally provided just one time during the operating season:
  - a. Check/Adjust fan belts as required. Change if needed.
  - b. Lubricate fan motor and shaft bearings
  - c. Check operation of starters and variable speed drives. Tighten electrical connections
  - d. Check all pulleys for wear
  - e. Check motor voltage and amperes
  - f. Check for excessive noise and vibration
  - g. Remove and wash filters on each fan

Review maintenance procedures with building engineer and make recommendations for additional service or repair, if required.

D. ELECTRIC UNIT HEATERS: THE SERVICES DESCRIBED BELOW WILL BE FOR THE ELECTRIC UNIT HEATERS AND/OR FURNACES LISTED ON THE "SCHEDULE OF EQUIPMENT TO BE COVERED"

1. FALL START-UP INSPECTION - The following services will be performed during or shortly after seasonal start-up. This service is normally provided just one time during the operating season:
  - a. Check fan motor and bearings. Lubricate as required
  - b. Check belt condition and tension, if applicable
  - c. Check induced draft fan motor operation
  - d. Check operation of heating thermostat
  - e. Check operation of controls
  - f. Set all thermostats for desired space temp

Review maintenance procedures with building engineer and make recommendations for additional service or repair, if required.

II. As consideration for providing the Services, the City shall pay Contractor as follows:

- A. The annual maintenance plan outlined in Section I will be billed at a fixed cost of \$2,533.32 per year. This will be billed after each quarterly service appointment in an amount of \$633.33.
- B. On-call services will be billed at the hourly rate of:
  - 1. Straight Time (Normal business hours): \$108.00 per hour. Straight Time is defined as Monday through Friday, 8 a.m. - 4:30 p.m. (includes emergency calls in this time frame).
  - 2. Overtime: \$162.00 per hour. Overtime is defined as after normal business hours and Saturday (includes emergency calls in this time frame).
  - 3. Hourly service rate shall be in 15-minute increments.
  - 4. For on-call work if a definable scope and work product can be identified and described in writing, Contractor will prepare a Work Authorization Form (WA Form) using the template labeled as Exhibit A-1, attached hereto and incorporated by reference, which shall contain a written list of work tasks and an estimated number of hours to complete the Services.
  - 5. Once approved by City in writing, Contractor will complete the services set forth in the WA Form. Unless amended in writing by City, Contractor's estimate of hours and price shall not be exceeded.
- C. Contractor is not entitled to reimbursement for miscellaneous expenses including but not limited to travel, transportation, postage, without prior written approval from the City.
- D. Contractor is not entitled to hourly compensation for work that is not associated with the direct provision of Services, such as overhead tasks including preparing WA Forms, submitting invoices, and travel time.
- E. The City reserves the right to direct revision of the Services at the City's discretion. Contractor shall advise the City of additional costs and time delays, if any, in performing the revision, before Contractor performs the revised services. If conditions arise which constitute a change in scope to a WA Form, Contractor will bring this situation to the attention of City staff as soon as possible, and if mutually acceptable the scope of work and the WA Form will be revised. Contractor is not eligible for compensation for changes in scope unless approved in writing through a revision to the WA Form.

III. The annual maintenance plan shall be completed within the timeframe(s) outlined in Section I, based on mutually agreed upon dates between the City and Contractor. On-call services shall be completed within the schedule documented in each WA Form.

## **CITY OF PARKVILLE Policy Report**

Date: July 6, 2016

Prepared By:

Tim Blakeslee  
Assistant to the City Administrator

Reviewed By:

Lauren Palmer  
City Administrator

ISSUE:

Approve the purchase of a new John Deere X570 Tractor for the Nature Sanctuary division.

BACKGROUND:

The Nature Sanctuary division currently uses a twenty-five year old tractor to haul material and equipment in and around the Nature Sanctuary. This piece of equipment has become unreliable. Often it is difficult or impossible to get the tractor started and it has been unable to mow for a number of years. As a result, in 2016 there was \$3,700 budgeted from the Nature Sanctuary Donation Fund for the purchase of a new piece of equipment to replace the old tractor.

The city released a bid request in early June for the purchase of a garden tractor. The bid request was posted on the city's website and disseminated through the KC Blueprint service. Local vendors were also called and informed about the bid opening. On June 21, 2016, the city received one bid for the garden tractor from Heritage Tractor in the amount of \$4,900 for a John Deere X570 model. The bid is \$1,200 over budget. Based on interaction with potential bidders, staff expected that two additional vendors would submit bids. Staff contacted these vendors to find out why a bid was not submitted. One vendor decided it was not interested in supplying a bid and the other stated it was too busy submit a bid and did not fully understand the process.

At the meeting on June 27, 2016, the Finance Committee rejected all bids and directed staff to rebid with alternate specifications by including the mowing deck as a bid alternate. After further internal staff discussion, Nature Sanctuary Director Joe Ryan highlighted that there is a need for a mowing deck on the tractor. A mowing deck would save the operations division staff approximately one to two hours every week from April to September. It would also allow the Nature Sanctuary staff to trim other sections of the property more frequently or on an as needed basis.

Following the Finance Committee meeting on June 27, 2016, staff researched product reviews and maintenance records for locally available garden tractors, taking into consideration the request for a mowing deck. The two locally available options that met the specifications requested by Nature Sanctuary staff are the John Deere X570 (\$4,900, price is all inclusive) and 2016 Husqvarna GT 52XL (\$3,499 plus dealer fees, assembly, and shipping). These two models have similar specifications including engine horsepower, transmission (K72-John Deere, K66-Husqvarna), and mowing deck size.

One of the principle duties of this piece of equipment will be to haul heavy loads of material for work in the Nature Sanctuary. Consumer reviews of the John Deere model are collectively positive and staff believes it will be able to complete the tasks required in the Nature Sanctuary. Specifically, the traction assist control on the X570 makes it exceptionally efficient at negotiating muddy or hilly terrain. The review consensus is that the Husqvarna GT 52XL is a great flat ground mower, but an unreliable garden tractor for hauling material. The comparable traction assist control technology on the Husqvarna is reported to not work as well as the John Deere.

## ITEM 3C

For 07-11-16

Board of Aldermen – Finance Committee Meeting

The warranties of the two products are also different in scope. The John Deere X570 offers a four year or 500 hour bumper-to-bumper warranty with local service available in Platte City. The Husqvarna offers no factory warranty for commercial use, but instead requires purchasers to reach out to component manufacturers directly. The engine has a two-year warranty through Briggs and Stratton, the transmission has a 2 year warranty through Tuff Torq, and the frame has a five year warranty through Husqvarna. All other components are not covered directly by warranty for commercial use. In terms of overall brand reliability, John Deere outperforms Husqvarna based on data from Consumer Reports.

In addition, staff has been unable to receive confirmation from the local Husqvarna dealer to settle on the exact cost of the unit with the additional fees. The local Husqvarna dealer has been challenging to work with and has stated it is not interested in completing the paperwork necessary to comply with city policies. If the recommendation is made to purchase a Husqvarna, staff would likely need to reach out to a Husqvarna dealer outside of Platte County to procure the needed equipment in a timely manner.

With the assistance provided by the Parkville Rotary Club, it is staff's recommendation to purchase the John Deere X570 Tractor.

### BUDGET IMPACT:

The Nature Sanctuary Donation Fund includes \$3,700 in the 2016 budget to replace the old nature sanctuary tractor. The purchase of the John Deere X570 Tractor would be over budget by \$1,200. The Parkville Rotary Club plans to provide a donation in the amount of \$1,200 to cover the over budget expense. Following the Finance Committee meeting on June 27, 2016, Aldermen Dave Rittman approached the Parkville Rotary Club about a donation to cover the added expense. The Rotary Club donation is contingent upon the City purchasing the John Deere X570 Tractor.

### ALTERNATIVES:

1. Approve the purchase of a new John Deere X570 Tractor from Heritage Tractor in the amount of \$4,900, and accept a \$1,200 donation from the Parkville Rotary Club toward the purchase.
2. Approve the purchase of a new John Deere X570 Tractor from Heritage Tractor in the amount of \$4,900 to be paid from the Nature Sanctuary Donation Fund; politely decline the donation from the Parkville Rotary Club or request that the funds be redirected toward another community need.
3. Approve the purchase of a new Husqvarna GT 52XL Tractor from Heritage Tractor in the amount of \$3,499 plus dealer fees, assembly, and shipping.
4. Provide other director to staff.
5. Postpone the item.

### STAFF RECOMMENDATION:

Staff recommends that the Finance Committee approve the purchase of a new John Deere X570 Tractor from Heritage Tractor in the amount of \$4,900.

### POLICY:

The purchasing policy states that sealed bids are required for all purchases of new vehicles and equipment with a total value exceeding \$2,500. Per the Purchasing Policy, Resolution No. 10-02-14, the Finance Committee may authorize purchases up to \$10,000.

## **ITEM 3C**

*For 07-11-16*

*Board of Aldermen – Finance Committee Meeting*

### SUGGESTED MOTION:

I move to approve the purchase of a new John Deere X570 Tractor from Heritage Tractor in the amount of \$4,900; and accept a \$1,200 donation from the Parkville Rotary Club toward the purchase.

### ATTACHMENT:

1. Purchase Order

**PURCHASE ORDER**  
(non-construction)

**CITY OF PARKVILLE (PURCHASER)**  
**8880 Clark Avenue**  
**(816) 741-7676**

Date: July 11, 2016

Upon proper acceptance, we agree to purchase from you upon terms and conditions set forth below and on the attached pages hereto.

**VENDOR** Heritage Tractor

601 Main Street

Platte County, MO 64079

Phone: 816-585-4440

Fax: 816-858-4343

SHIP TO: 9001 McAfee Parkville MO 64152

INVOICE TO: City of Parkville, Attn: Tim Blakeslee, 8880 Clark Avenue, Parkville, MO 64152

***ALL MATERIAL SHALL BE DELIVERED TO PURCHASER FREIGHT PREPAID, UNLESS OTHERWISE SPECIFIED BELOW.***

Vendor agrees to furnish following goods in accordance with the terms and provisions of this Purchase Order Agreement consisting of 6 pages including attachments. Purchaser agrees to pay the total sum of four thousand nine hundred dollars (\$4,900) for such materials, subject to any additions or deductions agreed upon in writing. **Freight charges are included in purchase price and sales taxes will not be charged to the Purchaser as a tax exempt entity. Purchaser will provide Vendor with a Tax Exemption Certificate upon request.** Payment is to be made within thirty days after delivery of goods and receipt of invoice. This purchase order is only valid through 30 days.

ITEMS:

2016 John Deere X570 Tractor:

- 24hp Kawasaki v-twin iTorque Power System.
- Tuff Torque K72 Transmission.
- 48 Accel Deep (48A) Mower Deck.
- 4 YR or 500HR Warranty.
- Includes Freight and Assembly.

See Attachment "A" – Terms and Conditions  
 See Attachment "B" – Insurance Requirements

SCHEDULE OF DELIVERY:

F.O.B. 9001 McAfee Parkville MO 64152

**NOTE: All Terms and Conditions for Purchase Order attached hereto are incorporated herein by reference and made a part of this Purchase Order.** Vendor's signature and return of this document as presented, or its delivery of any of the items covered by this Purchase Order, shall constitute acceptance of all of its terms and conditions. If this Purchase Order is not signed and returned to Purchaser within ten (10) days of the date stated on page 1 above, however, it may be deemed voidable at the option of Purchaser. Payment shall not be due until Vendor has furnished Purchaser, with the required Certificates of Insurance and any other documents required by Purchaser.

**All terms in any offer, bid, order acknowledgement or other document that are inconsistent with the terms stated herein are explicitly rejected and not a part of this Purchase Order.**

CITY OF PARKVILLE, MISSOURI. ("Purchaser")

("Vendor")

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## **CITY OF PARKVILLE Policy Report**

Date: July 5, 2016

Prepared By:  
Alysen Abel  
Public Works Director

Reviewed By:  
Lauren Palmer  
City Administrator

ISSUE:

Approve a maintenance agreement with Arbor Masters for tree trimming on-call services

BACKGROUND:

There are numerous services that the Public Works staff needs on a routine and emergency basis throughout the year. Tree trimming and tree removal is one of the services that is utilized by Public Works throughout the year, for both emergency storm cleanup and routine tree maintenance. The intent is for the City to contract with one vendor that will provide priority services to the City during emergency and non-emergency situations.

In 2015, the Public Works staff released a bid request for on-call tree trimming and tree removal services. In July 2015, the Board approved a one-year maintenance agreement with Urban Tree Specialists. Over the past year, Urban Tree Specialists has assisted the City with removal of approximately \$30,000 of tree removal services.

On June 2, 2016, the City released a bid request for on-call tree trimming services. Three contractors responded to the bid request. The bid form requested unit prices for removal of trees based on their sizes. Other unit prices for labor and equipment were also requested in the bid form. The detailed bid tabulation is included in Attachment 1.

Attachment 2 includes a cost comparison of the three companies, using a hypothetical situation, using both the emergency and non-emergency pricing. Based on the non-emergency pricing, Arbor Masters was the lowest bidder. The City has used Arbor Masters in the past; the company provided adequate service. The company is located in Shawnee, KS and has one Certified Arborist on staff, but is not on every job site. In contrast, the current on-call provider, Urban Tree Specialists, has a Certified Arborist on every job site, though this was not a requirement in the bid documents. The bid request was for a two-year contract, but staff recommends contracting with Arbor Masters for a one-year term with an option for a one-year renewal. This will establish a one-year period to evaluate if Arbor Masters can meet service expectations rather than committing now for the full two-year term.

Based on the emergency pricing, Custom Tree Care was the lowest bidder. Custom Tree Care is headquartered in Topeka, Kansas. The company's service model involves subcontractors that serve over 90 separate contracts in 25 states. Arbor Masters is one of the subcontractors listed in Custom Tree Care's submittal. Staff received less than glowing recommendations from other communities that have used Custom Tree Care. References indicated that service was not consistent and the company was not very responsive. Historically, the majority of work authorized under the on-call contract has been for non-emergency work. Over the past year, the emergency costs represent only 16% of the total tree trimming costs. For these reasons, staff does not recommend contracting with Custom Tree Care.

## **ITEM 3D**

*For 07-11-16*

*Board of Aldermen - Finance Committee Meeting*

### BUDGET IMPACT:

There are tree trimming line items included in the General Fund (Parks and Nature Sanctuary divisions) and Transportation Fund. Depending on the nature of the work being done, staff will use the proper budget item.

### ALTERNATIVES:

1. Approve a one-year maintenance agreement with an optional one-year renewal with Arbor Masters.
2. Provide other direction to staff to meet the desires of the Finance Committee.
3. Postpone the item.

### STAFF RECOMMENDATION:

Staff recommends the approval of the maintenance agreement with Arbor Masters for tree trimming on-call services.

### POLICY:

The Purchasing Policy, Resolution No. 10-02-14, requires the Board of Aldermen to approve all purchases above \$10,000 upon recommendation of the Finance Committee.

### SUGGESTED MOTION:

I move to recommend that the Board of Aldermen approve a one-year maintenance agreement with an optional one-year renewal with Arbor Masters for tree trimming on-call services, with the unit prices listed in the agreement.

### ATTACHMENTS:

1. Bid Tabulation
2. Sample Project Cost Comparison
3. Maintenance Agreement

**TREE TRIMMING, TREE REMOVAL AND LANDSCAPE SVCS. - BID DATE - 6/30/2016 10:05 A.M.**  
**ONE ADDENDUM ISSUED**

	ARBOR MASTERS BIDDER 1 UNIT PRICE	URBAN TREE SPEC BIDDER 2 UNIT PRICE	CUSTOM TREE CARE BIDDER 3 UNIT PRICE	NO BID	NO BID
<b>TREE REMOVAL-NON-EMERGENCY (INCLUDES LABOR AND EQUIPMENT)</b>					
DBH 1-12	\$160.00	\$200.00	\$150.00		
DBH 13-24	\$325.00	\$425.00	\$425.00		
DBH 25-36	\$695.00	\$800.00	\$800.00		
DBH 37-48	\$1,100.00	\$1,500.00	\$1,275.00		
DBH 49-60	\$1,850.00	\$2,500.00	\$1,600.00		
Stump Removal per inch	\$95.00	\$100.00	\$4.75	PER INCH	
		or \$4.00	PER INCH		
<b>TREE REMOVAL-EMERGENCY (INCLUDES LABOR AND EQUIPMENT)</b>					
DBH 1-12	\$275.00	\$240.00	\$200.00		
DBH 13-24	\$575.00	\$510.00	\$500.00		
DBH 25-36	\$875.00	\$960.00	\$900.00		
DBH 37-48	\$1,500.00	\$1,800.00	\$1,475.00		
DBH 49-60	\$2,100.00	\$3,000.00	\$2,000.00		
Stump Removal per inch	\$150.00	\$100.00	\$5.75	PER INCH	
		or 4.00	PER Inch		
<b>TREE PRUNING/TRIM-NON-EMERG (INCLUDES LABOR AND EQUIPMENT)</b>					
Bucket Truck		\$55.00	\$35.00		
1-Person Crew	\$110.00	\$75.00	\$40.00		
2-Person Crew	\$160.00	\$140.00	\$80.00		
3-Person Crew	\$230.00	\$210.00	\$160.00		
4-Person Crew	\$315.00	\$275.00	\$240.00		
Chipper Unit	\$25.00	\$35.00	\$30.00		
<b>TREE PRUNING/TRIM-EMERGENCY (INCLUDES LABOR AND EQUIPMENT)</b>					
Bucket Truck		\$65.00	\$45.00		
1-Person Crew	\$135.00	\$90.00	\$50.00		
2-Person Crew	\$195.00	\$170.00	\$100.00		
3-Person Crew	\$265.00	\$250.00	\$190.00		
4-Person Crew	\$350.00	\$335.00	\$275.00		
Chipper Unit	\$50.00	\$45.00	\$40.00		

On-Call Tree Trimming Comparison

Non-Emergency				
Type of Removal	Quantity	Arbor Masters	Urban Tree Specialists	Custom Tree Care
DBH 1-12	6	\$ 160.00	\$ 200.00	\$ 150.00
DBH 13-24	8	\$ 325.00	\$ 425.00	\$ 425.00
DBH 25-36	3	\$ 695.00	\$ 800.00	\$ 800.00
DBH 37-48	2	\$ 1,100.00	\$ 1,500.00	\$ 1,275.00
DBH 49-60	1	\$ 1,850.00	\$ 2,500.00	\$ 1,600.00
2-person crew	8	\$ 160.00	\$ 140.00	\$ 80.00
Bucket Truck	8	\$ 40.00	\$ 55.00	\$ 35.00
Chipper Unit	8	\$ 25.00	\$ 35.00	\$ 30.00
Total		\$ 11,495.00	\$ 14,340.00	\$ 12,010.00

Emergency				
Type of Removal	Quantity	Arbor Masters	Urban Tree Specialists	Custom Tree Care
DBH 1-12	6	\$ 275.00	\$ 240.00	\$ 200.00
DBH 13-24	8	\$ 575.00	\$ 510.00	\$ 500.00
DBH 25-36	3	\$ 875.00	\$ 960.00	\$ 900.00
DBH 37-48	2	\$ 1,500.00	\$ 1,800.00	\$ 1,475.00
DBH 49-60	1	\$ 2,100.00	\$ 3,000.00	\$ 2,000.00
2-person crew	8	\$ 195.00	\$ 170.00	\$ 100.00
Bucket Truck	8	\$ 50.00	\$ 65.00	\$ 45.00
Chipper Unit	8	\$ 50.00	\$ 45.00	\$ 40.00
Total		\$ 16,335.00	\$ 17,240.00	\$ 14,330.00

\$ 27,830.00    \$ 31,580.00    \$ 26,340.00

## **SMALL CONSTRUCTION SERVICES AGREEMENT MAINTENANCE OR REPAIR PROJECT**

THIS SERVICE AGREEMENT, entered into on this 19<sup>th</sup> day of July, 2016 by and between the CITY OF PARKVILLE, MISSOURI ("City") and ARBOR MASTERS TREE & LANDSCAPE ("Contractor").

WHEREAS, the City seeks to hire Contractor to provide certain construction services as described in Exhibit "A" to this Agreement (the "Construction Services"); and

WHEREAS, the City has budgeted funds to acquire the services necessary to complete the Construction Services; and

WHEREAS, Contractor has the necessary staff and qualifications to provide the Construction Services to the City.

NOW THEREFORE, IN CONSIDERATION of the mutual covenants and agreements set forth herein, the parties mutually agree as follows:

### **I. SCOPE OF SERVICES**

- A. The term "Construction Services" when used in this Agreement shall mean any and all labor, material, equipment, insurance, surety bonds or other thing of value that may be required by this Agreement including its exhibits.
- B. The City agrees to retain Contractor and Contractor agrees to perform and complete the Construction Services described in the **Exhibit "A"** – Scope of Work, attached hereto and incorporated by reference for a period of one (1) year from the date of this Agreement. After one year of service to the City, the City may choose to extend the service contract for an additional term of one (1) year, with the unit prices as outlined in Exhibit "A".
- C. Service Provider represents it has all necessary skills, personnel, financial capacity, licenses, permits, knowledge, and certifications required to perform the Services described herein.

### **II. COMPENSATION**

- A. As consideration for providing the Construction Services, the City shall pay Contractor as set forth in **Exhibit "A"**.
- B. Contractor shall submit its invoices to the City either at completion of the Project, or on such milestone or other interim terms as set forth on **Exhibit "A"**. Contractor's final invoice shall be accompanied by Waivers of Lien and Releases of Claim on the forms attached as **Exhibit "B-2"** to this Agreement, executed by Contractor, any all subcontractors with contract values of \$5,000 or more, and notarized. If partial payments are authorized on **Exhibit "A"**, then Contractor shall submit partial lien waivers on the form attached as **Exhibit "B-1."** The City agrees to pay the balance of an approved invoice, or undisputed portions of a disputed invoice, within 30 days of the date of receipt by the City. In the event of a dispute, and prior to the invoice's due date, City shall pay the undisputed portion of the invoice and notify Contractor of the nature of the dispute regarding the balance.
- C. Contractor shall maintain accounts and records, including personnel, property, and financial records, adequate to identify and account for all costs pertaining to the Agreement and such other records as may be deemed necessary by the City to assure proper accounting for all funds. These records will be made available for audit purposes to the City or any authorized representative, and will be retained for three years after

the expiration of this Agreement unless permission to destroy them is granted by the City.

### III. SCHEDULE

- A. Time is of the essence in performance of this Agreement.
- B. Unless otherwise directed by the City, Contractor shall commence performance of the Construction Services upon execution of this Agreement.
- C. Services shall be completed within the schedule set forth on **Exhibit "A"**.
- D. Neither the City nor the Contractor shall be in default of the Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party.
- E. If **Exhibit "A"** contains a provision for Liquidated Damages, it shall be because the parties have agreed that late completion of the Construction Services by Contractor would cause irreparable harm to the City, which harm is difficult to quantify; and that the parties have agreed that the amount stated in Exhibit "A" for Liquidated Damages is a fair approximation of the daily costs that the City would incur for late Substantial Completion of the work.

### IV. CHANGES

- A. The City reserves the right to issue Changes, both additive and deductive, to the Scope of Work at the City's discretion. Contractor shall advise the City of additional costs and time delays, if any, resulting from such Changes, before Contractor performs the Changes. No adjustment to the Contract Time or Contract Price will be permitted unless Contractor has advised the City of the potential impact prior to commencing work on the Change, and the City either issues a Change Order which is agreed to by the parties, or the City directs the Contractor to proceed.
- B. Contractor shall provide Construction Services under this Agreement only upon written request of the City and only to the extent defined and required by the City. Any additional services or materials provided by the Contractor without the City's prior written consent shall be at the Contractor's own risk, cost, and expense, and Contractor shall not make a claim for compensation from the City for such work.

### V. INDEMNIFICATION

- A. Contractor shall indemnify and hold harmless the City and its departments, elected officials, officers, employees and agents, from and against all liability, suits, actions, proceedings, judgments, claims, losses, damages, and injuries (including attorneys' fees and other expenses of litigation, arbitration, mediation or appeal), which in whole or in part arise out of or have been connected with Contractor's negligence, error, omission, recklessness, or wrongful or criminal conduct in the performance of Construction Services, including performance by Contractor's employees and agents; or arising from any claim for libel, slander, defamation, copyright infringement, invasion of privacy, piracy and/or plagiarism related to any materials related to materials furnished by Contractor in the course of performance of the work, except to the extent that such claims arise from materials created or supplied by the City.
- B. Contractor's obligation to indemnify and hold harmless shall remain in effect and shall be binding on Contractor whether such injury shall accrue, or may be discovered, before or after termination of this Agreement.

**VI. INSURANCE**

- A. Contractor shall secure and maintain, at its expense, through the duration of this Agreement insurance as set forth on **Exhibit "C."**

**VII. ASSIGNMENT OF AND RESPONSIBILITY FOR PERSONNEL**

- A. Contractor's assignment of personnel to perform the Services shall be subject to the City's oversight and general guidance. The City reserves the right to request qualifications and/or reject service from any and all employees of the Contractor.
- B. Unless otherwise stated in **Exhibit "A"**, Contractor shall be represented by a Superintendent or Foreman authorized to give and receive all instruction and notices from and to the City at all times while performing Construction Services, and shall have on site a person who is fluent in all languages necessary to communicate instructions regarding the work and information regarding medical emergencies with Contractor's employees and subcontractors.
- C. All of the Construction Services required hereunder will be performed by the Contractor or under Contractor's supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and Local law to perform such services.
- D. None of the work or services covered by this Agreement shall be subcontracted without the prior written approval of the City. Any work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this Agreement including, but not limited to, indemnification, insurance and warranties.
- E. Contractor and all subcontractors with a contract value of \$5,000 or more shall execute affidavits on the form attached as **Exhibit "D"**, attesting to their compliance with RSMo. § 285.530.5 concerning compliance with Missouri's Worker Eligibility requirements.
- F. Contractor and all subcontractors must require all on-site employees to complete the ten-hour construction training program required under Section 292.675 RSMo. unless they have previously completed the program and have documentation of having done so. Contractor shall execute the affidavit attached as **Exhibit "E"**, attesting that it has provided OSHA safety training for its on-site employees. Contractor will forfeit a penalty to the City of \$2,500 plus an additional \$100 for each employee employed by Contractor or any subcontractor, for each calendar day, or portion thereof, such employee is employed without the required training. See Section 292.675 RSMo.
- G. No illegal drug or alcohol usage will be tolerated at the Site. All persons admitted to work on the Site will dress appropriately and avoid foul language. Music shall not be played at volume levels that would be objectionable to third-parties. Any worker found by the City to be violating these conduct requirements will be removed immediately.

**VIII. WARRANTY**

- A. The Contractor warrants to the City that materials and equipment furnished under the Contract will be of good quality and new unless the Scope of Work documents require or permit otherwise. The Contractor further warrants that the work will conform to the requirements of the Scope of Work documents and will be free from defects, except for those inherent in the quality of the Work the Scope of Work documents require or permit. Work, materials, or equipment not conforming to these requirements may be considered defective. The Contractor's warranty excludes remedy for damage or defect caused by abuse, alterations to the work not executed by the Contractor or its subcontractors or suppliers, improper or insufficient maintenance or improper

operation. If required by the Owner, the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment. The Contractor's warranties required by the Agreement (express and implied) shall remain in full force and effect even if a material or equipment item is required by the Owner to be manufactured by a specific entity, and no other equivalent product manufactured by any other entity is acceptable.

- B. The Contractor's warranty in Section IX.A. shall not be construed to replace, change or otherwise limit any statutory or common law warranty rights of the Owner, or any other Contract requirements.

**IX. OWNERSHIP OF WORK PRODUCT**

Contractor agrees that any documents, materials and/or work products produced in whole or in part by or through it under this Agreement, any intellectual property rights of Contractor therein (collectively the "Works") are intended to be owned by the City. Accordingly, Contractor hereby assigns and agrees to assign to the City all of its right title and interest in and to such Works.

**X. RELATIONSHIP OF THE PARTIES**

- A. Contractor represents that it is an independent contractor and that no personnel performing any of the Construction Services shall be employees of or have any contractual relationship with the City.

**XI. NOTICES**

- A. All notices required by this Agreement shall be in writing, and unless otherwise directed by this Agreement, shall be sent to the addresses as set forth in this Section:
- B. Notices sent by Contractor shall be sent to:
  - City of Parkville
  - Attn: City Administrator
  - 8880 Clark Ave.
  - Parkville, MO 64152
- C. Notices sent by the City shall be sent to:
  - Arbor Masters Tree & Landscape
  - Attn: Mark Cantrell
  - 8250 Cole Parkway
  - Shawnee Mission, KS 66227

**XII. CORRECTION OF WORK**

The Contractor shall promptly correct work rejected by the City or failing to conform to the requirements of the Agreement, whether discovered before or after Substantial Completion and whether or not fabricated, installed or completed. Costs of correcting such rejected work, including additional testing and inspections, the cost of uncovering and replacement, and compensation for services and expenses of a designer made necessary thereby, shall be at the Contractor's expense. If the Contractor fails to correct nonconforming Work within ten (10) days after receipt of written notice from the City, the City may correct it at Contractor's expense.

**XIII. TERM AND TERMINATION**

- A. The effective date of this Agreement shall be the date of execution, when the Agreement is signed by both parties.
- B. Notwithstanding anything to the contrary in this Agreement or exhibit, the City reserves the right and may elect to terminate this Agreement at any time, with or without cause, by giving at least ten (10) days' written notice to the Contractor. The City shall compensate Contractor for the Construction Services that have been completed to the City's satisfaction as of the date of termination. Contractor shall perform no activities other than reasonable wrap-up activities after receipt of notice of termination.
- C. The City may terminate the Agreement for cause if the Contractor
  - 1. refuses or fails to supply enough properly skilled workers or proper materials;
  - 2. fails to make payment to Subcontractors for materials, equipment, services or labor in accordance with the respective agreements between the Contractor and the Subcontractors;
  - 3. disregards applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of a public authority;
  - 4. or its Subcontractors or Sub-subcontractors causes a work stoppage due to any strike, picket, boycott or participates in any voluntary or involuntary cessation of Work; or
  - 5. otherwise is guilty of substantial breach of a provision of the Agreement.

When any of the above reasons exist, the City may without prejudice to any other rights or remedies of the City and after giving the Contractor and the Contractor's surety, if any, seven (7) days' written notice, terminate the Agreement and may, subject to any prior rights of the surety, if any:

- 1. Exclude the Contractor from the Project site and take possession of all materials, equipment, tools, and construction equipment and machinery thereon owned by the Contractor;
- 2. Direct the work of subcontractors; and
- 3. Finish the Work by whatever reasonable method the City may deem expedient. Upon written request of the Contractor, the City shall furnish to the Contractor a detailed accounting of the costs incurred by the City in finishing the Work.

When the Owner terminates the Agreement for one of the reasons stated in Section XIV. A., the Contractor shall not be entitled to receive further payment until the Work is finished.

If the unpaid balance of the Contract Price exceeds costs of finishing the Work, including compensation for the services and expenses of a designer, and legal, consultant and testing fees made necessary thereby, and other damages incurred by the City and not expressly waived, such excess shall be paid to the Contractor. If such costs and damages exceed the unpaid balance, the Contractor or its surety, if any, shall pay the difference to the City upon demand. The obligation for payment, if any, shall survive termination of the Agreement.

**XIV. MISCELLANEOUS PROVISIONS**

- A. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Missouri.
- B. Assignability. Contractor shall not assign any interest on this Agreement, and shall not transfer any interest in the same (whether by assignment or invitation), without the prior written consent of the City thereto. Provided, however, that the claims for money by Contractor from the City under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the City.
- C. Media Announcements. Contractor shall not be authorized to make statements to the media or otherwise on behalf of the City without express direction and consent of the City
- D. Compliance with Local Laws. Contractor shall comply with all applicable laws, ordinances, and codes of the State of Missouri and local governments, and shall save the City harmless with respect to any damages arising from any tort done in performing any of the work embraced by this Agreement.
- E. Equal Employment Opportunity. During the performance of this Agreement, Contractor agrees as follows:
  - i. Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, religion, or sex. Service Provider will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, national origin, religion, or sex. Such action shall include, but not be limited to, employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
  - ii. Contractor will, in all solicitation or advertisements for employees placed by or on behalf of Professional, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, religion, or sex.
  - iii. Contractor will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement so that provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.
- F. Interest of Members of a City. No member of the governing body of the City and no other officer, employee, or agent of the City who exercises any functions or responsibilities in connection with the planning and carrying out of this Agreement, shall have any personal financial interest, direct or indirect, in this Agreement, and Contractor shall take appropriate steps to assure compliance.
- G. Interest of Contractor and Employees. Contractor covenants that he/she presently has no interest and shall not acquire interest, direct or indirect, in the study area or any parcels therein or any other interest which would conflict in any manner or degree with the performance of his/her services hereunder. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed.
- H. Entire Agreement. This Agreement represents the entire Agreement and understanding between the parties, and this Agreement supersedes any prior negotiations, proposals,

or agreements. Unless otherwise provided in this Agreement, any amendment to this Agreement shall be in writing and shall be signed by the City and Contractor, and attached hereto.

- I. Severability. If any part, term or provision of this Agreement, or any attachments or amendments hereto, is declared invalid, void, or enforceable, all remaining parts, terms, and provisions shall remain in full force and effect.
- J. Waiver. The failure of either party to require performance of this Agreement shall not affect such party's right to enforce the same. A waiver by either party of any provision of breach of this Agreement shall be in writing. A written waiver shall not affect the waiving party's rights with respect to any other provision or breach.
- K. Third Parties. The Services to be performed by the Contractor are intended solely for the benefit for the City. Nothing contained herein shall create a contractual relationship with, or any rights in favor of, any person or entity not a signatory to this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

CITY OF PARKVILLE, MISSOURI

By: \_\_\_\_\_

Nanette K. Johnston, Mayor

ATTEST:

By: \_\_\_\_\_

Melissa McChesney, City Clerk

ARBOR MASTERS TREE & LANDSCAPE

By: \_\_\_\_\_

Mark Cantrell

Exhibit A

SCOPE OF WORK AND PRICING AGREEMENT

Contractor agrees to perform all the Work described in the Contract Documents, including all Addenda, for the prices presented below for each Section of the Work. In case of a discrepancy between the Unit Price and the Extension Figure, the Unit Price shall rule. The service contract is for a one (1) year term. After one year of service to the City, the City may choose to extend the service contract for an additional term of one (1) year, with the unit prices as listed below.

- a. This Agreement allows the City to call on Contractor for assistance during emergency and non-emergency work scenarios. The situations will require different response times due to the severity and urgency of the work.
  - 1. Emergency – An emergency situation requires a response time within 4 hours for a condition that jeopardizes public safety; and with 24 hours for a condition that constitutes a public inconvenience.
  - 2. Non-emergency – A non-emergency situation requires a response time within 2 business days or a timeframe that is mutually agreed upon by both parties.

**NON-EMERGENCY**

TREE REMOVAL (INCLUDES LABOR AND EQUIPMENT)

SCOPE OF WORK DBH=diameter at 5' from the ground	UNIT PRICE
DBH 1 to 12 inches	\$160.00
DBH 13 to 24 inches	\$325.00
DBH 25 to 36 inches	\$695.00
DBH 37 to 48 inches	\$1,100.00
DBH 49 to 60 inches	\$1,850.00
Stump Removal	\$95.00

**EMERGENCY**

TREE REMOVAL (INCLUDES LABOR AND EQUIPMENT)

SCOPE OF WORK DBH=diameter at 5' from the ground	UNIT PRICE
DBH 1 to 12 inches	\$275.00
DBH 13 to 24 inches	\$575.00
DBH 25 to 36 inches	\$875.00
DBH 37 to 48 inches	\$1,500.00
DBH 49 to 60 inches	\$2,100.00
Stump Removal	\$150.00

**NON-EMERGENCY**

TREE PRUNING/TRIMMING (INCLUDES LABOR AND EQUIPMENT)

SCOPE OF WORK	UNIT PRICE
BUCKET TRUCK	\$50.00
1-PERSON CREW	\$110.00
2-PERSON CREW	\$160.00
3-PERSON CREW	\$230.00
4-PERSON CREW	\$315.00
CHIPPER UNIT	\$25.00

**EMERGENCY**

TREE PRUNING/TRIMMING (INCLUDES LABOR AND EQUIPMENT)

SCOPE OF WORK	UNIT PRICE
BUCKET TRUCK	\$50.00
1-PERSON CREW	\$135.00
2-PERSON CREW	\$195.00
3-PERSON CREW	\$265.00
4-PERSON CREW	\$350.00
CHIPPER UNIT	\$50.00

## **CITY OF PARKVILLE Policy Report**

Date: July 5, 2016

Prepared By:  
Alysen Abel  
Public Works Director

Reviewed By:  
Lauren Palmer  
City Administrator

ISSUE:

Approve a construction services agreement with Merrill Industrial Electrical for the electrical improvements at the Parks Headquarters.

BACKGROUND:

On November 5, 2013, the Board of Aldermen approved the construction agreement with Pyramid Construction and Solar, LLC for the façade improvements to the parks headquarters building in English Landing Park. The project generally involved improvements to the exterior of the existing building to improve the appearance, such as a new green standing seam metal roof, stone veneer on the lower portion of the building, stucco on the upper portion, and new doors and windows.

Completion of the project was delayed due to a variety of factors including cost overruns, staff transitions, difficulty working with the contractor, and design flaws. After the original construction contract was authorized and work began, the building inspector identified aspects of the design that do not comply with applicable building codes. Over approximately the last year, staff worked with the contractor to resolve the remaining issues. Attachment 1 includes the punchlist of items that was prepared and presented to the contractor to complete the project. Unfortunately, despite numerous attempts to cooperate with the contractor and offer reasonable extensions, the contractor apparently abandoned the job. Staff made repeated attempts to make contact, but did not receive a response. On March 14, 2016, the staff issued a letter of termination to the contractor. The City will retain the remaining contract balance for unfinished work.

Staff recently reviewed the punchlist and isolated the critical items that must be corrected as a matter of safety or code compliance (see Attachment 2). They are (1) improvements to the structural beams of the building and (2) modifications to the electrical service to bring it into code compliance. On April 11, 2016, the Finance Committee approved a work authorization with GS Structural for the structural beam repairs. That work was completed earlier this year. At the April 11 meeting, the Finance Committee discussed the proposed electrical service repairs. Staff recommended bidding the project toward the end of the year so the work could be budgeted and completed in 2017. The Finance Committee directed staff to proceed to complete the electrical work as soon as possible and to use reserves if needed since it is an unbudgeted expense.

On June 2, 2016, the City released a bid request for the electrical improvements to the Parks Headquarters. Five contractors responded to the bid request. The bid tabulation is included in Attachment 3. The bid included Alternative #1 for trenching the electrical service line from the headquarters building. The trenching and boring of the proposed electrical service connection could be done by the Public Works staff to providing a cost savings.

BUDGET IMPACT:

A summary of the project budget, including changes over time, is included as Attachment 4. The original project budget was \$75,000, which was funded through the Projects Fund (95) but offset in part from transfers from the Parks Donations Fund (63) for \$45,000 and the Sewer Fund (30)

## ITEM 3E

For 07-11-16

### Board of Aldermen - Finance Committee Meeting

for \$25,000. In 2013, staff purchased roof materials for the project from St. Joseph Truss Co. in the amount of \$1,835.71. The purchase was paid from the Projects Fund but not considered in subsequent budgeting cycles as reducing the available project funding. *(Note: Errors like this are less likely to occur in the future because staff now uses the InCode project accounting module to track finances for capital projects that span multiple fiscal years and include numerous revenue sources).*

The original contract with Pyramid Construction was awarded for \$79,754. Since it exceeded the \$75,000 budget, the Board authorized an additional transfer from the Parks Donations Fund to make up the difference. Change order #1 in the amount of \$350 was offset by a reimbursement from the truss supplier to repair damage still under warranty. Change order #2 for \$600 was authorized for materials and labor to correct a design flaw that does not meet code clearance requirements (see Attachment 1). The work associated with change order #2 was not completed by the original contractor and was rolled into the work authorization with GS Structural for the beam repairs.

The construction costs authorized with Pyramid total \$80,104. A total of \$73,304 was paid to Pyramid Construction for work completed to date, leaving a balance of \$6,800. However, since the truss purchase was not considered in the overall project budget, only \$4,750 is available in the Projects Fund in 2016 to complete this project. Of that amount, staff previously authorized a contract for \$2,471 for electrical design work for the building. Only \$2,279 remains in budgeted funds for this project in 2016, and the work authorization with GS Structural for the structural work was in the amount of \$3,820, leaving a gap of \$1,541, which was covered through an additional transfer from the General Fund.

The recommended contract with Merrill Industrial Electric is in the amount of \$5,975. Consistent with prior direction from the Finance Committee, staff recommends charging this as a capital outlay expense in the General Fund. Although the purchase is not budgeted in 2016, adequate funds are available. Staff received confirmation this week of reimbursement from the State Emergency Management Agency (SEMA) in the amount of \$16,345.19 for 2015 storm damage mitigation.

#### ALTERNATIVES:

1. Approve the construction agreement with Merrill Industrial Electric in the amount of \$5,975 for the electrical improvements to the Parks Headquarters building.
2. Approve the construction agreement with a deferred start date of January 1, 2017, in order to budget the necessary funds in fiscal year 2017.
3. Provide other direction to staff to meet the desires of the Board of Aldermen.
4. Do not authorize the construction agreement.
5. Postpone the item.

#### STAFF RECOMMENDATION:

Staff recommends approval of the construction agreement for Merrill Industrial Electric in the amount of \$5,975 to complete the necessary electrical improvements to the parks headquarters building to bring the building into electrical code compliance.

#### POLICY:

Per the Purchasing Policy, Resolution No. 10-02-14, the Finance Committee may authorize purchases up to \$10,000.

#### SUGGESTED MOTION:

I move to approve a construction services agreement with Merrill Industrial Electric for the electrical improvements to the Parks Headquarters building in the amount of \$5,975.

## **ITEM 3E**

*For 07-11-16*

*Board of Aldermen - Finance Committee Meeting*

### ATTACHMENTS:

1. Parks Headquarters Punch List to Contractor – 6-24-15
2. Revised Punchlist – 3-23-16
3. Bid Tabulation
4. Project Budget Summary
5. Construction Services Agreement

Wednesday, June 24, 2015

Suman Kandagatla (B.S, M.S)  
Pyramid Construction and Solar, LLC  
1102 Frederick Ave.  
Saint Joseph, MO 64501-2330

**RE: Final list of work to be completed – 2013 Parks Building Façade Improvements**

Dear Suman:

On Tuesday, June 2, 2015 Building Official Paul Giarratana and I met with Suman to review the 2013 Parks Building Façade Improvements and identify those items remaining to complete the project. Following is a list of remaining items, photos and directions for completing the work.

1. **Installation of Douglas Fir braces** – Temporary braces shall be removed and replaced with specified 4x6 Douglas Fir braces. All braces shall be installed at the same angle, and shall land at the same horizontal line on the building. The braces shall be installed plumb and flush to the surface to which they are attached. No gaps shall be visible between the brace and the soffit or wall when construction is complete. When complete no nails, screws or fasteners used in the installation of the braces shall be exposed.

The existing temporary braces are excessively fastened to the roof and eyebrow soffits and building with un-galvanized nails. All nails shall be removed with care necessary to ensure the wood to which they are attached is not marred or otherwise damaged in the process of removal. All nails and portions of nails currently holding the temporary brace shall be removed. Any holes, gouges or similar marring resulting from removal of the existing temporary braces, that will be visible after installation of the column, shall be filled, stained, sealed, sanded and/or otherwise prepared to match the finished surface of the undamaged wood as closely as possible and to the satisfaction of the Parkville Building Official.



Example of excessive nailing and ungalvanized nails on temporary braces.



Example of unacceptable marring resulting from prior removal of temporary braces.

2. **Installation of the Fir Column at the staircase per Change Order #2** – See change order #2 attached.



Existing temporary brace to be removed and replaced with Douglas Fir column per change order #2.



Approximate location of Douglas Fir column to be constructed per change order #2

3. **Repair of damaged portions of the metal roof** – The metal roofing at the southeast corner of the roof and the southeast corner of the eyebrow over the garage are bent and appear damaged from installation. These areas are to be reshaped or replaced to appear finished and not damaged.

The metal fascia at the southwest corner of the eyebrow over the garage is not attached flush to the soffit. This area is to be attached so that no gap is apparent.

The metal fascia at the northwest corner of the eyebrow at the base of the staircase has been cut around the temporary brace. The cut material is to be replaced unless concealed with the installation of the Douglas Fir column with change order #2. See specifications in change order #2.



Metal at SE corner of building is bent and appears damaged.



Metal at SE corner of eyebrow over the garage is bent and appears damaged.



The metal fascia at the SW corner of the eyebrow over the garage needs to be attached flush to the soffit.



The metal fascia at the NW corner of the eyebrow at the stairs is cut around the temporary brace and needs to be fixed.

### **Schedule, completion and final payment**

All work shall be schedule with the Parkville Building Official. Notice of intent to proceed shall be given to the Parkville Building Official at least two working days prior to commencing work. All work shall be completed sixty (60) days from the date of the executed change order #2 or from June 30<sup>th</sup>, whichever shall come first. After that 60 day period, liquidated damages shall apply at a rate specified in the project contract agreement executed November 7, 2013.

Our records show \$6,800 was previously retained for final work. An additional amount not to exceed \$600 was approved with change order #2. This retained contract balance and up to an additional \$600 will be paid within 30 days of:

1. completion of the above items;
2. approval of the final inspection;
3. verification of all required documentation; and
4. submittal of the final lien release.

Please let me know if you have any questions.

Sincerely,

**CITY OF PARKVILLE**

A handwritten signature in blue ink, appearing to read "Sean Ackerson".

Sean Ackerson, AICP  
Assistant City Administrator /  
Community Development Director

CC: Lauren Palmer, City Administrator  
Paul Giarratana, Building Official



## Parks Building Inspection March 23, 2016

Items in **red** will be fixed with approval of G&S Structural Contract.

- Replace cantilever supports as per approved plan.
- Cantilever roof supports infringing on stairway and landing area.
- 1009.5 Headroom. Stairways shall have a minimum headroom clearance of 80 inches measured vertically from a line connecting the edge of the nosing.
- Such headroom shall be continuous above the stairway to the point where the line intersects the landing below, one tread depth beyond the bottom riser.
- The minimum clearance shall be maintained the full width of the stairway-and landing.

Items in **green** will be fixed with approval of electrical contract:

- Service conductors at roof penetration do not have proper clearance.
- Overhead service conductors must maintain a minimum vertical clearance of 8 feet above the surface of a roof for a minimum distance of 3 feet in all directions from the edge of the roof
- NEC Section: 230.24 Clearances
- Service-drop conductors must be located so that they are not readily accessible, and they must comply with the following clearance requirements:
- Above Roof. Overhead service conductors must maintain a minimum clearance of 8 ft -above the surface of-of a roof for a minimum distance of 3 ft in all directions from the edge of the roof.
- Ground Rods must be at least 6 feet apart
- Electrode Spacing. Where more than one grounding electrode system exists at a building or structure, they must be separated by at least 6 ft.
- Ground rods not buried at proper depth.
- 250.53 Installation of Grounding Electrode System.
- Where practicable, ground rods must be embedded below permanent moisture level and must be free from non-conductive coatings such as paint or enamel.

Items in **black** will be fixed by staff:

- Office Exit Walkway guard rail not a proper height.
- IBC Section: 1013.2 Heights. Required guards shall be not less than 42 inches high, measured vertically above the adjacent walking surfaces.
- Exposed wires NW and SE corner of Building.
- NEC 110-14 and 300-15 all splices, including ground wires, shall be made with an approved splice cap or wire nut and shall be made in approved electrical boxes or enclosures.
- NEC 314.19 Wiring Methods junction boxes accessible Junction boxes shall be installed so that the wiring -contained in them can be rendered accessible without removing any part of the building.

Paul Giarratana Jr. –CBO, CBI, CFM  
Building Official

## BID OPENING

PARKS HQ ELECTRICAL

Monday, June 27, 2016

1:00 p.m. Public Works Conference Room

Bidder	TOTAL
McGuire Electric (Tonganoxie, KS)	\$10,225.00 \$4,295.00 Alternative #1
Merrill Industrial Electric (Independence, MO)	\$5,975.00 * \$6,425.00 Alternative #1
Capital Electric (Kansas City, MO)	\$10,955.00 \$8,450.00 Alternative #1
Max Electric (Grandview, MO)	\$10,015.00 \$4,269.00 Alternative #1
Black & McDonald (Kansas City, MO)	\$15,930.00 \$4,500.00 Alternative #1

(\* ) Recommended Award of Purchase

**Parks Building Façade Project Budget Summary**

<b>Revenues</b>	11/05/2013	04/11/2016	Proposed 07/11/2016
Projects Fund	\$ 5,000	\$ 4,750	\$ 4,750
Parks Donation Fund	\$ 49,754	\$ 49,754	\$ 49,754
Sewer Fund	\$ 25,000	\$ 25,000	\$ 25,000
General Fund		\$ 1,541	\$ 7,552
Vendor Reimbursement		\$ 350	\$ 350
<b>TOTAL REVENUES</b>	<b>\$ 79,754</b>	<b>\$ 81,395</b>	<b>\$ 87,406</b>
<b>Expenses</b>			
Roof Trusses	\$ 1,836	\$ 1,836	\$ 1,836
Construction Contract (Pyramid)	\$ 79,754	\$ 72,954	\$ 73,304
Change Order #1		\$ 350	\$ -
Change Order #2		\$ 600	\$ -
Electrical Repairs Design		\$ 2,471	\$ 2,471
Electrical Repairs			\$ 5,975
Structural Beams Repair		\$ 3,220	\$ 3,820
<b>TOTAL EXPENSES</b>	<b>\$ 81,590</b>	<b>\$ 81,431</b>	<b>\$ 87,406</b>
<b>Over/(Under)</b>	<b>\$ (1,836)</b>	<b>\$ (36)</b>	<b>\$ -</b>

## CONSTRUCTION SERVICES AGREEMENT

THIS SERVICE AGREEMENT, entered into on this 19<sup>th</sup> day of July, 2016 by and between the CITY OF PARKVILLE, MISSOURI ("City") and Merrill Industrial Electric, LLC ("Contractor").

WHEREAS, the City seeks to hire Contractor to provide certain construction services as described in Exhibit "A" to this Agreement (the "Construction Services"); and

WHEREAS, the City has budgeted funds to acquire the services necessary to complete the Construction Services; and

WHEREAS, Contractor has the necessary staff and qualifications to provide the Construction Services to the City.

NOW THEREFORE, IN CONSIDERATION of the mutual covenants and agreements set forth herein, the parties mutually agree as follows:

### I. SCOPE OF SERVICES

- A. The term "Construction Services" when used in this Agreement shall mean any and all labor, material, equipment, insurance, surety bonds or other thing of value that may be required by this Agreement including its exhibits.
- B. The City agrees to retain Contractor and Contractor agrees to perform and complete the Construction Services described in the **Exhibit "A"** – Scope of Work, attached hereto and incorporated by reference.
- C. Service Provider represents it has all necessary skills, personnel, financial capacity, licenses, permits, knowledge, and certifications required to perform the Services described herein.

### II. COMPENSATION

- A. As consideration for providing the Construction Services, the City shall pay Contractor as set forth in **Exhibit "A"**.
- B. Contractor shall submit its invoices to the City either at completion of the Project, or on such milestone or other interim terms as set forth on **Exhibit "A"**. Contractor's final invoice shall be accompanied by Waivers and Releases of Claim on the forms attached as **Exhibit "B-2"** to this Agreement, executed by Contractor and all subcontractors with contract values of \$5,000 or more, and notarized. If partial payments are authorized on **Exhibit "A"**, then Contractor shall submit partial waivers on the form attached as **Exhibit "B-1."** The City agrees to pay the balance of an approved invoice, or undisputed portions of a disputed invoice, within 30 days of the date of receipt by the City. In the event of a dispute, and prior to the invoice's due date, City shall pay the undisputed portion of the invoice and notify Contractor of the nature of the dispute regarding the balance.
- C. Contractor shall maintain accounts and records, including personnel, property, and financial records, adequate to identify and account for all costs pertaining to the Agreement and such other records as may be deemed necessary by the City to assure proper accounting for all funds. These records will be made available for audit purposes to the City or any authorized representative, and will be retained for three years after the expiration of this Agreement unless permission to destroy them is granted by the City.

### III. SCHEDULE

- A. Time is of the essence in performance of this Agreement.
- B. Unless otherwise directed by the City, Contractor shall commence performance of the Construction Services upon execution of this Agreement.
- C. Services shall be completed within the schedule set forth on **Exhibit "A"**.
- D. Neither the City nor the Contractor shall be in default of the Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party.
- E. If **Exhibit "A"** contains a provision for Liquidated Damages, it shall be because the parties have agreed that late Substantial Completion of the Construction Services by Contractor would cause irreparable harm to the City, which harm is difficult to quantify; and that the parties have agreed that the amount stated in **Exhibit "A"** for Liquidated Damages is a fair approximation of the daily costs that the City would incur for late Substantial Completion of the work.

### IV. CHANGES

- A. The City reserves the right issue Changes, both additive and deductive, to the Scope of Work at the City's discretion. Contractor shall advise the City of additional costs and time delays, if any, resulting from such Changes, before Contractor performs the Changes. No adjustment to the Contract Time or Contract Price will be permitted unless Contractor has advised the City of the potential impact prior to commencing work on the Change, and the City either issues a Change Order which is agreed to by the parties, or the City directs the Contractor to proceed.
- B. Contractor shall provide Construction Services under this Agreement only upon written request of the City and only to the extent defined and required by the City. Any additional services or materials provided by the Contractor without the City's prior written consent shall be at the Contractor's own risk, cost, and expense, and Contractor shall not make a claim for compensation from the City for such work.

### V. INDEMNIFICATION

- A. Contractor shall indemnify and hold harmless the City and its departments, elected officials, officers, employees and agents, from and against all liability, suits, actions, proceedings, judgments, claims, losses, damages, and injuries (including attorneys' fees and other expenses of litigation, arbitration, mediation or appeal), which in whole or in part arise out of or have been connected with Contractor's negligence, error, omission, recklessness, or wrongful or criminal conduct in the performance of Construction Services, including performance by Contractor's employees and agents; or arising from any claim for libel, slander, defamation, copyright infringement, invasion of privacy, piracy and/or plagiarism related to any materials related to materials furnished by Contractor in the course of performance of the work, except to the extent that such claims arise from materials created or supplied by the City.
- B. Contractor's obligation to indemnify and hold harmless shall remain in effect and shall be binding on Contractor whether such injury shall accrue, or may be discovered, before or after termination of this Agreement.

## **VI. INSURANCE**

Contractor shall secure and maintain, at its expense, through the duration of this Agreement insurance as set forth on **Exhibit "C"**.

## **VII. ASSIGNMENT OF AND RESPONSIBILITY FOR PERSONNEL**

- A. Contractor's assignment of personnel to perform the Services shall be subject to the City's oversight and general guidance. The City reserves the right to request qualifications and/or reject service from any and all employees of the Contractor.
- B. Unless otherwise stated in a Scope of Work Exhibit, Contractor shall be represented by a Superintendent or Foreman authorized to give and receive all instruction and notices from and to the City at all times while performing Construction Services, and shall have on site a person who is fluent in all languages necessary to communicate instructions regarding the Work and information regarding medical emergencies with Contractor's employees and subcontractors.
- C. All of the Construction Services required hereunder will be performed by the Contractor or under Contractor's supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and Local law to perform such services.
- D. None of the work or services covered by this Agreement shall be subcontracted without the prior written approval of the City. Any work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this Agreement including, but not limited to, indemnification, insurance and warranties.
- E. Contractor and all subcontractors with a contract value of \$5,000 or more shall execute affidavits on the form attached as **Exhibit "D"**, attesting to their compliance with § 285.530.5 R.S. Mo. concerning compliance with Missouri's Worker Eligibility requirements.
- F. Contractor and all subcontractors must require all on-site employees to complete the ten-hour construction training program required under Section 292.675 RSMo. unless they have previously completed the program and have documentation of having done so. Contractor shall execute the affidavit attached as **Exhibit "E"**, attesting that it has provided OSHA safety training for its on-site employees. Contractor will forfeit a penalty to the City of \$2,500 plus an additional \$100 for each employee employed by Contractor or any subcontractor, for each calendar day, or portion thereof, such employee is employed without the required training. See Section 292.675 RSMo.
- G. While upon City premises, the Contractor's employees and agents shall be subject to the City's rules and regulations respecting its property and the conduct of employees thereon.

## **VIII. WARRANTY**

- A. The Contractor warrants to the City that materials and equipment furnished under the Contract will be of good quality and new unless the Scope of Work documents require or permit otherwise. All manufacturer's warranties shall be assignable to the City. The Contractor further warrants that the work will conform to the requirements of the Scope of Work documents and will be free from defects, except for those inherent in the quality of the Work which the Scope of Work documents require or permit. Work, materials, or equipment not conforming to these requirements may be considered defective. The Contractor's warranty excludes remedy for damage or defect caused by

abuse, alterations to the work not executed by the Contractor or its subcontractors or suppliers, improper or insufficient maintenance or improper operation. If required by the Owner, the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment. The Contractor's warranties required by the Agreement (express and implied) shall remain in full force and effect even if a material or equipment item is required by the Owner to be manufactured by a specific entity, and no other equivalent product manufactured by any other entity is acceptable.

- B. The Contractor's warranty in Section VIII.A. shall not be construed to replace, change or otherwise limit any statutory or common law warranty rights of the Owner, or any other Contract requirements.

**IX. OWNERSHIP OF WORK PRODUCT**

Contractor agrees that any documents, materials and/or work products produced in whole or in part by or through it under this Agreement, any intellectual property rights of Contractor therein (collectively the "Works") are intended to be owned by the City. Accordingly, Contractor hereby assigns and agrees to assign to the City all of its right title and interest in and to such Works.

**X. RELATIONSHIP OF THE PARTIES**

Contractor represents that it is an independent contractor and that no personnel performing any of the Construction Services shall be employees of or have any contractual relationship with the City.

**XI. PREVAILING WAGES**

- A. Not less than the prevailing hourly rate of wages, as set out in the wage order attached to and made a part of the specifications for work under this Agreement as **Exhibit "F-1"** which will be provided at contract execution; shall be paid to workers performing work under the Agreement (See, Sections 290.250 and 290.325 R.S. Mo.)
- B. Contractor will forfeit a penalty to the City of \$100 per day (or portion of a day) for each worker who is paid less than the prevailing rate for any work done under the Agreement by Contractor or any Subcontractor (see Section 290.250 RSMo; for detailed information on rules and occupational titles, see 8 CSR 30-3.010 through 3.060.)
- C. Contractor shall maintain such required data on Form LS-57, **Exhibit "F-2"**, using the Instruction sheet issued by the Missouri Department of Labor and Industrial Relations, LS-57-3, **Exhibit "F-3"**, both of which are also available at, and shall further submit on a monthly basis, a Payroll Certification form attached to this Contract as **Exhibit "F-4"**, attesting to the completeness and accuracy of the data on the Certified Payrolls. Contractor shall also post notices and identify its vehicles as provided by the Prevailing Wage Requirements.
- D. Contractor further agrees to indemnify, defend and hold harmless the City from and against any claim, liability, assessment, fine, penalty or other cost, including attorney's fees, which may be asserted against or incurred by the City as a result of an allegation that Contractor has not complied with these Prevailing Wage Requirements, whether such claim is asserted by a worker or by the Division of Labor Standards or any other entity. This indemnification shall survive termination of this Contract.

**XII. NOTICES**

- A. All notices required by this Agreement shall be in writing, and unless otherwise directed by this Agreement, shall be sent to the addresses as set forth in this Section:
- B. Notices sent by Contractor shall be sent to:
  - City of Parkville
  - Attn: Lauren Palmer, City Administrator
  - 8880 Clark Ave.
  - Parkville, MO 64152
  - 816-741-7676
- C. Notices sent by the City shall be sent to:
  - Merrill Industrial Electric, LLC
  - Attn: Scott Merrill, Owner
  - 3011-D M 291 Frontage Road
  - Independence, MO 64057
  - 816-350-3076

**XIII. CORRECTION OF WORK**

The Contractor shall promptly correct work rejected by the City or failing to conform to the requirements of the Agreement, whether discovered before or after Substantial Completion and whether or not fabricated, installed or completed. Costs of correcting such rejected work, including additional testing and inspections, the cost of uncovering and replacement, and compensation for services and expenses of a designer made necessary thereby, shall be at the Contractor's expense. If the Contractor fails to correct nonconforming Work within ten (10) days after receipt of written notice from the City, the City may correct it at Contractor's expense.

**XIV. TERM AND TERMINATION**

- A. The effective date of this Agreement shall be the date of execution, when the Agreement is signed by both parties.
- B. Notwithstanding anything to the contrary in this Agreement or exhibit, the City reserves the right and may elect to terminate this Agreement at any time, with or without cause, by giving at least ten (10) days' written notice to the Contractor. The City shall compensate Contractor for the Construction Services that have been completed to the City's satisfaction as of the date of termination. Contractor shall perform no activities other than reasonable wrap-up activities after receipt of notice of termination.
- C. The City may terminate the Agreement for cause if the Contractor:
  - 1. refuses or fails to supply enough properly skilled workers or proper materials;
  - 2. fails to make payment to Subcontractors for materials, equipment, services or labor in accordance with the respective agreements between the Contractor and the Subcontractors;
  - 3. disregards applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of a public authority;
  - 4. its Subcontractors or Sub-subcontractors causes a work stoppage due to any strike, picket, boycott or participates in any voluntary or involuntary cessation of Work; or
  - 5. otherwise is guilty of substantial breach of a provision of the Agreement.

- D. When any of the above reasons exist, the City may without prejudice to any other rights or remedies of the City and after giving the Contractor and the Contractor's surety, if any, seven (7) days' written notice, terminate the Agreement and may, subject to any prior rights of the surety, if any:
1. Exclude the Contractor from the Project site and take possession of all materials, equipment, tools, and construction equipment and machinery thereon owned by the Contractor;
  2. Direct the work of subcontractors; and
  3. Finish the Work by whatever reasonable method the City may deem expedient. Upon written request of the Contractor, the City shall furnish to the Contractor a detailed accounting of the costs incurred by the City in finishing the Work.

When the Owner terminates the Agreement for one of the reasons stated above, the Contractor shall not be entitled to receive further payment until the Work is finished.

If the unpaid balance of the Contract Price exceeds costs of finishing the Work, including compensation for the services and expenses of a designer, and legal, consultant and testing fees made necessary thereby, and other damages incurred by the City and not expressly waived, such excess shall be paid to the Contractor. If such costs and damages exceed the unpaid balance, the Contractor or its surety, if any, shall pay the difference to the City upon demand. The obligation for payment, if any, shall survive termination of the Agreement.

#### **XV. RESOLUTION OF DISPUTES**

- A. Should the Contractor believe that it is entitled to any relief due to errors, omissions or defects in the Plans or Specifications, or as a result of any act or omission of an independent contractor designer in connection with the Project, the City shall cooperate with the Contractor by permitting the Contractor to pursue legal action against the designer in the name of the City at Contractor's sole risk and expense as the City would otherwise have against such designer. The City shall pay to Contractor such sums as may be recovered from the designer on behalf of Contractor. Other than this duty of cooperation and remittance, the City shall have no liability or obligation to Contractor for any act, error, omission, negligence or breach of duty by a designer.
- B. City and Contractor agree that disputes relative to the Work shall first be addressed by negotiations between the parties. Such negotiations shall take place within thirty (30) days of demand by the party seeking resolution of the dispute. If direct negotiations fail to resolve the dispute, the party initiating the claim that is the basis for the dispute shall be free to take such steps as it deems necessary to protect its interests; provided, however, that notwithstanding any such dispute Contractor shall proceed with the Work as per the Contract Documents as if no dispute existed.
- C. In order to preserve its rights to dispute a matter hereunder, the complaining party must submit a written notice to the other party setting forth the basis for its complaint within twenty (20) calendar days following receipt of the decision of the City Public Works Director as to such matter or other action on which the dispute is based. A decision of the City Public Works Director (where appropriate) under GC-7 above; notice of dispute, and direct negotiation, shall be conditions precedent to further action.

D. Arbitration of disputes.

1. Claims, except those waived as provided for elsewhere in this Agreement, which have not been resolved by the procedures described above, shall be decided by arbitration which, unless the parties mutually agree otherwise, in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association currently in effect at the time of the arbitration. The demand for arbitration shall be filed in writing with the other party to the Contract and with the American Arbitration Association.
2. A demand for arbitration may be made no earlier than concurrently with the filing of a request for mediation, but in no event shall it be made after the date when institution of legal or equitable proceedings based on such Claim would be barred by the applicable statute of limitations.
3. An arbitration pursuant to this Section may be joined with an arbitration involving common issues of law or fact between the City or Contractor and any person or entity with whom the City or Contractor has a contractual obligation to arbitrate disputes which does not prohibit consolidation or joinder. No other arbitration arising out of or relating to the Contract shall include, by consolidation, joinder or in any other manner, an additional person or entity not a party to the Contract or not a party to an agreement with the City Contractor, except by written consent containing a specific reference to the Agreement signed by the City and Contractor and any other person or entities sought to be joined. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent or with a person or entity not named or described therein. The foregoing agreement to arbitrate and other agreements to arbitrate with an additional person or entity duly consented to by the parties to the Agreement shall be specifically enforceable in accordance with applicable law in any court having jurisdiction thereof.
4. Claims and Timely Assertion of Claims. The party filing a notice of demand for arbitration must assert in the demand all Claims then known to that party on which arbitration is permitted to be demanded.
5. Judgment on Final Award. The award rendered by the arbitrator or arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

**XVI. MISCELLANEOUS PROVISIONS**

- A. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Missouri.
- B. Assignability. Contractor shall not assign any interest on this Agreement, and shall not transfer any interest in the same (whether by assignment or invitation), without the prior written consent of the City thereto. Provided, however, that the claims for money by Contractor from the City under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the City.
- C. Media Announcements. Contractor shall not be authorized to make statements to the media or otherwise on behalf of the City without express direction and consent of the City

- D. Compliance with Local Laws. Contractor shall comply with all applicable laws, ordinances, and codes of the State of Missouri and local governments, and shall save the City harmless with respect to any damages arising from any tort done in performing any of the work embraced by this Agreement.
- E. Equal Employment Opportunity. During the performance of this Agreement, Contractor agrees as follows:
1. Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, religion, or sex. Service Provider will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, national origin, religion, or sex. Such action shall include, but not be limited to, employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
  2. Contractor will, in all solicitation or advertisements for employees placed by or on behalf of Professional, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, religion, or sex.
  3. Contractor will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement so that provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.
- F. Interest of Members of a City. No member of the governing body of the City and no other officer, employee, or agent of the City who exercises any functions or responsibilities in connection with the planning and carrying out of this Agreement, shall have any personal financial interest, direct or indirect, in this Agreement, and Contractor shall take appropriate steps to assure compliance.
- G. Interest of Contractor and Employees. Contractor covenants that he/she presently has no interest and shall not acquire interest, direct or indirect, in the study area or any parcels therein or any other interest which would conflict in any manner or degree with the performance of his/her services hereunder. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed.
- H. Entire Agreement. This Agreement represents the entire Agreement and understanding between the parties, and this Agreement supersedes any prior negotiations, proposals, or agreements. Unless otherwise provided in this Agreement, any amendment to this Agreement shall be in writing and shall be signed by the City and Contractor, and attached hereto.
- I. Severability. If any part, term or provision of this Agreement, or any attachments or amendments hereto, is declared invalid, void, or enforceable, all remaining parts, terms, and provisions shall remain in full force and effect.
- J. Waiver. The failure of either party to require performance of this Agreement shall not affect such party's right to enforce the same. A waiver by either party of any provision of breach of this Agreement shall be in writing. A written waiver shall not affect the waiving party's rights with respect to any other provision or breach.
- K. Third Parties. The Services to be performed by the Contractor are intended solely for the benefit for the City. Nothing contained herein shall create a contractual relationship with, or any rights in favor of, any person or entity not a signatory to this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

CITY OF PARKVILLE, MISSOURI

By: \_\_\_\_\_  
Nanette K. Johnston, Mayor

ATTEST:

\_\_\_\_\_  
Melissa McChesney, City Clerk

MERRILL INDUSTRIAL ELECTRIC, LLC

By: \_\_\_\_\_  
Scott Merrill, Owner

## Exhibit A

### SCOPE OF WORK AND PRICING AGREEMENT

1. Provide electrical work as shown on Sheet E-1 dated 3/15/16 as prepared by Design Energy Group and entitled Electrical Service Modifications Park Maintenance Building/Pump Station English Landing Park, Parkville, Missouri.
2. All work shall comply in every respect with the building laws, City regulations, and code requirements.
3. Contractor shall have/obtain a City of Parkville Business License.
4. If there are any questions regarding the work that is to be done, it will be the responsibility of the Contractor to contact the designated City representative and request clarifications before proceeding.
5. Upon completion of the work, and approval of such work by the City, Contractor shall submit an invoice in accordance with provisions set forth in this Agreement.
6. Contractor shall supply Superintendent or Foreman contract information including cell phone number and email information.
7. It is mutually understood and agreed by and between the parties to this Contract that in the event that the Contractor shall fail in the performance of the Work specified and required to be performed within the period of time stipulated therefor in the Contract, Contractor shall be assessed \$100.00 per calendar day passed the substantial completion date identified in this Agreement.
8. The scope of work included in this contract shall be completed within (45) forty-five days of contract execution.
9. Owner to provide work associated with trenching and boring of electrical service line.  
Contractor to provide PVC conduit for electrical service.

The contract price for the electrical work at the Parks Headquarters is Five Thousand nine hundred seventy-five dollars and no/00 (\$5,975.00).

## **CITY OF PARKVILLE Policy Report**

Date: July 6, 2016

Prepared By:  
Alysen Abel  
Public Works Director

Reviewed By:  
Lauren Palmer  
City Administrator

ISSUE:

Approve Change Order No. 5 with Insituform Technologies for the cured-in-place (CIPP) lining work for the Sanitary Sewer Phase 3 repairs.

BACKGROUND:

Since 2007, the City has accumulated data from the closed-circuit television (CCTV) evaluation of sanitary sewer lines. This data was reviewed by the city's contract engineer, Jay Norco with North Hills Engineering (NHE). The deteriorated areas were prioritized based on the severity of the issues in the existing system determined by data review, field investigation, mapping, and smoke testing performed by NHE and Alliance Water Resources (AWR). Based on this evaluation, NHE prepared a bid request for the Sanitary Sewer Phase 2 repairs in June 2015. The City received responses from only two contractors for this specialized construction method.

On July 7, 2015, the Board of Aldermen approved a contract with Insituform for the cured-in-place pipe (CIPP) lining to repair badly collapsed pipe systems. There were three areas included in the Sanitary Sewer Phase 2 repairs. The 2015 bid request included unit prices based on the pipe sizes, as well as the total cost to complete the project. Previously Insituform performed the 2009 Sewer Repairs Phase 1 project.

There are few contractors that offer the cured-in-place pipe lining method, which is a specialized construction method. The prices that the City received in 2015 are comparable to the 2009 unit prices. Insituform agreed to honor the 2015 pricing for the Phase 2 repairs for the work on the 2016 Sanitary Sewer Phase 3 repairs. Change Order No. 1 directed Insituform to televise the existing storm sewer pipe located between two properties at the end of Walnut Way. Based on the findings from the CCTV, the existing storm pipe was deteriorated. Change Order No. 2 directed Insituform to line the existing storm pipe with CIPP on Walnut Way. On March 15, 2016, the Board of Aldermen approved Change Order No. 3 to the 2015 Insituform contract for the Sanitary Sewer Phase 3 repairs.

The Sanitary Sewer Phase 3 program includes two types of repairs: (1) cured-in-place pipe method; and (2) manhole repairs. The portion that includes the manhole repairs will be competitively bid separately since there are more contractors with the ability to do that type of work. The design work is currently underway.

For the Sanitary Sewer Phase 3 repairs, the contract engineer reviewed the CCTV footage filmed at the completion of the pipe lining to assess the quality of the finished product. He found that the pipe sizes were slightly different than anticipated. One long segment was actually 18" in diameter versus 15" as originally included on the engineering plans. In other cases, the pipe sizes were smaller. The main trunk line through Hawver Gulch was not installed with consistent pipe sizes. Attachment 2 includes a revised project cost sheet. The bid document for the pipe repairs was based on CCTV that was completed 7 years ago; since that time technology in CCTV has improved. The older video made it difficult to estimate the size of pipe using CCTV. Assumptions were made about the sewer pipe profiles. Typically pipes increase in size as the

## ITEM 3F

For 07-11-16

Board of Aldermen - Finance Committee Meeting

pipe flows downstream. In some of these instances, the pipes varied throughout the system. Based on the revised pipe sizes, an as-built change order will be necessary to reimburse Insituform for the work completed.

Staff suggests including a contingency factor for the CIPP projects in the future to account for overruns. A modest contingency of 10% would be appropriate for the unpredictable nature of rehab and repair work.

### BUDGET IMPACT:

The 2015 Capital Improvement Program (CIP) included \$261,000 for the repair to existing sewer lines. The original contract with Insituform was \$284,617.50. When the Sanitary Sewer Phase 2 contract was approved on July 7, 2015, staff presented other areas of cost savings in the sewer fund that could cover the \$23,617.50 overage.

The 2016 and 2017 Capital Improvement Program (CIP) includes \$230,000 and \$60,000 respectively for the Sanitary Sewer Phase 3 repairs.

- On January 19, 2016, the Board of Aldermen approved a work authorization for North Hills Engineering (NHE) for the design and project management associated with the Sanitary Sewer Phase 3 project in the amount of \$30,975.
- On March 15, 2016, the Board of Aldermen approved Change Order No. 3 for Insituform to complete the Sanitary Sewer Phase 3 cured-in-place pipe lining in the amount of \$117,166.
- On March 15, 2016, the Board of Aldermen approved a work authorization for H&H Septic Service to clean and televise sewer lines in downtown at a cost not to exceed \$6,000.
- On April 25, 2016, the Finance Committee approved Change Order No. 4 for the Sanitary Sewer Phase 2 repairs in the amount of \$8,339, using the reserves in the Sewer Fund to pay for the overage and preserve the full scope of the manhole project.
- The remaining balance of the Sanitary Sewer Phase 3 project fund is \$135,859, which is planned for manhole repairs.

Change Order No. 5 is in the amount of \$9,400. The reserves in the Sewer Fund could be used to pay for the overage and preserve the full scope of the manhole project. The current projected year-end balance in the Sewer Fund including this purchase is \$217,958. Attachment 4 is an updated forecast sheet for the Sewer Fund assuming that Change Order No. 5 is paid from the fund balance rather than reducing other expenditures. Alternatively, staff can adjust the scope of the manhole repairs to allow the Sewer Fund to cover the amount of the current change order. Since the project is currently being designed, staff can easily reduce the scope.

### ALTERNATIVES:

1. Approve the change order with Insituform Technologies for the CIPP work for the Sanitary Sewer Phase 3 repairs, and utilize Sewer Fund working capital reserves for the expense.
2. Approve the change order with Insituform Technologies for the CIPP work for the Sanitary Sewer Phase 3 repairs, and reduce the scope of work for the Phase 3 manhole project to cover this expense.
3. Provide other direction to meet the desires of the Finance Committee.
4. Postpone the item.

## **ITEM 3F**

*For 07-11-16*

*Board of Aldermen - Finance Committee Meeting*

### STAFF RECOMMENDATION:

Staff recommends the approval of the change order with Insituform Technologies for the CIPP work for the Sanitary Sewer Phase 2 repairs, using the working capital reserves in the Sewer Fund to pay for the overage and preserve the full scope of the manhole project.

### POLICY:

Per the Purchasing Policy, Resolution No. 10-02-14, the Finance Committee may authorize purchases up to \$10,000.

### SUGGESTED MOTION:

I move to approve Change Order No. 5 with Insituform Technologies for the Sanitary Sewer Phase 3 repairs in the amount of \$9,400, using the reserves in the Sewer Fund to pay for the overage and preserve the full scope of the manhole project.

### ATTACHMENTS:

1. Insituform Original Contract from 2015
2. Status of Completed Quantities
3. Change Order No. 5
4. Sewer Fund Forecast

**CITY OF PARKVILLE, MO**

**AGREEMENT BETWEEN CITY OF PARKVILLE  
AND CONTRACTOR  
FOR**

**PUBLIC IMPROVEMENT OF:** Sanitary Sewer Repairs Phase 2

This agreement is made and entered into this 7th day of July, 2015, by and between the City of Parkville, Missouri, (hereinafter the "City") and Insituform Technologies USA, LLC (hereinafter the "Contractor").

WITNESSETH:

WHEREAS, the City, in the manner prescribed by law, has publicly opened, examined and evaluated the Bids submitted, and as a result of this process has, in accordance with the law, determined and declared the Contractor to be the lowest and best responsible bidder for the construction of the public improvements, and has duly selected the Contractor for award of a contract therefor upon the terms and conditions set forth in this Agreement for the sum or sums stated below.

WHEREAS, the City has caused to be prepared, in accordance with the law, Notice to Bidders, Instructions to Bidders, Bid, this Agreement, General and Special Conditions, Plans, Specifications and other documents as identified below and as further defined in the General Conditions (collectively referred to as "the Contract Documents"), for the work therein described, and has approved and adopted these said Contract Documents and has caused to be published, in the manner and for the time required by law, an advertisement inviting sealed Bids for furnishing construction materials, labor, tools, equipment and transportation necessary for, and in connection with, the construction of public improvements in accordance with the terms of this Agreement; and

WHEREAS, the Contractor, in response to the advertisement, has submitted to the City, in the manner and at the time specified, a sealed Bid in accordance with the terms of this Agreement; and

WHEREAS, the City, in the manner prescribed by law, has publicly opened, examined and evaluated the Bids submitted, and as a result of this evaluation has, in accordance with the law, determined and declared the Contractor to be the lowest and best responsible bidder for the construction of the public improvements, and has duly selected the Contractor for award of a contract therefor upon the terms and conditions set forth in this Agreement for the sum or sums set forth below.

NOW, THEREFORE, in consideration of the compensation to be paid the Contractor, and of the mutual agreements herein contained, the parties hereto have agreed, and hereby agree, the City for itself and its successors and the Contractor for itself, its successors and assigns, as follows:

ARTICLE I. The Contractor will furnish at its own cost and expense all labor, tools, equipment, materials and transportation required to construct and complete the work designated, described and required by the Contract Documents, to wit:

In accordance with the Contract Documents, on file with the City Clerk of Parkville, Missouri, all of which are as fully a part hereof as if repeated verbatim herein; all work to be done in a good, substantial and workmanlike manner to the entire satisfaction of the City, and in accordance with the laws of the City, the State of Missouri and the United States of America. All terms used herein shall have the meanings ascribed to them in the General Conditions unless otherwise specified.

ARTICLE II. The City shall pay to the Contractor for the performance of the work embraced in this Contract, and the Contractor will accept in full compensation therefor, the sum of **Two Hundred Eighty-Four Thousand, Six Hundred Seventeen and 50/100 DOLLARS (\$284,617.50)** (subject to adjustment as provided by the Contract Documents) for all work covered by and included in the Contract award and designated in the foregoing Article I, payment thereof to be made in cash or its equivalent and in the manner provided in the Contract Documents.

ARTICLE III. The Contractor shall commence work upon the date stated in the Notice to Proceed and will be Substantially Complete with all work by March 1, 2016, and Finally Complete with all work by March 15, 2016. Time is of the essence. Accordingly, liquidated damages shall be assessed against Contractor, as stipulated liquidated damages and not as a penalty, in the amount of **\$200.00** for each and every calendar day the work remains incomplete past the date of Substantial Completion.

ARTICLE IV. This Agreement shall not become effective, nor shall Contractor commence any work hereunder, until the City has received, and approved, the Certificate of Insurance and Additional Insured- and Notice of Cancellation Endorsements, the fully executed Performance and Payment Bonds with Powers of Attorney, and the list of proposed Subcontractors/Suppliers from Contractor.

ARTICLE V. This Agreement is entered into, under and pursuant to, and is to be construed and enforceable in accordance with the laws of the State of Missouri.

**ARTICLE VI: The following documents are made part of this agreement by reference:**

Contractor's Bid Form and Schedule of Unit Prices	
Exhibit A	General Conditions of the Contract
Exhibit A-1	Special Conditions of the Contract
Exhibit B-1	Form of Performance Bond
Exhibit B-2	Form of Payment Bond
Exhibit C	Engineered Plans generally titled: Sanitary Sewer Repairs Phase 2, consisting of 11 sheets.
Exhibit D	Specifications
Exhibit F	Sales tax exemption documentation forms
Exhibit G	Contractor's Affidavit of Compliance with Non-Discrimination and Equal Employment Opportunity Laws
Exhibit H	Affidavit of Compliance with Safety Training Requirements (§292.675 R.S. Mo.)
Exhibit I	Affidavit of Compliance with R.S. Mo §285.530.6
Exhibit J-1	Applicable Missouri Prevailing Wage Rates (Wage Order 22)
Exhibit J-2	Prevailing Wage Rate Reporting Form
Exhibit J-3	Certification of Compliance with Prevailing Wage Requirements
Exhibit K	Insurance Requirements
Exhibit L	Form of Bill of Sale
Exhibit M	Form of Bailment Agreement
Exhibit N	Form of Conditional Partial Waiver of Lien and Release of Claims
Exhibit O	Form of Conditional Final Waiver of Lien and Release of Claims

WITNESS WHEREOF, the City of Parkville, Missouri, has caused this Agreement to be executed on its behalf, thereunto duly authorized, and the said Contractor has executed Four (4) counterparts of this contract in the prescribed form and manner, the day and year first above written.



CITY OF PARKVILLE, MISSOURI

By: Nanette K. Johnston  
Nanette K. Johnston

Title: Mayor

ATTEST:

Melissa McChesney  
Melissa McChesney, City Clerk

INSITUFORM TECHNOLOGIES USA, LLC

By: Whitney Schulte  
Whitney Schulte  
Title: Assistant Secretary

(SEAL)

***(If the Contract is not executed by the President of the Corporation or general partner of the partnership, please provide documentation, which authorizes the signatory to bind the corporation or partnership. If a corporation, Contractor shall furnish the City a current certificate of good standing, dated within ten (10) days of the date of this Contract.)***

SCHEDULE OF PRICES

Item	Description	Qty.	Unit	Unit Price	Extension
1	Mobilization (limited to 4% of total Bid Price)	1	LS	\$2,500. <sup>00</sup>	\$2,500. <sup>00</sup>
2	Cured-in-Place Pipe, 24-inch dia., 13.5 mm thickness	285	LF	130. <sup>00</sup>	37,050. <sup>00</sup>
3	Cured-in-Place Pipe, 21-inch dia., 12 mm thickness	892	LF	75. <sup>00</sup>	66,900. <sup>00</sup>
4	Cured-in-Place Pipe, 15-inch dia., 9 mm thickness	1123	LF	50. <sup>00</sup>	56,150. <sup>00</sup>
5	Cured-in-Place Pipe, 12-inch dia., 9 mm thickness	363	LF	50. <sup>00</sup>	18,150. <sup>00</sup>
6	Cured-in-Place Pipe, 10-inch dia., 7.5 mm thickness	1001	LF	25. <sup>50</sup>	25,525. <sup>50</sup>
7	Cured-in-Place Pipe, 8-inch dia., 6 mm thickness	2171	LF	22. <sup>00</sup>	47,762. <sup>00</sup>
8	Open-Cut Point Repair, 8-inch, at Manhole G51	1	LS	13,380. <sup>00</sup>	13,380. <sup>00</sup>
9	Open-Cut Point Repair, 8-inch, at Manhole G55	1	LS	17,200. <sup>00</sup>	17,200. <sup>00</sup>
					\$284,617. <sup>50</sup>

*Institutum Technologies USA, LLC*

TOTAL BASE BID PRICE (IN WORDS AND FIGURES)

*two hundred eighty four thousand six hundred seventeen*  
~~450/1000~~ Dollars & no/cents *\$284,617.<sup>50</sup>*  
 (Words) (Figures)

**City of Parkville - Sanitary Sewer Repairs Phase 2**  
**(Includes CIPP Lines added by Change Order for 2016 Phase 3 Project.)**  
**Status of Completed Quantities and Progress to Date**

Item	Description	BID Qty.	Unit	INSITUFORM - AS BID		COMPLETED WORK		Quantity Adjustment	CO-4 Price Adjustment	CO-5 Price Adjustment	COMMENT
				Unit Price	Extension	Quantity	Extension				
1	Mobilization (limited to 4% of total Bid Price)	1	LS	\$ 2,500.00	\$ 2,500.00	1	\$ 2,500.00	0.0	\$ -		
2	Cured-in-Place Pipe, 24-inch dia., 13.5 mm thickness	285	LF	\$ 130.00	\$ 37,050.00	535	\$ 69,550.00	250.0	\$ 32,500.00		One segment estimated prior as 21" measured as 24".
3	Cured-in-Place Pipe, 21-inch dia., 12 mm thickness	892	LF	\$ 75.00	\$ 66,900.00	645	\$ 48,375.00	(247.0)	\$ (18,525.00)		One segment estimated prior as 21" measured as 24".
4	Cured-in-Place Pipe, 15-inch dia., 9 mm thickness	1123	LF	\$ 50.00	\$ 56,150.00	913	\$ 45,650.00	(210.0)	\$ (10,500.00)		One segment estimated prior as 15" measured as 12".
5	Cured-in-Place Pipe, 12-inch dia., 9 mm thickness	363	LF	\$ 50.00	\$ 18,150.00	362	\$ 18,100.00	(1.0)	\$ (50.00)		One segment estimated prior as 12" measured as 10".
6	Cured-in-Place Pipe, 10-inch dia., 7.5 mm thickness	1001	LF	\$ 25.50	\$ 25,525.50	1,192	\$ 30,396.00	191.0	\$ 4,870.50		One segment estimated prior as 12" measured as 10".
7	Cured-in-Place Pipe, 8-inch dia., 6 mm thickness	2171	LF	\$ 22.00	\$ 47,762.00	2,173	\$ 47,806.00	2.0	\$ 44.00		
8	Open Cut Point Repair, 8-inch, at Manhole G51	1	LS	\$ 13,380.00	\$ 13,380.00	1	\$ 13,380.00	0.0	\$ -		
9	Open Cut Point Repair, 8-inch, at Manhole G55	1	LS	\$ 17,200.00	\$ 17,200.00	1	\$ 17,200.00	0.0	\$ -		
CO-1	Change Order No. 1 - Camera Cleaning	1	LS	\$ 425.00	\$ 425.00	1	\$ 425.00	0.0	\$ -		Added to Contract to explore Walnut Way culvert.
CO-2	Change Order No. 2 - Walnut Way Culvert, 15-inch CIPP	113	LF	\$ 50.00	\$ 5,650.00	113	\$ 5,650.00	0.0	\$ -		
CO-3	Change Order No. 3 (Below)										
1a	Mobilization, for added work, C.O. #3.	1	LS	\$ 2,500.00	\$ 2,500.00	1	\$ 2,500.00				
4	Cured-in-Place Pipe, 15-inch dia., 9 mm thickness	480	LF	\$ 50.00	\$ 24,000.00	0	\$ -	(480.0)	\$ (24,000.00)		Two segments est. at 15" were actually 18" and 12"
5	Cured-in-Place Pipe, 12-inch dia., 9 mm thickness	961	LF	\$ 50.00	\$ 48,050.00	1,172	\$ 58,600.00	211.0	\$ 10,550.00		One segment est. at 15" measured at 12" size.
7	Cured-in-Place Pipe, 8-inch dia., 6 mm thickness	1278	LF	\$ 22.00	\$ 28,116.00	1,221	\$ 26,862.00	(57.0)	\$ (1,254.00)		Actual footage measured less than bid footage.
6b	Cured-in-Place Pipe, 10-inch dia., 7.5 mm thickness	0	LF	\$ 25.50	\$ -	59	\$ 1,504.50	59.0	\$ 1,504.50		One segment est. at 8" measured at 10" size.
10	Cured-in-Place Pipe, 18-inch dia., 9 mm thickness	0	LF	\$ 67.00	\$ -	337	\$ 22,579.00	337.0	\$ 22,579.00		One segment estimated at 15" was measured at 18"
8b	Open Cut Point Repairs, 8-inch, Seg. F05-F04	1	LS	\$ 14,500.00	\$ 14,500.00	1	\$ 14,500.00				
<b>Totals:</b>					\$ 407,858.50		\$ 425,577.50		\$ 8,339.50	\$ 9,379.50	

**Disposition of Pricing:**

Contract Price, AS-BID, with estimated quantities:	\$284,617.50
Change Order No. 1 - Camera Clenaning	\$425.00
Change Order No. 2 - Walnut Way CMP Lining, 15"	\$5,650.00
Change Order No. 3 - Lines Added Spring of 2016	\$117,166.00
<hr/>	
Adjusted Bid Pricing, with estimated quantities:	\$407,858.50
<hr/>	
Change Order No. 4, to adjust to actual size and quantities from initial scope	\$8,339.50
<b>Change Order No. 5, to adjust to actual size and quantities from C.O.#3 added scope</b>	<b>\$9,379.50</b>
<hr/>	
Final Contract Pricing, using actual sizes and quantities:	\$425,577.50

**Change Order**

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**PROJECT:**  
Sanitary Sewer Repairs Phase 2

**CHANGE ORDER NUMBER:** Five (5)  
**DATE:** July 19, 2016

**TO CONTRACTOR** (*Name and Address*):  
**Insituform Technologies USA, LLC**  
**17988 Edison Ave.**  
**Chesterfield, MO 63005**

**PROJECT NO.:** SANSWR2015  
**CONTRACT DATE:** July 7, 2015

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**THE CONTRACTOR IS CHANGED AS FOLLOWS:**

The original Contract Sum was	\$ <u>284,617.50</u>
The net change by previously authorized Change Orders	\$ <u>131,580.50</u>
The Contract Sum prior to this Change Order was	\$ <u>416,198.00</u>
The Contract Sum will be increased/ <del>decreased</del> by this Change Order in the amount of	\$ <u>9,379.50</u>
The new Contract Sum including this Change Order will be	\$ <u>425,577.50</u>

The Contract Time will be increased by 0 days.

The date of Substantial Completion as of the date of this Change Order therefore is: June 29, 2016

This Change Order represents a complete and final resolution of all matters concerning or arising out of the work described in the Change Order, including any impact, delay, disruption and/or acceleration of work unless specifically identified herein.

**Description of Work Added:** Adjustments to Contract to reflect actual quantities of work performed and actual sizes of CIPP lining performed. These adjustments apply to the original scope of work and Change Orders No.'s 1 – 4. See attached document: *Status of Completed Quantities and Progress to Date*

**NOT VALID UNTIL SIGNED BY THE CONTRACTOR AND OWNER.**

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**INSITUFORM TECHNOLOGIES USA, LLC**

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**CITY OF PARKVILLE, MISSOURI**

**CONTRACTOR** (*Firm name*)

**OWNER** (*Firm Name*)

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17988 Edison Ave., Chesterfield, MO 63005

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8880 Clark Avenue, Parkville, MO 64162

**ADDRESS**

**ADDRESS**

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**BY** (*Signature*)

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**BY** (*Signature*) – Nanette K. Johnston, Mayor

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Whitney Schulte, Assistant Secretary

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**BY** (*Signature*) – Alysen M. Abel, Public Works Director

(*Typed name*)

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**DATE**

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**DATE**

# Sewer Fund (30)

Last Updated 07/06/2016

	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2015 Actual	2016 Budget	2016 Amended	2016 YTD	2016 Projected	2017 Projected	2018 Projected	2019 Projected	2020 Projected	2021 Projected
<i>Beginning Fund Balance</i>	\$ 493,616	\$ 605,952	\$ 516,873	\$ 1,020,362	\$ 1,104,409	\$ 794,313	\$ 797,784	\$ 797,784	\$ 797,784	\$ 217,958	\$ 234,506	\$ 395,717	\$ 325,607	\$ 347,429
<b>Revenues</b>														
<i>Projected Rate Increase</i>			3.00%	3.00%	3.00%	2.50%	2.50%		2.50%	3.00%	3.00%	3.00%	2.50%	0.00%
Sewer Charges	962,603	937,785	1,016,426	1,027,940	1,020,684	1,014,750	1,014,750	407,748	1,014,750	1,045,193	1,076,548	1,108,845	1,136,566	1,136,566
Sewer Tap Fees	33,000	30,000	43,500	30,000	39,000	36,000	36,000	10,500	36,000	36,540	37,088	37,644	38,209	38,782
Sewer Impact Fees	30,800	28,000	42,000	28,000	36,400	33,600	33,600	9,800	33,600	34,104	34,616	35,135	35,662	36,197
MOAW Bill Collection Payment	715	686	562	650	643	650	650	-	650	650	650	650	650	650
Grinder Pump Administrative Fee	4,620	3,850	4,620	-	4,620	4,620	4,620	1,925	4,620	4,620	4,620	4,620	4,620	4,620
Interest Income	6,611	5,872	4,361	4,400	4,956	4,800	4,800	1,998	4,800	4,872	4,921	4,970	5,020	5,070
Transfer from Sewer CIP (33)	-	-	294,984	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	16	1,000	200	74	200	200	10	200	203	206	209	212	215
<b>Sewer Fund Revenues:</b>	<b>1,038,349</b>	<b>1,006,209</b>	<b>1,407,454</b>	<b>1,091,190</b>	<b>1,106,376</b>	<b>1,094,620</b>	<b>1,094,620</b>	<b>431,980</b>	<b>1,094,620</b>	<b>1,126,182</b>	<b>1,158,649</b>	<b>1,192,073</b>	<b>1,220,939</b>	<b>1,222,100</b>
<b>Total Sources:</b>	<b>1,531,965</b>	<b>1,612,161</b>	<b>1,924,326</b>	<b>2,111,552</b>	<b>2,210,785</b>	<b>1,888,933</b>	<b>1,892,404</b>	<b>1,229,764</b>	<b>1,892,404</b>	<b>1,344,140</b>	<b>1,393,155</b>	<b>1,587,790</b>	<b>1,546,546</b>	<b>1,569,530</b>
<b>Expenditures</b>														
Operating Expenses	453,316	449,989	462,065	519,812	494,544	520,116	538,596	224,793	537,893	529,780	539,630	549,669	559,901	570,330
Capital Expenses	18,146	5,636	59,988	802,275	459,088	734,500	838,200	214,465	847,528	293,300	168,000	419,700	348,500	212,400
Debt Service	198,952	202,233	191,504	332,785	357,870	185,495	185,495	58,981	185,495	180,953	182,095	182,947	178,651	179,311
Transfer to General Fund - Admin Fee	75,000	100,000	100,000	101,500	101,500	103,530	103,530	43,138	103,530	105,601	107,713	109,867	112,064	114,305
Other Transfers	180,600	337,431							-					
<b>Sewer Fund Expenditures:</b>	<b>926,014</b>	<b>1,095,288</b>	<b>813,557</b>	<b>1,756,372</b>	<b>1,413,001</b>	<b>1,543,641</b>	<b>1,665,821</b>	<b>541,377</b>	<b>1,674,446</b>	<b>1,109,634</b>	<b>997,438</b>	<b>1,262,183</b>	<b>1,199,116</b>	<b>1,076,347</b>
<b>Estimated Working Capital (deficit):</b>	<b>605,952</b>	<b>516,873</b>	<b>1,110,769</b>	<b>355,180</b>	<b>797,784</b>	<b>345,292</b>	<b>226,583</b>	<b>688,387</b>	<b>217,958</b>	<b>234,506</b>	<b>395,717</b>	<b>325,607</b>	<b>347,429</b>	<b>493,183</b>
<b>TARGET*</b>	\$331,031	\$339,730	\$332,020	\$488,113	\$481,796	\$341,407	\$346,027		\$345,851	\$339,798	\$343,931	\$347,831	\$346,642	\$350,470

\* Target represents desired working capital of 90 days of operations in addition to the current fiscal year debt service payments as required by the Reserve Policy adopted December 3, 2013, by Resolution No. 12-01-13.



# 2017 Budget Calendar

Dated 07-05-16

August							September							October							November							December						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
	1	2	3	4	5	6					1	2	3							1	30	31	1	2	3	4	5					1	2	3
7	8	9	10	11	12	13	4	5	6	7	8	9	10	2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10
14	15	16	17	18	19	20	11	12	13	14	15	16	17	9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17
21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24
28	29	30	31				25	26	27	28	29	30		23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31

  Denotes Board of Aldermen review/action

## July 2016

- 11<sup>th</sup> Review 2017 budget calendar with Finance Committee
- 18<sup>th</sup> Board of Aldermen priority setting workshop
- 25<sup>th</sup> Budget worksheets issued to staff for capital and operating budgets (all funds).

## August 2016

- 10<sup>th</sup> Preliminary review of parks and nature sanctuary budget request by Community Land and Recreation Board (CLARB).
- 16<sup>th</sup> Public hearing on the revised property tax levy for the 2016 tax year.

## September 2016

- 2<sup>nd</sup> Deadline for departments to have 2017 Budget requests in to the city administrator
- 5<sup>th</sup> – 9<sup>th</sup> Review and creation of initial operating budget for major funds and Capital Improvement Program (CIP)
- 14<sup>th</sup> Final review of Parks and Nature Sanctuary budget request by Community Land and Recreation Board (CLARB)
- 12<sup>th</sup> - 30<sup>th</sup> City administrator and department head budget meetings
  - General Fund and CIP
    - Revenues
    - Administration (includes information technology & public information)
    - Community development
    - Police
    - Municipal court
    - Public works – administration
    - Parks
    - Streets
    - Nature sanctuary
  - Transportation Fund
  - Sewer Enterprise Fund
  - Other funds

## **October 2016**

- 3<sup>rd</sup> - 10<sup>th</sup> Review and creation of second iteration of operating budget for major funds and CIP
- 11<sup>th</sup> Planning and Zoning Commission review of proposed projects for 2017-2022 CIP
- 18<sup>th</sup> First budget work session with the Board of Aldermen on proposed 2017 budget  
(3<sup>rd</sup> Tuesday - 5:30 p.m.)  
**Tentative Topics – Revenue forecast, General Fund operating budget, Emergency Reserve Fund, minor funds**
- 25<sup>th</sup> Second budget work session with the Board of Aldermen on proposed 2017 budget and 2017-2022 CIP. (4<sup>th</sup> Tuesday – 5:30 p.m.)  
**Tentative Topics – CIP – Part 1 (administration, police, court, community development); debt service funds; General Fund operating follow-up**

## **November 2016**

- 1<sup>st</sup> Third budget work session with the Board of Aldermen on proposed 2017 Budget and 2017-2022 CIP. (1<sup>st</sup> Tuesday – 5:30 p.m.)  
**Tentative Topics – CIP – Part 2 (public works, streets, parks, nature sanctuary); Transportation Fund, miscellaneous follow-up**
- 15<sup>th</sup> Fourth and final budget work session with the Board of Aldermen on proposed 2017 Budget and 2017-2022 CIP. (3<sup>rd</sup> Tuesday – 5:30 p.m.)  
**Tentative Topics - Sewer Enterprise Fund and sewer CIP; summary review**

## **December 2016**

- 6<sup>th</sup> First reading of ordinance adopting the 2017 budget, 2017-2022 CIP, and amended 2016 City Budget for select funds if necessary (1<sup>st</sup> Tuesday – 7:00 p.m.)
- 20<sup>th</sup> Second and final reading of ordinance adopting the 2017 budget and 2017-2022 CIP  
(3<sup>rd</sup> Tuesday – 7:00 p.m.)

## **January 2017**

- 1<sup>st</sup> 2017 fiscal year begins
- 30<sup>th</sup> Publication of adopted 2017 budget document