

# City of Independence

## MEMORANDUM

City Council Office

DATE: January 29, 2018

TO: **Honorable Mayor and City Council Members**

FROM: Jordan C. Ellena, City Management Analyst

SUBJECT: **Contract Review: Independence Farmers Market**



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You have before you a contract with McCownGordon Construction, LLC for the construction of the Independence Farmers Market. This contract is proposed in the amount of \$2,997,445. In accordance with City Code Sec. 1.43.007 (D), I have reviewed the proposed contract to ensure appropriate procedures were followed in the bidding process and that no provision of the contract would negatively affect the City.

A preliminary design contract with McCownGordon was executed through a Request for Qualifications process, in the amount of \$49,800. The preliminary design phase commenced on September 21, 2017 and concluded on November 17, 2017 resulting in several possible design options and alternatives to be selected and finalized. A final design and additional alternatives were selected resulting in this proposed contract.

McCownGordon Construction LLC will act as the design-builder on this project. Design-build is an alternative project delivery method which provides for a quicker turnaround of the project because one firm is responsible for both the design and construction of a project. The design-builder in this case has contracted to deliver the project for the cost of the work, but for no greater than a guaranteed maximum price (GMP). The design-builder is responsible for timely completion of the project and holds the risk of cost overruns if the guaranteed maximum price is exceeded.

After reviewing all applicable documents and actions, it is my opinion that this is an acceptable contract and that all parties have fulfilled their obligations. The contract documents contain no provisions that are unusual or harmful to the City and the length of the contract is reasonable. Finally, because the City does not have the resources or expertise to do this project in-house, hiring McCownGordon as the design-builder appears to be the best option. Please let me know if you have any questions or concerns. Thank you for your attention.

C: Zach Walker, City Manager  
Lauren Palmer, Assistant City Manager  
Tim Gramling, Public Works Director  
Kati Horner, City Engineer  
Sarah Carnes-Lemp, City Clerk