

CITY OF OLATHE		Policy No.:	PI-1A
COUNCIL POLICY STATEMENT		Date Issued:	12-19-06
General Scope:	Public Improvements	Effective Date:	12-19-06
Specific Subject:	Bidding Requirements Policies for Public Improvement Projects	Cancellation Date:	
		Supersedes No.:	

Purpose:

To establish bidding requirements policies for public improvement projects.

Statement of Policy:

The statement of policy is hereby incorporated with Resolution No. 06-1190.

RESOLUTION NO. 06-1190

A RESOLUTION SETTING THE BIDDING REQUIREMENTS POLICIES FOR PUBLIC IMPROVEMENT PROJECTS.

WHEREAS, the City exempted itself from the provisions of K.S.A. 13-1017 relating to the procedure to bid public improvement projects pursuant to Charter Ordinance No. 17; and

WHEREAS, the Governing Body desires to clarify the procedures used to bid public improvement projects.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF OLATHE, KANSAS:

SECTION ONE: Before the City undertakes the construction or reconstruction of any public improvement, including but not limited to, sidewalks, curbs, gutters, sewers, sewer treatment plants, waterlines, water treatment plants, bridges, pavements, streets, highways, public grounds, public park facility, public buildings and public facilities, a detailed cost estimate of the cost of such improvement shall be made under oath by the City Engineer (or some other competent person appointed by the City Engineer and reviewed by the City Engineer) and the estimate shall be submitted to the Governing Body for its action thereon. If such estimate is more than six (6) months old prior to the contract letting processes described below, such estimate shall be updated before the contract is awarded by the Governing Body.

SECTION TWO: Unless specified below, where the estimated amount of the public works improvement amounts to more than \$25,000, sealed proposals for the improvement shall be invited by advertisement, published by the City Clerk once in the official City newspaper. The Governing Body shall let all such work by contract to the lowest responsible bidder, if there is any whose bid does not exceed the estimate.

SECTION THREE: If no responsible person proposes to enter into the contract at a price not exceeding the estimated cost, the Governing Body may:

- a. Reject all bids and rebid the project; or
- b. Reject all bids and enter into negotiations with any bidder who has submitted a responsible bid, beginning such negotiations with the bidder who has submitted the lowest responsible bid and continuing with the next lowest responsible bidder and so on, and enter into a contract with such bidder upon reaching mutually agreeable conditions for both the City and the bidder; or
- c. Reject all bids and the Governing Body may authorize said improvements to be made within the estimated cost thereof, and shall have the power to purchase or rent the necessary tool, machinery, apparatus, materials, employ the necessary labor, construct the necessary improvements.

SECTION FOUR: The provisions of Section Two shall not apply to:

- a. Any repair or maintenance work not amounting to substantial alteration, addition or change in any public improvement;
- b. The construction, reconstruction, repair or maintenance of any public improvement by employees of the City;
- c. Improvements financed by economic development revenue bonds issued pursuant to K.S.A. 12-1740, *et seq.*;
- d. To public improvements which are to be constructed on or to real estate owned, in whole or in part, by the City and which public improvements are to be constructed by a developer pursuant to a development agreement between the City and such developer;
- e. To public improvements that are constructed pursuant to a design-build method of construction in which one company or a consortium of companies are responsible for both the design and construction under a lump-sum fixed price, cost-plus fee, guaranteed maximum price, or other acceptable contract term that covers both design and construction activities. A design-build project shall be initiated by the City issuing a request for qualifications and/or a request for proposal. Request for qualifications or request for proposals shall contain project conditions, requirements and parameters. Design-build proposal may be awarded on the basis of lowest lump-sum fixed price, fixed price best value, design concepts, experience of company or consortium of companies submitting proposals and upon other pertinent criteria that shall be set by the Governing Body prior to the acceptance of proposals. Contracts for design-build projects do not have to be awarded solely upon the basis of lowest lump-sum, fixed price submitted. The Governing Body has the right to reject all proposals submitted;
- f. To public improvements adjacent to developments and the developer is making the improvement. Such improvements include, but are not limited to, traditional developer projects, transportation development districts (TDD) and tax increment financing districts (TIF).

SECTION FIVE: Before any type of public improvements shall be commenced (except for items c, d and f in Section Four above), the money to pay for the same must be available in the City treasury as provided by law; or provision may be made for the issuance of internal improvement bonds to pay for any such improvement as provided by law.

SECTION SIX: This Resolution shall take effect immediately.

ADOPTED by the Governing Body this 19th day of December, 2006.

SIGNED by the Mayor this 19th day of December, 2006.

/s/ Michael Copeland
Mayor

ATTEST:

/s/ Debra Gragg
City Clerk

(SEAL)

APPROVED AS TO FORM:

/s/ Thomas A. Glinstra
Municipal Counsel