

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

98-268

SYNOPSIS –

AGENDA:
JUNE 22, 1998

On June 16, 1998, the City received bids for the asbestos removal and demolition at 1403 - 1407 Forest Avenue. Only one bid was received which was from Metro Wrecking & Excavating, Inc., Kurt Pagliai, President/Owner, 4041 E 16th Street, Des Moines, Iowa. This report explains staff's recommendation to reject the bid.

SUBJECT:
BID FOR ASBESTOS
REMOVAL AND
DEMOLITION - 1403
- 1407 FOREST
AVENUE.

FISCAL IMPACT —

TYPE:
RESOLUTION
ORDINANCE
RECEIVE/FILE

Funding for this project is included in Index Code 343640, Abandoned Housing Demolition.

SUBMITTED BY:
HAROLD SMITH
CITY ENGINEER

RECOMMENDATION —

Staff recommends to reject the bid submitted by Metro Wrecking & Excavating, Inc., and to rebid the project in the Fall, 1998.

BACKGROUND —

Only one bid was received from Metro Wrecking & Excavating, Inc., in the amount of \$149,900. The Engineer's Estimate on the project was \$58,400. The Chief Civil Engineer recommends rejection of the bid.

A total of three contractors had requested bid documents as prime bidders, of which staff contacted all three contractors. All of the contractors were concerned about the asbestos removal being included as part of the demolition contract. On this project, the Engineering Department proposed including the asbestos removal in the demolition contract. Previous practice was to have separate contracts awarded for asbestos removal and demolition.

Part of the structure at 1403 Forest has collapsed making it impossible to remove the asbestos in the entire structure prior to demolition. The demolition contract would therefore include some asbestos removal in the collapsed section; so staff decided to include all asbestos removal in the demolition contract and require a permitted asbestos removal contractor to be a subcontractor to the demolition contractor.

On May 26, 1998, the City received only one bid for removal of asbestos in 1403-1407 Forest Avenue in the areas that had not collapsed and where the asbestos could be safely removed. This bid was also well over the Engineer's Estimate and was rejected by the City Council on June 1, 1998. Asbestos removal contractors indicated at that time they did not bid the asbestos removal because their schedules were full for early summer with work in the schools. As a result, the asbestos removal was included with the demolition contract and given a September 30, 1998, completion date.

The City Engineer now recommends that staff work with the demolition contractors to resolve any concerns regarding removal of the asbestos with the demolition contract; and to rebid the project in the Fall, 1998, after the asbestos removal contractors have completed their school work, which will hopefully result in a more favorable bid climate.