

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

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

00-052

SYNOPSIS -

AGENDA:

FEBRUARY 7, 2000

SUBJECT:

AMENDMENT OF
CITY CODE TO
EXPEDITE BID
PROCEDURE FOR
DEMOLITION AND
HOUSING REPAIR
SERVICES

In undertaking the demolition of structures including the removal of asbestos, the City's current practice is to follow the public improvement bidding procedures found in Chapter 384 of the Iowa Code. In undertaking the repair of housing units, the City utilizes procurement procedures required by HUD. The Legal Department has advised the Engineering Department that demolition service contracts are exempt from the public improvement bidding requirements of Chapter 384, and has advised Housing Services that it could utilize an expedited procurement procedure if the City were to adopt one. The proposed ordinance amendment developed by the Legal Department, working with the Engineering and Housing Services Departments, establishes an expedited bidding procedure for demolition services and for housing repair services.

TYPE:

FISCAL IMPACT -

**RESOLUTION
ORDINANCE
RECEIVE AND FILE**

The public improvement bidding process under Chapter 384 of the Iowa Code is a rigid process involving public notice, public bid opening, and public hearing that is time consuming and costly. The proposed expedited bid procedure would shorten the procurement process and reduce the staff time and cost involved in procuring service contracts.

SUBMITTED BY:

FLOYD BENTZ, P.E.
CITY ENGINEER

BEN MONTIJO,
DIRECTOR
DEPARTMENT OF
HOUSING SERVICES

Currently it is costing Housing Services about \$29,000 per month to have housing units sit vacant; and Housing Services is losing about \$31,000 per month in rental income for a total cost of approximately \$60,000 per month. The proposed bid procedure would reduce the time it takes to renovate and re-rent vacant units, thus reducing these losses.

RECOMMENDATION -

Approval.

BACKGROUND -

The Engineering Department has reviewed the demolition services procurement process currently in use and has identified an alternative procedure that will reduce cost and shorten the time required for procurement of demolition service contracts.

HUD has notified the Housing Services Department that the high vacancy rate of Housing Agency units should be immediately reduced. The proposed expedited bid procedure will greatly reduce the time required to procure contractors to repair and renovate vacant units so that the Agency may rent these units.



