

CITY COUNCIL
COMMUNICATION:

03-293

AGENDA:

JUNE 23, 2003

SUBJECT:

HIGHLAND PARK
STREETSCAPE
IMPROVEMENTS
AND SELF-
SUPPORTED
MUNICIPAL
IMPROVEMENT
DISTRICT

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

JEB E. BREWER, P.E.
CITY ENGINEER

JIM GRANT
COMMUNITY
DEVELOPMENT
DIRECTOR

ITEM _____

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

SYNOPSIS —

On June 9, 2003, City Council requested alternatives for the Highland Park Streetscape Construction Contract, Activity ID 04-2000-010, due to the higher than expected bids. The recommended option is to proceed with a separate and smaller contract now and rebid the remainder of the project after reprogramming Capital Improvement Program (CIP) funds from the Delaware-Tichenor Economic Development Program.

FISCAL IMPACT —

Funding is Index Code 486043, Highland Park Streetscape – Account 543060 – Fund CP038 – Organization ENG990000 – Project STR208 – Activity ID 04-2003-016, with a transfer of \$360,000 G.O. Bonds from Economic Development – Delaware-Tichenor – Account 543060 – Fund CP065 – Organization CMO990000 – Project URR072.

RECOMMENDATION —

Authorization of an immediate contract for Highland Park Streetscape Arch and Historical Marker, with bids on July 8, 2003, and award of contract on July 14, 2003. Authorization to transfer \$360,000 from Delaware-Tichenor Economic Development Program CIP to the Highland Streetscape Project CIP. Authorization to receive, file, and refer to the Plan and Zoning Commission for a report on the merit and feasibility of the Self-Supported Municipal Improvement District (SSMID) petition.

BACKGROUND —

On May 20, 2003, bids on this project were opened by the Iowa Department of Transportation (IDOT). Two bids were received. Elder Corporation submitted the low bid read at the letting; but IDOT later determined Elder Corporation did not demonstrate good-faith effort in trying to meet the Disadvantaged Business Enterprise (DBE) goal and was subsequently rejected by IDOT. The second bid was submitted by Nuckolls Concrete Services/Des Moines Asphalt Paving Company and was \$422,788 over the Consultant's estimate.

The total project involves federal funding that requires IDOT letting. The proposed Highland Streetscape Arch and Historical Marker will be let without

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federal funds. This will allow a faster City letting process, which could result in a potential award of contract on July 14, 2003. This contract will include the arch over the street and the historical marker. Due to long fabrication lead times, the arch will not be completed until November-December, 2003. The remainder of the project must be rebid through IDOT since it involves federal funds, and will require additional review time. The City will work with IDOT to get a new bid date as early as possible. It is anticipated the bid date will be late 2003. It is proposed that the original elements be retained in the project, thus requiring additional CIP funds. The current loan program for the Delaware-Tichenor Economic Loan Program is not being utilized at the maximum level which allows a transfer of \$360,000 to cover potential increase costs reflected in the latest bid letting.

In order to pay the increased maintenance costs associated with various streetscape improvements, a SSMID has been proposed to initiate this process.

The Legal Department prepared the petitions for the SSMID in conjunction with the Community Development Department. Prior to the petitions being distributed, an informational meeting for all affected property owners was held on May 12, 2003 at the North Side Library. Staff from the Community Development, Legal, and Engineering Departments were present to answer questions. Approximately a dozen property owners or their representatives attended the meeting. The Parks Area Foundation (a non-profit that supports development in the Parks neighborhoods) distributed and collected the petitions from property owners over the course of the last month.

The Iowa Code requires petitions to be received from at least 25 percent of property owners who represent at least 25 percent of the value in the proposed district in order for the Council to consider the matter. As of June 16, 2003, petitions from 43 percent of the owners who represent 30 percent of the value of the proposed district have been received.

Upon receipt of a report from the Plan and Zoning Commission on the merit and feasibility of the petitions, the Council will then set the date of public hearing on the establishment of the Highland Park SSMID.

