



MHGB
Communication
Office of the City Manager

Date

June 19, 2006

Agenda Item No. MHGB3
Roll Call No. 06-
Communication No. 06-391
Submitted by: Chris M. Johansen, Housing
Services Director

AGENDA HEADING:

Approval to execute the contract for the modernization improvements at East View Manor with Downing Construction, Inc. (D. Robert Downing, President, 2500 W. 2nd Avenue, Indianola, IA, 50125).

SYNOPSIS:

Recommend approval to execute the contract for the modernization improvements at East View Manor, a Public Housing apartment building for the elderly, with Downing Construction, Inc.

FISCAL IMPACT:

Amount: \$1,597,996 (\$1,497,996 from the proceeds of the sale of disposition units; \$100,000 from the 2004 and 2005 Capital Funds Program).

Funding Source:

- CFP – pg. 231, Miscellaneous, SP350 HSG310000
- Proceeds from sale of disposition units – pg. 225 Maintenance, SP350 HSG070000

ADDITIONAL INFORMATION:

Built in 1977, East View Manor is a 50-unit apartment building that is designated as an apartment building for the elderly. Since construction, the building has had few modernization improvements. In conjunction with the disposition of our scattered site public housing units, 25% of all of the proceeds have been dedicated to the modernization of the City's five apartment buildings, including East View Manor.

The Des Moines Municipal Housing Agency signed a professional services contract with Architects Wells Kastner Schipper for a building revitalization plan for East View Manor on November 15, 2004.

Architects Wells and Associates (formally known as Architects Wells Kastner Schipper) prepared bid documents for the modernization improvements for East View Manor. Proposals for said improvements were advertised and received by the City purchasing agent in compliance with city procedures.

The City purchasing agent received three responses on May 9, 2006 as follows:

1. Downing Construction, Inc.:
 - Base Bid -\$1,889,774
 - Alternate #1-\$12,790
 - Alternate #2-\$23,280
2. Venter Spooner, Inc.
 - Base Bid -\$2,083,600
 - Alt #1-\$15,000
 - Alt #2-\$25,000
3. The Hansen Company, Inc.
 - Base Bid -\$2,168,000
 - Alt #1-\$14,100
 - Alt#2- \$25,600

Note: Alternate #1 consists of the video inspection of each unit's sewer line. Alternate #2 is for the replacement of all existing faucets in lieu of re-using the existing faucets.

The low base bid exceeded cost estimates provided to the Public Housing Board at the June 2005 Public Housing Board meeting (\$1,146,646). Housing staff directed the Architect to request that the apparent low bidder provide cost reductions through value engineering. The revised amount of the base bid is \$1,561,926.

Downing Construction, Inc. was the lowest bidder. Their proposal was complete and responsive to the bid documents.

Housing staff recommends the selection of Downing Construction, Inc. as the contractor and to accept the bid of \$1,561,926, plus Alternates #1 and #2. Staff will be requesting authorization to execute the contract with Downing Construction, Inc. for \$1,597,996 [\$1,561,926 + \$12,790 (Alt #1) + \$23,280 (Alt #2)] after final review by Legal Counsel.

PREVIOUS COUNCIL ACTION(S): NONE

Date:

Roll Call Number:

Action:

BOARD/COMMISSION ACTION(S): NONE

Date:

Roll Call Number

Action:

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE