



Council Communication

Office of the City Manager

Date

July 23, 2007

Agenda Item No. 57

Roll Call No. 07-

Communication No. 07-451

Submitted by: Donald M. Tripp, Park and Recreation Director

AGENDA HEADING:

Approval of the 28E Agreement Between Polk County and the City of Des Moines for the Construction, Management and Maintenance of Martin Luther King, Jr. Park Shelter.

SYNOPSIS:

Recommend approval of a 28E Agreement between Polk County and the City of Des Moines that describes the process by which the two agencies will work cooperatively to construct, manage, and maintain an enclosed picnic shelter at Martin Luther King, Jr. Park (MLK Park), located at the intersection of E. 17th St. and Garfield Avenue. The public entities will jointly own the facility.

FISCAL IMPACT:

Amount: Total construction project cost is not to exceed \$1,100,000, with Polk County paying one-half (\$550,000) and the City paying one-half (\$550,000).

Funding Source: Funds are available to pay for the City's half in the FY08 Capital Improvement Program (CIP) Budget, Park Redevelopment, CP040 PKS990000 PKS100, Park Improvements, page 19, A "Letter of Intent" dated February 7, 2007, has been received by the City committing the Polk County Board of Supervisors to pass a Resolution to appropriate funds totaling \$500,000 toward the construction of the project. The additional \$50,000 to make up the County's full half share has been agreed to verbally by a majority of the Polk County Supervisors.

ADDITIONAL INFORMATION:

The Master Plan for MLK Park (adopted December 1999) included an open-air shelter adjacent to the new wading pool and an attached enclosed all-season shelter. Only the wading pool has been constructed.

On June 19, 2006, the Engineering Department prepared plans, specifications, form of contract documents, and City Engineer's estimate for the construction of the enclosed MLK Park Shelter. The improvement included construction of an all-season park shelter (approximately 2800 s.f.) at East 17th Street and Garfield Avenue, and the City's first enclosed shelter with a kitchen and attached open-air features. It was intended that the shelter be rented not only to groups from the immediate neighborhood, but also to groups from all over the city. The MLK Neighborhood Association was able to collect over \$40,000 in donations over a period of three years to be used toward furnishing the enclosed shelter.

During the bid process, representatives from Polk County approached Park and Recreation Department staff regarding using the proposed MLK shelter as a Polk County meal site. The feasibility of the modifications was evaluated and funding sources reviewed.

Four sealed bids were received for the shelter improvement, but at the July 24, 2006, meeting of the City Council, the Engineering Department recommended all bids be rejected because the low bid was almost 40% over the architect's estimate and project budget. The architect's estimate was \$350,000, and the lowest bid submitted was \$486,700. The City Engineer recommended redesigning the project to include revisions that would allow the shelter to be used as a Polk County meal site and then to re-bid the project at a later date.

Since that time, City staff has held several meetings with Polk County staff and a special meeting with Polk County Board of Supervisors to discuss design, review plans, and work out an agreed upon budget for the construction, management, and maintenance of the combined Polk County Congregate Meals site and the City Park and Recreation Department's enclosed picnic shelter (see Attachment A for a schematic layout of the building). Provisions of the resulting 28E Agreement include the following:

- 1) The facility when completed will be jointly owned by both parties.
- 2) The Agreement continues in effect through June 30, 2057, and may be extended for a renewal period of twenty-five years.
- 3) The City and County each shall provide a maximum of \$550,000 in funding or 50% of the cost, whichever is less. The City, however, shall have the right to reject all bids which exceed the cost of the total of \$1,100,000 and work with the County to change the specifications to bring the total cost within the \$1,100,000 limit, or the parties may mutually agree to provide more funding.
- 4) The City shall manage the construction of the facility.
- 5) The County shall have exclusive use of the facility as a Senior Congregate Meal site Monday through Friday from 8:00 a.m. – 3:00 p.m.
- 6) Any revenue generated by the use of the facility will off-set the operating expenses equally shared by each party.
- 7) The County and City shall each pay 50% of the annual operating expenses, including utilities, custodial care, general repairs, and major structural repair and improvements.
- 8) Upon termination of the Agreement, for reason(s) stated in the Agreement, the City may assume sole ownership of the facility upon payment to the County of an amortized amount as reimbursement of the County's initial contribution to the facility's construction. How to handle ownership upon agreement termination is still a matter of negotiation.

PREVIOUS COUNCIL ACTION(S):

Date: June 19, 2006

Roll Call : 06-1175

Action: [M. L. King, Jr. Park Shelter – Receiving of bids, \(7-11-06\)](#), and [Setting date of hearing, \(7-24-06\)](#). (Construction Estimate - \$350,000). ([Council Communication No. 06-368](#)) Moved by Vlassis to adopt. Motion Carried 7-0.

Date July 24, 2006

Roll Call 06-1514

Action: [Resolution](#) to Close Hearing and REJECT all bids on the M. L. King Jr. Park Shelter, (five bids received-over estimate). ([Council Communication No. 06-473](#)) Moved by Vlassis to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE