| CITY OF DES MOINES | Council Communication Office of the City Manager | Date: | November 8, 2010 |
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| | | Agenda Item No. | 39 |
| | | Roll Call No. | <u>10-1855</u> |
| | | Communication No. | <u>10-662</u> |
| | | Submitted by: | Phillip Delafield |
| | | | Community |
| | | | Development Director |

AGENDA HEADING:

Approve charging a \$60.00 annual processing fee to contractors included on a "Rehabilitation Contractor" list distributed to clients by the Neighborhood Conservation Services Division of the Community Development Department.

SYNOPSIS:

Approve a \$60.00 fee to cover costs for background criminal, credit, and reference checks on all forprofit contractors working with rehabilitation programs funded through the Department of Community Development, Neighborhood Conservation Services Division.

FISCAL IMPACT:

<u>Amount</u>: \$60.00

<u>Funding Source</u>: Funds from the revenue source will be added to the FY2011 General Fund Operating Budget –Neighborhood Planning, CDD100400, with a new account code for the revenue.

ADDITIONAL INFORMATION:

The Neighborhood Conservation Services (NCS) Division works with contractors on rehabilitation projects funded by governmental and nongovernmental sources. Over the past few years, the U.S. Department of Housing and Urban Development (HUD) and Iowa Department of Public Health have added required certifications and additional debarment checks on all contractors working on projects that have NCS provided funding.

Because the NCS funds are paid out after installation of work and inspection, City staff needs to ensure that contractors have a credit score and/or accounts available that allow the contractor to purchase equipment and materials and complete the project on a timely basis. Lastly, staff wants to ensure that contractors have no criminal records that might pose a threat to the client or completion of the project. City staff has always verified references, state registration, and insurance of any contractor that does work with the NCS Division.

This proposal is to charge a \$60.00 annual fee to rehabilitation contractors to be included on a list of "Rehabilitation Contractors" that is provided to clients. The \$60.00 will cover the costs of a Department of Criminal Investigation background check application, a credit report conducted by a third party source

and postage and printing. Contractors have been notified of the fee and no comments have been received.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITTMENTS: NONE

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