

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: June 13, 2011
	<p>Agenda Item No. 10</p> <p>Roll Call No. <u>11-973</u></p> <p>Communication No. <u>11-378</u></p> <p>Submitted by: Jeb E. Brewer, P.E., City Engineer</p>

AGENDA HEADING:

Reject all bids on Demolition at 717 Grand Avenue former YWCA and Authorize to Redesign and Rebid.

SYNOPSIS:

Recommend the City council reject all bids received on April 26, 2011 and authorize to redesign and rebid, because two bids were received and the lowest responsive, responsible bid submitted by Metro Demolition, Inc., Charles Steeples, Vice President, 5550 NE 22nd Street, Des Moines, Iowa, 50313, in the amount of \$2,199,980 was 33% over the project estimate of \$1,650,000, and exceeded the project budget. The Engineering Department has reevaluated the overall project scope and design, and is recommending the project scope and design be modified to have the lower level of the structure remain in place and only the upper level of the structure be removed, and that the project be rebid at a later date. It is estimated the demolition costs may be reduced by approximately \$800,000 by not removing the lower level of the structure.

FISCAL IMPACT:

Amount: N/A

Funding Source: 2011 Operating Budge, Page 56, YWCA Acquisition, SP743, CMO980717, OPR187, Being: Economic Development Enterprise Account to be reimbursed with Tax Increment Funds (TIF) generated by the Downtown TIF District

ADDITIONAL INFORMATION:

The City Engineer recommends rejection of all bids and to redesign and rebid, because two bids were received and the lowest responsive, responsible bid submitted by Metro Demolition, Inc., Charles Steeples, Vice President, 5550 NE 22nd Street, Des Moines, Iowa, 50313, in the amount of \$2,199,980 was 33% over the project estimate of \$1,650,000, and exceeded the project budget. City staff desired to coordinate with the design consultant to discuss project cost factors and to reevaluate the project scope and design.

On March 28, 2011, under Roll Call No. 11-0500, plans, specifications, form of contract documents, and City Engineer’s estimate for the construction of the demolition at 717 Grand Avenue former YWCA. The project includes the demolition of the former YWCA building.

That sealed bids for said improvement were submitted by the following bidders:

Metro Demolition, Inc.	Des Moines, IA
Anderson Excavating Co., Inc.	Council Bluffs, IA

The bids were received and opened at a public meeting presided over by the City Engineer in the City Council Chambers, 2nd Floor, City Hall, 400 Robert D. Ray Drive, Des Moines, Iowa at 11:00 a.m. on April 26, 2011.

On May 9, 2011, under Roll Call No. 11-0836, that the hearing on the plans, specifications, form of contract documents, and Engineer's estimate of construction cost for said improvement was closed, and the bids were received and filed.

The City Engineer recommends rejection of all bids and to redesign and rebid, because two bids were received and the lowest responsive, responsible bid submitted by Metro Demolition, Inc., Charles Steeples, Vice President, 5550 NE 22nd Street, Des Moines, Iowa, 50313, in the amount of \$2,199,980 was 33% over the project estimate of \$1,650,000, and exceeded the project budget. The Engineering Department has reevaluated the overall project scope and design, and is recommending the project scope and design be modified to have the lower level of the structure remain in place and only the upper level of the structure be removed, and that the project be rebid at a later date. It is estimated the demolition costs may be reduced by approximately \$800,000 by not removing the lower level of the structure.

PREVIOUS COUNCIL ACTION(S):

Date: May 9, 2011

Roll Call Number: [11-0836](#)

Action: [On](#) Demolition at 717 Grand Avenue: Resolution approving plans, specifications, form of contract documents, Engineer's estimate and to receive and file bids. ([Council Communication No. 11-269](#)) Moved by Hensley to adopt; refer to City Manager for review and recommendation to report back to Council on May 23, 2011. Motion Carried 7-0.

Date: March 28, 2011

Roll Call Number: [11-0500](#)

Action: Ordering construction of the following: (F)[Demolition](#) at 717 Grand Avenue former YWCA: Receiving of bids, (4-26-11), Setting date of hearing, (5-9-11). (Construction Estimate - \$1,650,000). ([Council Communication No. 11-195](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: November 8, 2010

Roll Call Number: [10-1893](#)

Action: [On](#) Asbestos Removal at 717 Grand Avenue Former YWCA: Resolution approving plans, specifications, form of contract documents, Engineer's estimate, and designating lowest responsible bidder as REW Services Corporation, (Pete Walter, President), \$119,523. ([Council Communication No. 10-671](#)) Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Redesign the project and present resolutions to City Council to authorize bids in the future.

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the second floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to cityclerk@dmgov.org.