

★ **Roll Call Number**

10-1608

✓  
**Agenda Item Number**

56

DATE September 27, 2010

PUBLIC HEARING, APPROVING PLANS, SPECIFICATIONS, FORM OF CONTRACT DOCUMENTS, AND ENGINEER'S ESTIMATE ON ASBESTOS REMOVAL AT SOUTHERN MEADOWS APARTMENTS, 2800 SE 8TH STREET; RECEIVE AND FILE BIDS; AND DESIGNATION OF LOWEST RESPONSIVE, RESPONSIBLE BIDDER AS REW SERVICES CORPORATION, PETE WALTER, PRESIDENT, \$32,035.00

WHEREAS, on August 23, 2010, under Roll Call No. 10-1355, plans, specifications, form of contract documents, and Jurisdictional Engineer's estimate of construction cost were filed with the City Clerk, for the construction of the following improvement:

Asbestos Removal at Southern Meadows Apartments, 2800 SE 8th Street, 25-2010-096  
NSP-08-023

The improvement includes removal of asbestos containing materials prior to demolition of the 1953 addition to the Southern Meadows Apartments (approximately the west half of the building) at 2800 SE 8th Street, Des Moines, Iowa. Asbestos containing materials to be removed include floor adhesive, elevator brake pads, mopboards, mopboard adhesive, pipe insulation, and pipe fitting insulation; all in accordance with the contract documents

WHEREAS, notice of the hearing on the plans, specifications, form of contract documents, and Engineer's estimate of construction cost was published as required by law.

WHEREAS, on September 14, 2010, five sealed bids for said improvement were received and opened at a public meeting presided over by the City Engineer, and the lowest bid read was received from Pro Environmental Abatement, Robert V. Jorgenson, President, 1533 Ohio Street, Des Moines, IA, in the amount of \$23,683.00 with the next lowest bid read being received from REW Services Corporation, Pete Walter, President, 6864 NE 14th Street, Suite 4, Ankeny, IA in the amount of \$32,035.00; and

WHEREAS, on September 24, 2010, Rebecca Jorgensen, Vice President, Pro Environmental Abatement, submitted a letter to the City Engineer requesting that its bid be withdrawn and bid security returned because Pro Environmental Abatement could not provide insurance as required by the City of Des Moines; and

WHEREAS, on May 17, 2004, under Roll Call No. 07-990, the City Council adopted a bid evaluation policy which states that after bids are opened, if the low bidder claims that it has made a serious error in the preparation of its bid, and can support such a claim with evidence satisfactory to the City, said bidder will be allowed to withdraw its bid and its bid security shall be returned; provided however, as a condition for return of its bid security, said bidder shall be required to agree that it will not be allowed to again bid on the project, either as a prime bidder or as a subcontractor, if the project, or a substantial portion of the project is rebid within six months of the first bid opening; and



**Roll Call Number**

**Agenda Item Number**

10-1608

56

DATE September 27, 2010

WHEREAS, Pro Environmental Abatement has not made a significant calculation error in preparation of its proposal, but instead is unable to provide insurance in accordance with the specifications. In the past the City Council has allowed bidders to withdraw their bid and return bid security if the bidder is unable to provide insurance acceptable to the City. The most recent examples are:

- August 20, 2007, under Roll Call 07-1675, where the City Council allowed ProShot Concrete, Inc. from Florence, Alabama, to withdraw its bid.
- January 8, 2007, under Roll Call 07-078, where the City Council allowed Whitewater West Industries from British Columbia, Canada, to withdraw its bid.

If the bidder cannot provide acceptable insurance, the bidder should not be considered responsible, and the City of Des Moines should not award a contract to a non-responsible bidder; and

WHEREAS, the City Engineer recommends that since the funding agreement for the Community Development Block Grant (CDBG), Neighborhood Stabilization Program (NSP) funds contracted by the Iowa Department of Economic Development (IDED) requires that the contract for the work must be awarded before the end of September 2010, there is not adequate time to rebid the work without losing the project funding, and the City should proceed with award to the next lowest bidder, being REW Services Corporation; and

WHEREAS, the City can only recover from the bid security the actual damages to the City, which are minimal; and cannot recover the difference between the two bids. The City Engineer therefore recommends that Pro Environmental Abatement be allowed to withdraw its bid and the bid security be returned to Pro Environmental Abatement, subject to REW Services Corporation entering into contract for this project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DES MOINES, IOWA: That the hearing on the plans, specifications, form of contract documents, and Jurisdictional Engineer's estimate of construction cost for said improvement be closed; and that said plans, specifications, form of contract documents, and Jurisdictional Engineer's estimate of construction cost are hereby approved as the plans, specifications, form of contract documents, and Jurisdictional Engineer's estimate of construction cost for said improvement.

★ **Roll Call Number**

10-1608

**Agenda Item Number**

56

DATE September 27, 2010

BE IT FURTHER RESOLVED: That the City Council concurs in the recommendation of the City Engineer that

1. Pro Environmental Abatement be allowed to withdraw its bid.
2. The bid security be returned to Pro Environmental Abatement.
3. The City should proceed with award to the next lowest bidder, being REW Services Corporation, as the lowest responsive, responsible bidder.

BE IT FURTHER RESOLVED: That sealed bids for said improvement were submitted by the following bidders:

Pro Environmental Abatement	Des Moines, IA
	Bid withdrawn by Bidder
REW Services Corporation	Ankeny, IA
Lindstrom Environmental	Plymouth, MN
Mid-Iowa Environmental	Des Moines, IA
Robinson Brothers Environmental, Inc.	Waunakee, WI

which were received and opened at a public meeting presided over by the Jurisdictional Engineer in the City Council Chambers, 2nd Floor, City Hall, 400 Robert D. Ray Drive, Des Moines, Iowa at 11:00 a.m. on September 14, 2010. Said bids and the attached tabulation of bids for said improvement be and are hereby received and filed.

BE IT FURTHER RESOLVED: That the Jurisdictional Engineer has determined that the lowest responsive, responsible bid for the construction of said improvement was submitted by REW Services Corporation, Pete Walter, President, 6864 NE 14th Street, Suite 4, Ankeny, IA, 50021 in the amount of \$32,035.00, and said bid be and the same is hereby accepted.

BE IT FURTHER RESOLVED: That the bid security of the unsuccessful bidders be and is hereby authorized and directed to be returned.

★ **Roll Call Number**

10-1608

**Agenda Item Number**

56

DATE September 27, 2010

BE IT FURTHER RESOLVED: That the Jurisdictional Engineer is hereby directed to secure execution by the lowest responsible, responsive Bidder and its surety of the contract documents in the form heretofore approved by this Council; that the Jurisdictional Engineer is directed to thereafter present said contract documents to this Council for approval and authorization to the Mayor to sign; and that no contract shall be deemed to exist between the City of Des Moines and said Bidder until said contract has been executed by the Bidder, and shall have been approved by this Council and executed by the Mayor and attested to by the City Clerk.

(City Council Communication Number 10-578 attached.)

Moved by Meyer to adopt.

FORM APPROVED:

FUNDS AVAILABLE

Kathleen Vanderpool  
Kathleen Vanderpool  
Deputy City Attorney

Allen McKinley  
Allen McKinley  
Des Moines Finance Director

Funding Source: FY11 Operating Budget, Page 71, Neighborhood Stabilization Program (NSP) - Southern Meadows, CDBG2008901, Being: Community Development Block Grant (CDBG), Neighborhood Stabilization Program (NSP) funds contracted by the Iowa Department of Economic Development (IDED)

*RB*

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GRIESS				✓
HENSLEY				✓
MAHAFFEY	✓			
MEYER	✓			
MOORE	✓			
TOTAL	5			2

MOTION CARRIED

APPROVED

T. M. Franklin  
Mayor

I, Diane Rauh, City Clerk of said City Council, hereby certify that at a meeting of the City Council, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

Diane Rauh  
City Clerk