

★ Roll Call Number

11-1687

Agenda Item Number

M.H.G.B.-2

Date October 10, 2011

**AUTHORIZING CITY MANAGER TO NEGOTIATE AND ENTER INTO
CONSTRUCTION CONTRACT WITH HANSEN CONSTRUCTION TO BUILD TEN
SINGLE FAMILY PUBLIC HOUSING UNITS, TO SUBMIT A WAIVER
APPLICATION TO HUD TO EXCEED HOUSING CONSTRUCTION COST LIMITS
OR TO REJECT THE BID**

WHEREAS, the Des Moines Municipal Housing Agency (DMMHA) is charged to provide decent, safe and affordable housing; and

WHEREAS, the DMMHA has access to approximately \$1.6 million from the U.S. Department of Housing and Urban Development (HUD) through its Replacement Housing Factor Development fund; and

WHEREAS, on November 8, 2010, by Roll Call No. 10-1811, the Municipal Housing Governing Board approved submittal of the DMMHA's Replacement Housing Factor Development proposal to construct ten single family Public Housing homes; and

WHEREAS, the City's Procurement Division opened bids for Bid No. V12-025 regarding construction of the 10 units on September 28, 2011, with eleven bids mailed and one bid received; and

WHEREAS, the sole bid response was from The Hansen Company, Inc. (5665 Greendale Road, Suite A, Johnston, Iowa 50131; owner Craig Hansen, Grimes, Iowa); and

WHEREAS, the bid response price exceeded the HUD established Housing Construction Cost (HCC) limits by approximately \$800,000; and

WHEREAS, the Replacement Housing Factor Development funds must be obligated no later than October 29, 2011, or the funds will be retracted by HUD; and

WHEREAS, it is in the best interest of the Housing Agency to authorize the City Manager to negotiate and execute a construction contract that would meet HUD-established criteria or to reject the bid.

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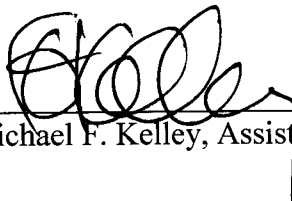
Date October 10, 2011

NOW THEREFORE BE IT RESOLVED, by the Municipal Housing Governing Board of the Des Moines Municipal Housing Agency that the City Manager of the City of Des Moines is hereby authorized and directed to negotiate and execute a construction contract with The Hansen Company, Inc. that meets the U.S. Department of Housing and Urban Development's rules and regulations or to reject the bid.

(Council Communication No. 11-637)

Moved by Mahaffey to adopt.

APPROVED AS TO FORM:


Michael F. Kelley, Assistant City Attorney

M.H.G.B. ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GRIESS	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MEYER	✓			
MOORE	✓			
TOTAL	7			

MOTION CARRIED APPROVED
T. M. Franklin Mayor

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City of Des Moines, Municipal Housing Agency Governing Board, 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