



Request for City Council Committee Action from the Department of Community Planning and Economic Development (CPED)

Date: November 18, 2014
To: Honorable Lisa Goodman, Chair Community Development & Regulatory Services Committee
Subject: Property Maintenance Contract Approval

Recommendation:

It is recommended that the City Council:

- A. Authorize the appropriate City officers to execute a basic service agreement with each of the six selected respondents and an occasional property maintenance service agreement with each of the four selected respondents to CPED's Property Maintenance RFP.
- B. Approve the length of the master service agreements to be for a period of three years, with an option to extend for two additional one-year terms.

Previous Directives:

The master service agreements approved by this action will replace the master service agreements that were approved on October 25, 2011 and will expire on December 31, 2014.

Department Information

Prepared by: Roxanne Young Kimball, Senior Project Coordinator, Residential and Real Estate Development 612-673-2794

Approved by: Charles T. Lutz, Deputy CPED Director _____
Catherine Polasky, Director, Economic Policy and Development _____

Presenter in Committee: Roxanne Young Kimball

Language Reviewed by Development Finance: _____

Reviews

- Permanent Review Committee (PRC): Approval X Date September 18, 2014
- Civil Rights Approval Approval X Date September 12, 2014

Financial Impact

- Funding to support this ongoing CPED function is included in the Mayor's recommended 2015 budget; because this is a three year obligation budget requests will be made in 2016 and 2017.
- Action is within the Business Plan.

Community Impact

- Neighborhood notification: The RFP was posted to the City of Minneapolis procurement website.
- City Goals: Living well: Minneapolis is safe and livable and has an active and connected way of life
 - All neighborhoods are safe, healthy and uniquely inviting.
 - High-quality, affordable housing choices exist for all ages, incomes and circumstances.
 - The city grows with density done well.

Supporting Information

On September 23, 2014, the City issued a Request for Proposals (RFP) for property maintenance services for properties owned by the City of Minneapolis and managed by the Department of Community Planning and Economic Development (CPED). Currently CPED manages 635 properties; however the amount of property managed by CPED will fluctuate during the contract period due to ongoing acquisition and disposition activities. Over the past few years, CPED's annual property management costs have ranged from \$550,000 to \$650,000 annually. Basic services included in the RFP were limited to snow removal, lawn mowing, tree and brush trimming, litter removal, and spring and fall clean up. Respondents provided a monthly per lot charge for basic services described in the RFP. The RFP also included an option for providing occasional property services (OPS) when unforeseen conditions due to illegal dumping, graffiti, or unsecured vacant buildings require immediate attention within 24 hours of notification. OPS are to be reimbursed for cost of materials plus a 10% fee for administrative expense and are to be contracted separately from basic services. Small, women, and minority-owned businesses as well as non-profits and government agencies providing workforce development opportunities were encouraged to submit proposals. The RFP informed prospective respondents that several entities may be asked to enter into a multi-year contract with the City to provide these services.

On October 21, 2014, nine entities responded to the RFP – Hennepin County Sentence to Serve, MKL Tran Inc, Stonepros LLC, Dwayne Lawn and Snow, Minneapolis Maintenance, Tree Trust, Network for Better Futures, Sullivan Riehm Construction, and Logan Hauling. Proposals were reviewed for organization capacity, staff experience, understanding of work, customer service commitment, cost, and references. Cost was given a greater weight than other criteria, which was communicated in the RFP.

After evaluating the responses, staff determined that six of the nine respondents competitively met the RFP criteria for basic services and four of the nine respondents met the criteria for OPS (see Attachment A). It is recommended that the City Council authorize the appropriate City officers to execute service agreements with the selected respondents as described in Attachment A. As stated in the RFP, because the number of parcels CPED manages changes often and there are limited financial resources available to perform the work, the number of properties managed by the RFP respondents is not guaranteed and will fluctuate through the contract period. Failure to perform by an RFP respondent may result in a reallocation of lots to another respondent.