



# Request for City Council Committee Action from the Department of Regulatory Services

Date: May 29, 2007

To: Health, Energy and the Environment Committee  
Referral to: Way and means

**Subject: Request for authorization to modify contract number C-21622 with Minnesota Remodeling and Restoration Company, increasing the total contract expenditures for lead hazard reduction services to \$2,400,000.**

### Recommendation

That your Committee authorize the proper city officials to modify contract number C-21622 with Minnesota Remodeling and Restoration Company, increasing the total contract expenditures for providing lead hazard reduction services to the City from the existing figure of \$2,000,000 to \$2,400,000.

### Previous Directives

(NA)

Prepared by Lisa Smestad, Manager, Environmental Services, 612-673-3733.

Approved by:

\_\_\_\_\_  
Lori Olson, Deputy Director, Environmental Management and Safety

\_\_\_\_\_  
Rocco Forte, Assistance City Coordinator, Emergency Preparedness and Regulatory Services

**Permanent Review Committee (PRC)** Approval Pending \_\_\_ Not Applicable X

**Policy Review Group (PRG)** Approval \_\_\_ Date of Approval \_\_\_ Not Applicable X

Presenters in Committee: Lisa Smestad, Brian Olson

### Financial Impact (Check those that apply)

\_\_\_ No financial impact (If checked, go directly to Background/Supporting Information).

\_\_\_ Action requires an appropriation increase to the \_\_\_ Capital Budget or \_\_\_ Operating Budget.

\_\_\_ Action provides increased revenue for appropriation increase.

\_\_\_ Action requires use of contingency or reserves.

\_\_\_ Business Plan: \_\_\_ Action is within the plan. \_\_\_ Action requires a change to plan.

**Other financial impact (Explain): Request is covered by HUD grant funds.**

Request provided to department's finance contact when provided to the Committee Coordinator.

**Community Impact (use any categories that apply)**

Neighborhood Notification

City Goals

Comprehensive Plan

Zoning Code

Other

**Background/Supporting Information Attached**

In September 2004, the City of Minneapolis received \$3,000,000 from the US Department of Housing and Urban Development to perform lead hazard reduction in 300 dwelling units occupied by children in the East and Mid-Town Phillips neighborhoods. A call for bids was issued in December 2004 for a contractor to perform these services. The low bid was received from Minnesota Remodeling and Restoration, Inc. (MRR) and a contract was signed with the company on March 16, 2005. The total expenditure amount listed for the contract was \$2,000,000.

Since then, MRR has completed lead hazard reduction in over 290 dwelling units. Review of grant expenditures and budget indicates that we will exceed our work plan target of 300 dwelling units and will be able to conduct lead hazard reduction in up to 380 units using remaining available grant funds. This work should be completed by November, 2007. The existing contract amount for MRR is \$2,000,000 and the project is approaching that amount. We are requesting that the proper officials be authorized to change the MRR contract bid amount from \$2,000,000 to \$2,500,000 to cover the additional work.