



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2009-12-16 (3)

DATE: December 16, 2009  
TO: Board of Commissioners  
FROM: Michael Mirra, Executive Director  
RE: Authorization to Negotiate Modification (10) to the Construction Manager/General Contractor Contract with Walsh Construction for Salishan Hope VI Redevelopment II & III for Salishan 7 – Vertical Construction

### **Background**

On August 23, 2006 the Board of Commissioners (BOC) approved Resolution 2006-08-23(1) authorizing the Executive Director the authority to negotiate and execute the contract for the Construction Manager/General Contractor for Salishan HOPE VI Redevelopment Phase II & III with Walsh Construction. The resolution authorized the Executive Director to award the contract in phases through modifications to the Predevelopment Services Agreement.

On July 22, 2009 the Board approved Modification 9. That Resolution 2009-07-22(1) gave the Executive Director the authority to approve the ninth modification to the CM/GC contract for Salishan Area 2B in an amount not to exceed (NTE) of \$3 million.

On October 28, 2009 the Board approved Change Order No. 1 to Modification (9) of the CM/GC contract for Salishan Phase III Area 2B Infrastructure. That Resolution 2009-10-29(1) gave the Executive Director the authority to increase the NTE in the amount of \$1,500,000 therefore increasing the revised total not to exceed \$4,500,000.

Currently Resolution 2009-12-16(2) is before the BOC requesting approval to award an additional \$3,904,106 to Contract Modification 9 increasing the total Guaranteed Maximum Price (GMP) to \$8,804,104.00. The contract increase(s) will be executed via Change Orders as funding is secured.

At this time staff is also requesting approval to approve the tenth modification to the CM/GC Contract Salishan Phase III Salishan 7 Vertical Construction in the amount not to exceed of \$14,127,904. The total GMP for Sal 7 will be \$14,834,299 which includes THA contingency of \$706,395.

The total GMP for this phase of work reflects the total revised estimate for the Walsh construction portion of \$14,127,904.00 from the original estimate of \$16,267,169.00. This represents a savings of \$2,139,265.00 in construction costs.

**Recommendation**

Approve Resolution 2009-12-16(3) authorizing the Executive Director to negotiate and execute the tenth modification to the CM/GC Contract for Salishan HOPE VI Redevelopment Phase II & III with Walsh Construction for Salishan 7 Vertical in the amount not to exceed \$14,127,904.00.



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## CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES SALISHAN HOPE VI REDEVELOPMENT PHASE II AND PHASE III MODIFICATION 10 SALISHAN 7 VERTICAL CONSTRUCTION

**Whereas**, Resolution 2009-12-16 (3) authorized the Executive Director the authority to negotiate and execute the contract for the Construction Manager/General Contractor for Salishan HOPE VI Redevelopment Phase II & III with Walsh Construction;

**Whereas**, The resolution authorized the Executive Director to award the contract in phases through modifications to the Predevelopment Services Agreement;

**Whereas**, The Authority has developed a preliminary budget of \$27 Million for Phase III of the project, and;

**Whereas**, The total GMP for this phase of work reflects the total revised estimate for the Walsh construction portion of \$14,127,904.00 from the original estimate of \$16,267,169.00. This represents a savings of \$ 2,139,265.00 in construction costs.

**Whereas**, The project will be funded through a mix of financing strategies including, Tax Credit Assistance Program, State grants, and Construction Loans;

**Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington,**

1. The Executive Director has the authority to negotiate and execute Modification (10) for Phase III, Salishan 7 Vertical Construction in the not to exceed amount of \$14,127,904.00.

**Approved: December 16, 2009**

A handwritten signature in black ink, appearing to read "Ken Miller", is written over a horizontal line.

Ken Miller, Chairman