



TACOMA HOUSING AUTHORITY

RESOLUTION 2015-12-16 (4)

Date: December 16, 2015

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Re: Bay Terrace Phase II - Authorization to Negotiate General Contractor/Construction Manager Services – Guaranteed Maximum Price

Background

This resolution would authorize THA's Executive Director to negotiate, and if those negotiations are successful, to execute a modification of the contract with Absher Construction for General Contractor/Construction Manager (GC/GM) services for the Bay Terrace Phase 2 project with a Guaranteed Maximum Price (GMP) not to exceed \$18,210,330.

On February 24, 2010, the Tacoma Housing Authority's (THA's) Board of Commissioners (BOC) approved Resolution 2010-2-24(6) authorizing THA's Executive Director to negotiate and enter into a GC/CM contract with Absher Construction, Inc. for the redevelopment of the 1800 and 2500 blocks of Hillside Terrace. Since then we changed the name of the project to Bay Terrace Phase 1 and 2.

On December 19, 2012, the BOC approved Resolution 2012-12-19(2) for Phase 1 GMP not-to-exceed \$17,390,507 plus owner contingency and sales tax. The Phase 1 project was completed in July 2014 under a Phase 1 Pre-Construction Services Agreement and Modifications 1 and 2 of the Agreement.

On January 28, 2015, the BOC approved Resolution 2015-1-28(4) authorizing THA's Executive Director to negotiate and execute a Pre-construction Services Agreement for Bay Terrace Phase 2 not-to-exceed \$133,000. On September 23, 2015, the BOC approved Resolution 2015-09-23(5) amending the Pre-Construction Services Agreement not-to-exceed \$302,595 to include mechanical, electrical and fire design services.

By this resolution, THA's Executive Director seeks authorization to negotiate, and if those negotiations are successful, to execute a contract with Absher Construction for CM/GC services to construct Bay Terrace Phase 2 with a Guaranteed Maximum Price (GMP) not-to-exceed \$18,210,310. This includes \$15.5 million in construction costs, an owner's contingency of 7%, and applicable sales tax.

Recommendation

Approve Resolution 2015-12-16 (4) authorizing THA's Executive Director to negotiate and if those negotiations are successful to execute a contract modification with Absher Construction for GC/CM services to construct the Bay Terrace Phase 2 with a GMP not-to-exceed amount of \$18,210,330.



TACOMA HOUSING AUTHORITY

RESOLUTION 2015-12-16 (4) (GENERAL CONTRACTOR/CONSTRUCTION MANAGER SERVICES (GCCM) FOR BAY TERRACE PHASE II)

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma

WHEREAS, Resolution 2010-2-24(6) Authorized THA's Executive Director to negotiate and execute the contract for the Construction Manager/General Contractor for the Bay Terrace Phase I and II project, and

WHEREAS, The resolution authorized THA's Executive Director to negotiate and execute the preconstruction service, construction management and general contractor services, and

WHEREAS, The initial phase of the contract was negotiated and awarded for constructing Phase I. It was completed by Absher in July, 2014, at a cost of \$18,312,882.38, and

WHEREAS, The Authority has developed a budget of \$18,210,330.00 for Phase II of the project. This includes pre-construction, construction, the 7% owner's contingency and applicable sales tax, and

WHEREAS, The project will be funded through a mix of financing strategies including Moving to Work (MTW) Funds, Equity contributions, and Permanent Loans, now, therefore be it

Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington as follows:

THA's Executive Director is authorized to negotiate and, if those negotiations are successful, to execute a contract modification with Absher Construction for its services as General Contractor/Construction Manager for the Bay Terrace Phase 2 project with a Guaranteed Maximum Price not-to-exceed \$18,210,330.

Approved: December 16, 2015


Stan Rumbaugh, Chair