



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2012-12-19 (2)

**Date:** December 19, 2012

**To:** THA Board of Commissioners

**From:** Michael Mirra  
Executive Director

**Re:** Authorization to Negotiate Modification (1) to the Absher Agreement for Hillside Terrace Phase I Construction

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### **Background**

On February 24, 2010 the THA Board of Commissioners (BOC) approved Resolution 2010-2-24(6) authorizing the Executive Director to negotiate and enter into a Construction Management/General Contractor (CM/GC) contract with Absher Construction, Inc. for the redevelopment of the 1800 and 2500 blocks of Hillside Terrace. In addition, the above resolution authorized staff to enter into a pre-construction services contract in the amount of \$75,000 with any future modifications for construction activities to be submitted at a future date.

On September 17, 2012 Absher began soliciting competitive bids for 43 bid packages for the 2500 Hillside Terrace Phase I project. The bid packages included all components of the design for 70 affordable housing units and a Community Center. The general work includes: demolition of existing public housing units in the Phase I, II & III footprint areas of the 1800 and 2500 Hillside Terrace Apartments, preparation of the Phase I site area for construction, the development of infrastructure, and the vertical construction of the 70 housing units and community facility.

At this time, staff is requesting approval for the first modification to the CM/GC Contract for the above demolition, site/infrastructure development, and vertical construction in the amount of \$17,390,507, including applicable sales tax.

### **Recommendation**

Approve Resolution 2012-12-19(2) authorizing the Executive Director to negotiate and execute the first modification to the CM/GC Contract for 2500 Hillside Terrace Phase I with Absher Construction, Inc. in the amount not-to-exceed \$17,390,507.



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2012-12-19 (2)

### AUTHORIZATION TO NEGOTIATE MODIFICATION (1) TO THE ABSHER AGREEMENT FOR HILLSIDE TERRACE PHASE I CONSTRUCTION

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

**Whereas**, Resolution 2010-2-24(6) authorized the Executive Director to negotiate and execute a contract for the Construction Manager/General Contractor (CM/GC) for Hillside Terrace redevelopment with Absher Construction, Inc.;

**Whereas**, the resolution authorized the Executive Director to award the contract in phases through modifications to the Pre-Construction Services Agreement;

**Whereas**, the CM/GC, Absher Construction, Inc., executed a competitive solicitation of 43 bid packages for Phase I, II & III footprint area demolition work, Phase I site work, infrastructure development, and the vertical construction of 70 affordable housing units and a Community Center;

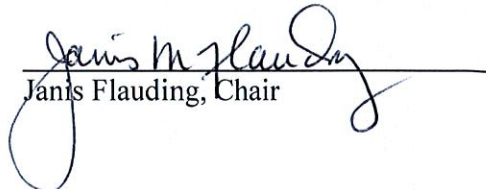
**Whereas**, the competitive bid process culminated in a Maximum Allowable Construction Cost (MACC) of \$17,390,507 including applicable sale tax, and

**Whereas**, the project will be funded through a mix of financing strategy including, THA MTW/Capital Program funds and Replacement Housing Factor (RHF) funds, Tax Exempt Bonds, Tax Credit Equity, and City and State affordable housing funds;

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

1. The Executive Director is authorized to negotiate and execute Modification (1) with Absher Construction, Inc. for 2500 Hillside Terrace Phase I construction for the not-to-exceed amount of \$17,390,507 including applicable sales tax.

Approved: December 19, 2012

  
Janis Flauding, Chair