



TACOMA HOUSING AUTHORITY

RESOLUTION 2019-07-24 (1)

Date: July 24, 2019
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: GCCM- Amendment for the Crisis Residential Center and Off-Site Improvements

This resolution would authorize an increase to \$2,550,000 for the GCCM contract previously approved by the Board of Commissioners for up to \$2,300,000 with Korsmo Construction for the development of the Crisis Residential Center.

Background

On May 22, 2019, the THA Board of Commissioners (BOC) approved Resolution 2019-05-22 (13) authorizing THA's Executive Director to negotiate and enter into a Construction Management/General Contractor (CM/GC) agreement with Korsmo Construction, Inc. for a not-to-exceed \$2,300,000 in construction and related costs to build the Arlington Crisis Residential Center.

At this time staff is requesting authorization for THA's Executive Director to increase the total not-to-exceed agreement with Korsmo Construction to \$2,400,000 for construction of the Crisis Residential Center, plus \$150,000 for sales tax, resulting in a Guaranteed Maximum Price (GMP) of \$2,550,000. This is an increase of \$250,000 over the previously approved GCCM amount.

THA will have a separate owner's contingency of \$100,000.

Recommendation

Approve Resolution 2019-07-24 (1) authorizing THA's Executive Director to negotiate and award the contract to Korsmo Construction to build the Crisis Residential Center in an amount not-to-exceed the base bid of \$2,550,000, including taxes.



TACOMA HOUSING AUTHORITY

THA BOC RESOLUTION 2019-07-24 (1) (GENERAL CONTRACTOR/CONSTRUCTION MANAGER SERVICES (GCCM) for the Crisis Residential Center)

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

WHEREAS, Resolution 2018-11-14(3) authorized THA's Executive Director to negotiate and execute a contract for the predevelopment services for Arlington Drive Youth Campus Apartments and to negotiate a separate Construction Manager/General Contractor for Arlington Drive Crisis Residential Center; and

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

WHEREAS, The Authority has revised the development budget for the Crisis Residential Center to \$3,400,000. This includes pre-construction, construction, the owner's contingency, financing, developer fees, related development costs, and applicable sales tax; and

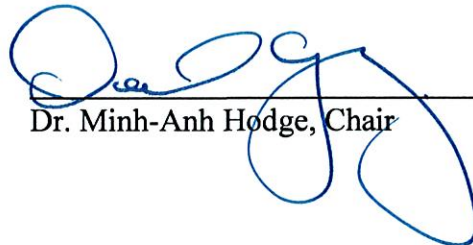
WHEREAS, The project will be funded through a mix of financing including City of Tacoma Funds, Community Development Block Grant Dollars and Pierce County Funds; and

WHEREAS, 2019-05-22(13) authorized THA's Executive Director to negotiate a not-to-exceed agreement with Korsmo Construction for \$2,300,000 and subsequent bid results resulted in increased construction costs; now, therefore, be it

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

Approve Resolution 2019-07-24 (1) authorizing THA's Executive Director to negotiate and execute a Construction Management, General Contractor Services for GMP not-to-exceed amount \$2,550,000 with Korsmo Construction, Inc.

Approved: July 24, 2019



Dr. Minh-Anh Hodge, Chair