



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2015-10-28 (1)

**Date:** October 28, 2015  
**To:** THA Board of Commissioners  
**From:** Michael Mirra  
Executive Director  
**Re:** Authorization to increase RAD Conversion Project General Contractor/Construction Manager Services – Guaranteed Maximum Price

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This resolution would authorize the executive director to negotiate, and if those negotiations are successful, to execute a contract expansion with Walsh Construction for General Contractor/Construction Manager (GC/CM) services for the Rental Assistance Demonstration (RAD) project to fix up 456 units in nine properties that constitute THA's traditional, non-tax credit properties.. The amount of the contract shall not exceed \$34,351,489.00.

### **Background**

Pursuant to resolution 2015-6-24(2), the executive director negotiated and awarded a Contract to Walsh Construction for General Contractor/Construction Manager (GC/CM) services for the Rental Assistance Demonstration (RAD) conversion project to fix up THA's traditional, non-tax credit properties (456 units at the 7 senior buildings, Bergerson Terrace and Dixon Village). The initial scope of the work included pre-construction, construction management and general contractor services. The initial amount was not to exceed of \$75,000.00. The bid process and contract contemplated an expansion of this contract once the rehabilitation estimates were completed. That time has arrived.

THA needs to expand the contract for the actual construction work. Walsh provided preliminary cost estimates. Based upon those estimates, the executive director seeks authority to contract for a Guaranteed Maximum Price (GMP) of \$31,228,626.00 in rehabilitation and overhead expenses plus owner's contingency of \$3,122,863.00 for a total not to exceed of \$34,351,489.00. The bid packages will be sent to sub-contractors the week of November 2nd, with responses due back December 2<sup>nd</sup>.

### **Recommendation**

Authorize THA's Executive Director to negotiate and execute the Construction Management, General Contractor services portion of the contract with Walsh Construction to fix up the traditional portfolio in the RAD Conversion Project in the amount not to exceed \$34,351,489.00.



# TACOMA HOUSING AUTHORITY

## **RESOLUTION 2015-10-28 (1) GENERAL CONTRACTOR/CONSTRUCTION MANAGER SERVICES (GCCM) FOR RAD CONVERSION PROJECT)**

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

**WHEREAS**, Resolution 2015-6-24(2) authorized the Executive Director the authority to negotiate and execute the contract for the Construction Manager/General Contractor for the RAD Conversion Project with Walsh Construction for the fix-up of its traditional portfolio (non-tax credit) of 456 units at the 7 senior buildings, Bergerson Terrace and Dixon Village); and,

**WHEREAS**, THA negotiated and executed the pre-construction service portion of the work;

**WHEREAS**, the procurement and the contract contemplated a later expansion of the contract for the actual construction work;

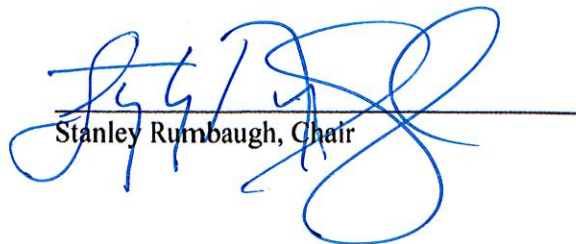
**WHEREAS**, based upon Walsh's estimates, THA plans for a construction budget of \$34,351,489.00; and

**WHEREAS**, THA will finance this contract through a mix of Capital Funds, Low Income Housing Tax Credit Equity Contributions, Construction Loans 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:**

Authorize THA's Executive Director to negotiate and execute an expanded contract to Walsh Construction for the Construction Manager/General Contractor Services for the RAD Conversion project in an amount not-to-exceed of \$34,351,489.00.

**Approved: October 28, 2015**

  
Stanley Rumbaugh, Chair