

**HOUSING AUTHORITY OF NEW ORLEANS  
BOARD OF COMMISSIONERS  
REGULAR MEETING  
JULY 27, 2015**

**RESOLUTION NO. 2015-11**

**WHEREAS**, the Board of Commissioners authorized the Housing Authority of New Orleans (HANO) to execute contract #13-911-05 with Parkcrest Builders LLC (Parkcrest) for the Florida Redevelopment in the amount of \$11,288,000 to be funded with Replacement Housing Factor funds and FEMA funds to build 51 public housing rental units and one common space unit; and

**WHEREAS**, HANO terminated the contract on April 10, 2015 due to the contractor's inability to deliver units in the contract period; and

**WHEREAS**, HANO executed a Takeover Agreement with Parkcrest's bonding company, Liberty Mutual Insurance (Liberty Mutual), to complete the contract, which allows Parkcrest to perform the work of the original contract under the supervision and financial responsibility of Liberty Mutual and its consultants; and

**WHEREAS**, in order to maintain the roof warranty contemplated in the original scope of work, it was determined that Change Order #6 in the amount of \$113,873.00 was necessary which adds roof ventilation to each building; and

**WHEREAS**, previous change orders have resulted in a net decrease of \$15,635.00 to the contract, and the contract amount after execution of this change order will be \$11,386,238.00, which exceeds the prior authorization of the Board; and

**WHEREAS**, the cost has been review and negotiated by the project architect and HANO staff and has been found to be fair and reasonable; and

**WHEREAS**, funding for Change Order #6 will be provided by FEMA and RHF funds.

**THEREFORE, BE IT RESOLVED**, that the Board of Commissioners of the Housing Authority of New Orleans hereby authorizes the increase in the contract cost to \$11,386,238.00 and authorizes the Executive Director to execute Change Order #6 to contract #13-911-05 between HANO and Parkcrest for the Florida Redevelopment in an amount not to exceed One Hundred Thirteen Thousand Eight Hundred and Seventy Three dollars (\$113,873.00).

**Executed this 27<sup>th</sup> day of July, 2015**

**APPROVAL:**



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**DWAYNE G. BERNAL  
PRESIDENT, BOARD OF COMMISSIONERS**



**July 27, 2015**

**MEMORANDUM**

**To:** Board of Commissioners  
President Dwayne G. Bernal, Vice President Alice Riener,  
Commissioner Glen Pilié, Commissioner Toni Hackett Antrum, and  
Commissioner Vonda Rice

**Through** Gregg Fortner  
Executive Director

**From:** Jennifer Adams  
Director, Development and Modernization

**Re:** Change Order #6 to Florida Redevelopment

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The Housing Authority of New Orleans (HANO) executed contract #13-911-05 with Parkcrest Builders, LLC on March 4, 2013 to build 51 public housing units and 1 common space unit at the site roughly bounded by Law, Congress, N. Dorgenois, and Alvar Streets known as the Florida Redevelopment. Due to the contractor's failure to deliver units more than six months after the contractual completion date in September 2014, the contract was terminated on April 10, 2015. HANO simultaneously requested that the bonding company, Liberty Mutual Insurance, fulfill its obligations under the performance and payment bonds to complete the project. On June 9, 2015, the Takeover Agreement between HANO and Liberty Mutual took effect, leaving Parkcrest Builders in place under the control of Liberty Mutual and its consultants.

During completion of the original scope of work, it was determined that ventilation must be added to the attics in order to maintain the roof warranty. This work must be carried out immediately in order to allow tenants to occupy the units in late August. This change order cost is \$113,873.00.

The Board of Commissioners approved the original contract with Parkcrest Builders for the Florida Redevelopment in an amount not to exceed \$11,288,000.00. Previous change orders have resulted in a net decrease of \$15,635.00 to the contract. The contract amount after execution of this change order will be \$11,386,238.00, which exceeds the prior authorization of the Board. The change order will be funded with FEMA and RHF funds.

HANO requests that the Board of Commissioners to authorize the increase in the project budget to \$11,386,238.00 and to authorize the Executive Director to execute change order #6 to the contract for the Florida Redevelopment in the amount of \$113,873.00 for the addition of roof vents to each building.