

**HOUSING AUTHORITY OF NEW ORLEANS
BOARD OF COMMISSIONERS
ANNUAL MEETING
DECEMBER 12, 2018**

RESOLUTION NO. 2018-19

WHEREAS, the Housing Authority of New Orleans (HANO) executed contract #18-912-06 - B.W. Cooper Phase 2 Preparation of Foundation, Demolition and Soil Remediation under the authority of Resolution #2018-02 in March of 2018 for the BW Cooper Phase 2 portion of the property roughly bounded by S. Miro, Erato Street, S. Prieur, and Earhart Blvd and intersected by S. Galvez Street; and

WHEREAS, a Notice to Proceed was issued to begin work on April 18, 2018; and

WHEREAS, the contract work is now substantially complete; and

WHEREAS, the bid contained unit prices to quantify soil remediation and replacement and underground utilities whose extent could not be fully quantified until the work was performed; and

WHEREAS, soil removal and replacement operations were monitored on a daily basis; and

WHEREAS, HANO's project architect and environmental consultant have confirmed that soil removal and replacement quantities exceed the original bid primarily due to a portion of the site that was originally designated outside the boundaries of the work area at the time of the bid and later determined prudent to include in the work scope; and

WHEREAS, the original contract amount was \$2,211,618.10; and

WHEREAS, three (3) previous change orders whose amounts were beneath the threshold for board approval have resulted in a net increase of \$66,600.32 (3%) to the contract; and

WHEREAS, the current Change Order #4 in the amount of One Hundred Fifty Thousand Two Hundred Sixty Dollars and Seventeen Cents (\$150,260.17) is necessary to reconcile the soil and utilities removal quantities from the original bid; and

WHEREAS, the Finance Department has certified there is sufficient funding to provide for Change Order #4; and

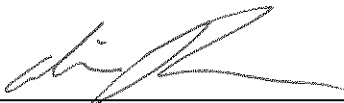
WHEREAS, the cost has been reviewed and negotiated by the project architect and HANO staff and has been found to be fair and reasonable; and

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THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of New Orleans authorizes the Executive Director to execute Change Order #4 to Contract # 18-912-06 – B.W. Cooper Phase 2 Preparation of Foundation, Demolition and Soil Remediation in the amount not to exceed One Hundred Fifty Thousand, Two Hundred Sixty Dollars and Seventeen Cents (\$150,260.17).

Executed this 12th day of December, 2018

APPROVAL:



ALICE RIENER
PRESIDENT, BOARD OF COMMISSIONERS



December 12, 2018

MEMORANDUM

To: Board of Commissioners
President Alice Riener, Commissioner Isabel Barrios,
Commissioner Toni Hackett Antrum, Commissioner Sharon Jasper,
Commissioner Debra Joseph, Commissioner Casius Pealer,
Commissioner Kim Piper and Commissioner Lisha A. Wheeler

Through Gregg Fortner
Executive Director

From: Jennifer Adams
Director, Development and Modernization

Re: Change Order #4 - Contract #18-912-06 – B.W. Cooper Phase 2 Preparation of Foundation, Demolition and Soil Remediation

The Housing Authority of New Orleans (HANO) executed contract #18-912-06 – B.W. Cooper Phase 2 Preparation of Foundation, Demolition and Soil Remediation under the authority of Resolution #2018-02 in March of 2018 for the BW Cooper Phase 2 portion of the property roughly bounded by S. Miro, Erato Street, S. Prieur, and Earhart Blvd and intersected by S. Galvez Street. A notice to proceed was issued to begin work on April 18, 2018. The contract duration was 5 months and is now substantially complete.

The demolition of the slabs was a requirement of the Phase 1 Low Income Housing Tax Credit (LIHTC) partnership agreement to access the remaining tax credit equity to pay off HANO's bridge loan for the redevelopment. Since the contractor reached substantial completion on the demolition contract, we received 98% of the bridge loan repayment, \$192,000 remains in a maintenance reserve.

The contract's largest line item cost was the excavation of soil as required by Louisiana Department of Environmental Quality's (LDEQ) Corrective Action Plan (CAP) and replacement of clean soil. The bid contained 22 unit prices used to quantify soil remediation and underground utilities whose extent could not be fully quantified until the work was performed. Soil removal and replacement operations were monitored on a daily basis by an environmental consultant and the process of reconciling the quantities from bid to actual began when work was winding down in September.

The original contract amount was \$2,211,618.10. Three (3) previous change orders whose amounts were beneath the threshold for board approval have resulted in a net increase of \$66,600.32 (3%) to the contract. The currently proposed Change Order #4 in the amount of 150,260.17 reconciles the soil and utilities removal quantities from the original bid. Primarily, the soil overage was due to a portion of the project around the existing Administration Building that

was originally designated outside the boundaries of the work area at the time of the bid and later determined prudent to include in the work scope.

The value of the contract overall, after approval of this change order would be \$2,428,478.59, a 9.8% increase from the original bid. Funds for the change order will come from the bridge loan repayment we have received.

CERTIFICATIONS

Finance

The Chief Financial Officer has certified that the funds are available to pay the change order.

HANO requests that the Board of Commissioners authorize the Executive Director to execute Change Order #4 to Contract # 18-912-06 – B.W. Cooper Phase 2 Preparation of Foundation, Demolition and Soil Remediation in an amount not to exceed \$150,260.17.