

EFM Submission: 2013 EFM 105

Presented: 3-14-13

Adopted: 3-15-13

By the Emergency Financial Manager

Resolution Authorizing Change Order No. 2 to the Smith Village Construction Management Contract with Rowe Professional Services Company to Extend the Term until September 30, 2013, Increase the Contract Amount by \$87,168 in NSP2 Funds and Further Define Reporting Requirements

The American Recovery and Reinvestment Act (ARRA) of 2009 was approved by Congress on February 17, 2009 and Public Law 111-005 approved funds for the Neighborhood Stabilization Program 2 (NSP2) for the overall purpose of assisting in the redevelopment of abandoned or foreclosed homes under ARRA.

Michigan State Housing Development Authority applied for and was awarded funding and allocated \$15,772,344 to the City of Flint to fund NSP2 eligible activities and costs associated with the stabilization and redevelopment of the eligible census tracts. The MSHDA NSP2 Consortium Funding Agreement No. NS2-2009-0049 for Flint NSP, identifies the use of NSP 2 funds for Flint. The MSHDA consortium was notified that HUD has extended the deadline to expend NSP2 funds until April 26, 2013. The grant was originally set to expire on February 10, 2013.


Resolution No. 2012EFM123 approved by the Emergency Financial Manager on November 6, 2012 authorized an NSP2 funded professional services contract with Rowe Professional Services Company (contract no. 12-130) to provide construction management services to the Smith Village Development project, using NSP2 funds. The contract amount was increased by \$56,160 through a subsequent change order due to unforeseen circumstances associated with the project. The construction management contract had an expiration date of February 10, 2013.

As the homes in the Smith Village development have yet to be completed, the need still exists for construction management services. Also, with the extension of the expenditure deadline for NP2 funds, the City proposes to increase the construction management contract with Rowe by \$87,168, extend the contract term to coincide with the period of construction on the Smith Village project and further define the reporting required for payment request submission per the attached *Resolution Exhibit*.

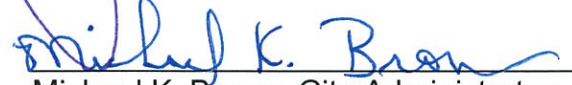
IT IS RESOLVED, that the appropriate City officials are hereby authorized to do all things necessary to accomplish the following:

- a. Extend the term of the construction management services contract with Rowe Professional Services Company until September 30, 2013
- b. Increase the contract by \$87,168 for a total contract amount of \$194,848
- c. Fund the contract increase with NSP2 funds until April 26, 2013, or until such time that the use of NSP2 funds is no longer permitted by MSHDA with funds being made available from account no. 297-743.111-805.276
- d. Fund the balance of such contract after the expiration of the NSP2 funds with NSP3 funds available in account no. 297-741.100-801.000
- e. Further define the reporting requirements for payment request submission per the attached *Resolution Exhibit*.

APPROVED AS TO FORM:

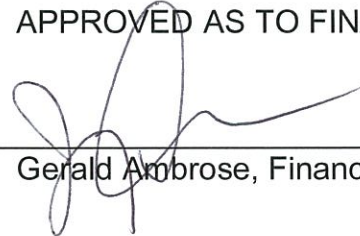


Peter M. Bade, City Attorney



Michael K. Brown, City Administrator

APPROVED AS TO FINANCE:



Gerald Ambrose, Finance Director

EFM DISPOSITION:

ENACT ✓ REFER TO COUNCIL _____ FAIL _____



Edward J. Kurtz, Emergency Financial Manager

DATED: 3-15-13