

EM SUBMISSION NO.: EM/42 2013

PRESENTED: 9/24/13

ADOPTED: 10/4/13

**RESOLUTION TO INCREASE CONTRACTUAL AMOUNT AND EXTEND
CONTRACT DATE WITH MOORE AND SONS FOR COMPLETION OF NSP1
HOUSING**

BY THE EMERGENCY MANAGER:

On May 21, 2013, 2013EM078, authorized the Department of Community and Economic Development to enter into contract #13-034, with Moore and Son Construction for general contractor services to complete two, NSP1 development homes. It has been determined a contract extension through December 31, 2013 and \$88,038 in additional funds are necessary to complete the homes.


An environmental process and an amendment has been completed. DCED has identified \$79,163 in unallocated CDBG funds (274-748.101-502.748 and 274-748.101-700.100) and \$8,875 in general fund dollars (101-690.100-801.000) to complete the homes. Funding will be made available in 274-748.102-502.748 and 274-748.102-805.327 in the amount of \$79,163 and in 101-690.100-801.000 in the amount of \$8,875.

IT IS RESOLVED, That proper City Officials are authorized to enter into Change Order #1 to #13-034, with Moore and Son Construction, to increase contract amount by \$88,038 for a total contractual amount of \$100,158 and to extend contract through December 31, 2013 as well as establish spending authority and revenue recognition in the amount of \$79,163 in accounts 274-748.102-502.748 and 274-748.102-805.327 and \$8,875 in 101-690.100-801.000.

APPROVED AS TO FORM:


Peter M. Bade, Chief Legal Officer

APPROVED AS TO FINANCE:


Gerald Ambrose, Finance Director

EM DISPOSITION:

ENACT ☒ FAIL ☐

DATED 10-4-13


Michael K. Brown, Emergency Manager

RESOLUTION STAFF REVIEW

Date

August 26, 2013

Agenda Item Title:

Resolutions:

RESOLUTION TO INCREASE CONTRACTUAL AMOUNT AND EXTEND CONTRACT DATE WITH MOORE AND SONS FOR COMPLETION OF NSP1 HOUSING

Author: Suzanne Wilcox, Program Manager

Requestor: Department of Community and Economic Development

Background/Summary of Proposed Action:

During the fall of 2012, Moore and Son Construction was selected as the general contractor to complete rehabilitation of two homes (1318 and 1414 Moore Street) originally being developed by Operation Unification using Neighborhood Stabilization Funds. Although the NSP 1 program ended on March 19, 2013, the City is required to complete all NSP 1-assisted homes in order to comply with HUD's national objective. CDBG funds were determined to be an appropriate alternate source to complete the two structures. Funds were identified and reserved. A contract was executed with Moore and Son Construction in the amount of \$20,995 through August 30, 2013, however that amount only covered the amount of the outstanding invoices.

Funds are also needed for additional work required by BSI to ensure that work was done up to code and that a Certificate of Occupancy could be obtained. Funds are needed for property maintenance (lawn care), security monitoring, gas for generators' temporary power, and kerosene for temporary heat. Also, there was an error on the original specifications for 1414 Moore Street. Only one of each item was spec'd out, however that address is a duplex and two of each line item are needed. The above items are all CDBG-eligible. However, funds are also needed to replace items stolen. Federal funds can not be used to pay for items previously purchased or for labor previously undertaken. Therefore, General Funds are now needed to complete the projects.

Authorization has now been received to complete rehabilitation on the houses so that they can be sold and the City can meet a HUD national objective and close the projects. The attached resolution authorizes the following work to complete the rehabilitation through December 31, 2013:

1414 Moore St

1. Completion of the work according to the original specifications – \$21,780
2. Specifications error - duplex needed two of each item and only one of each was spec'd out – \$11,410
3. Additional work required by BSI – \$11,750
4. Property maintenance/utilities/security - \$2,590

CDBG TOTAL - \$47,530

1318 Moore St

1. Completion of the work according to the original specifications – \$19,420
2. Additional work required by BSI – \$10,000
3. Property maintenance/utilities/security - \$2,213
4. Replacement items required due to theft/vandalism – \$8,875

CDBG TOTAL - \$31,633

GF TOTAL - \$ 8,875

TOTAL CDBG NEEDED: \$79,163

TOTAL GF NEEDED: \$ 8,875

Financial Implications (i.e., budget, account information)

Financial implications do exist for the City if houses are not completed and sold/rented to income eligible households. All federal funds invested in the project would have to be repaid to HUD.

Budgeted Expenditure: Yes ☒ No ☐ **Please explain, if no:**

Account #:

Reviewed and approved by C. Dotson

C. Dotson 9-13-13

CDBG funds in the amount of \$79,163:

From: revenue account 274-748.101-502.748
expense account 274-748.101-700.100

To: revenue account 274-748.102-502.748
expense account 274-748.102-805.327

General funds in the amount of \$8,875:

From: expense account 101-690.100-801.000

Pre-encumbered:

Yes ☒ No ☐

Requisition # 001301350

Other Implications (i.e., collective bargaining)

None

Staff Recommendation:

Staff recommends approval of the attached resolution so that houses may be completed.

APPROVAL

Tracy Atkinson

Tracy Atkinson
Chief Officer

David Solis

David Solis
Planning and Development Director