

EM SUBMISSION NO.: EME0572013

PRESENTED: 11-18-13

ADOPTED: 11-18-13

**RESOLUTION TO INCREASE CONTRACTUAL AMOUNT AND
EXTEND CONTRACT DATE WITH JOHN SHAW BUILDERS
FOR COMPLETION OF NSP1 HOUSING**

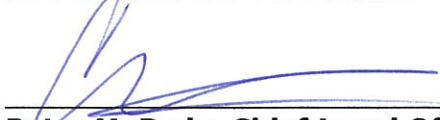
BY THE EMERGENCY MANAGER:

On June 4, 2013, resolution 2013EM102, authorized the Department of Community and Economic Development to enter into contract #13-035, with John Shaw Builders for general contractor services to complete an NSP1 development home. It has been determined a contract extension through December 31, 2013 and \$23,623.00 in additional funds are necessary to complete the homes.

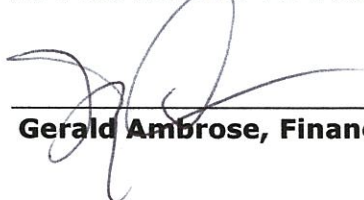
An environmental process and an amendment has been completed. DCED has identified \$23,623.00 in unallocated CDBG funds (FCDBGPRIOR accounts 274-748.102-502.748 and 274-748.102-805.327) to complete the homes. Funding will be made available in FCDBGPRIOR accounts 274-748.102-502.748 and 274-748.102-805.327 in the amount of \$23,623.00.

IT IS RESOLVED, That proper City Officials are authorized to enter into Change Order #1 to #13-035, with John Shaw Builders to increase the contract amount by \$23,623.00 for a total contractual amount of \$73,623.00 and to extend the contract through December 31, 2013 as well as establish spending authority and revenue recognition in the amount of \$23,623.00 in FCDBGPRIOR accounts 274-748.102-502.748 and 274-748.102-805.327.

APPROVED AS TO FORM:


Peter M. Bade, Chief Legal Officer

APPROVED AS TO FINANCE:


Gerald Ambrose, Finance Director

EM DISPOSITION:

ENACT ✓

FAIL _____

DATED 11-18-13


Darnell Earley, Emergency Manager

RESOLUTION STAFF REVIEW

Date

November 5, 2013

Agenda Item Title:

Resolution to enter into Change Order #1 to Contract #13-035, with John Shaw Builder to increase the contract by \$23,623.00, for a new total contract amount of \$73,623.00 to complete rehabilitation work on the NSP1 house located at 1611 Welch.

Author: Suzanne Wilcox, Program Manager

Requestor: Department of Community and Economic Development

Background/Summary of Proposed Action:

During the fall of 2012, John Shaw Builder was selected as the general contractor to complete rehabilitation of the house located at 1611 Welch originally being developed by Salem Housing 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 renovation. Funds were identified and reserved. A contract was executed with John Shaw Builder in the amount of \$50,000.00, however that amount only covered the amount of the outstanding invoices.

Additional funds in the amount of \$23,623.00 are needed to complete the renovation. These items are all CDBG-eligible. Funding this work will allow the City to complete rehabilitation on the houses so that it can be sold and the City can meet a HUD national objective and close the project. The attached resolution authorizes the additional work needed to complete renovations.

TOTAL CDBG NEEDED: \$23,623.00

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 11-8-13

CDBG funds available:

revenue account FCDBGPRIOR 274-748.102-502.748

expense account FCDBGPRIOR 274-748.102-805.327

Pre-encumbered: Yes ☒ No ☐ **Requisition #** 130001619^{CD}

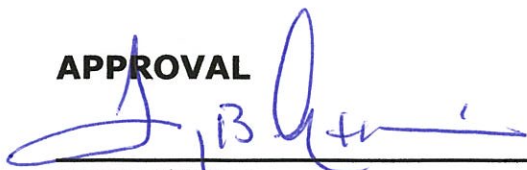
Other Implications (i.e., collective bargaining)

None

Staff Recommendation:

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

APPROVAL



Tracy Atkinson
Chief Officer