

RESOLUTION NO. _____

**APPROVAL OF CHANGE ORDER #3 FOR
OFFICE FIT UP – 600 SOUTH SEVENTH STREET**

Item No. 5g

WHEREAS, funds have been received from the U.S. Department of Housing and Urban Development under the Section 8 HUD Held Reserve Funds for the Office Fit Up at 600 South Seventh Street; and

WHEREAS, the contract with Martin Construction Company executed on July 10, 2019, in the amount of \$1,897,000.00 requires Change Order #3 to facilitate additional work and a contract time extension; and

WHEREAS, Martin Construction Company submitted a price increase of \$55,375.16 to perform the necessary work, and the project architect and Louisville Metro Housing Authority staff have reviewed the proposal and determined that it is a reasonable and acceptable proposal for the work.

NOW, THEREFORE, BE IT RESOLVED BY THE LOUISVILLE METRO HOUSING AUTHORITY BOARD OF COMMISSIONERS, that the Executive Director and Contracting Officer, Lisa Osanka, is hereby authorized to approve Change Order #3 with Martin Construction Company for an increase of \$55,375.16 for additional work.

RESOLUTION BACKGROUND STATEMENT

**APPROVAL OF CHANGE ORDER #3 FOR
OFFICE FIT UP – 600 SOUTH SEVENTH STREET**

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I. STATEMENT OF FACTS:

On July 10, 2019, the Louisville Metro Housing Authority awarded a contract to Martin Construction Company, an MBE company. The contract is for the Office Fit Up – 600 South Seventh Street which is funded by Section 8 HUD Held Reserve Funds.

Change Order No. 1 was an increase of \$19,654.90, Change Order No. 2 was an increase to the contract of \$87,409.00, Change Order No 3 is an increase in the contract amount of \$55,375.16. The new contract amount will be \$2,059,439.06. Issues related to Covid19 and extra work will add forty (40) days to the contract (Completion Date: 7/16/2020). Because the amount of this change order exceeds the threshold established in LMHA's Procurement Policy, Board approval is required.

The amount has been thoroughly analyzed by the project architect and LMHA staff to ascertain that is reasonable and fair. The items are listed below:

- Additional View Glass in Wood Doors
Doors – 102,104,105,106,108 and 113
This had been requested by staff. Increase.....\$899.30
- Use of Propylene Glycol instead of quoted
Ethylene Glycol from C.O.#2 . The wrong
Chemical was initially quoted by contractor. Increase..... \$1,465.88
- Additional Gas Line from Emergency
Generator. Subsequent to permitting the
City inspector altered the location of the gas
Meter for the generator. Increase.....\$12,149.36
- Kiosk Casework. Subsequent to contract
award staff developed an alternate method
of client check-in. Increase.....\$6,845.94
- Electrical Additions to include, door access
control at doors 110, 115 and 116; and

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I. STATEMENT OF FACTS (cont'd):

new data and electric lines.	Increase.....\$18,574.04
• Handrails at ramps. This was not originally included on the plans.	Increase.....\$5,991.50
• The underside of the west concrete bridge entrance has deteriorated which requires repair.	Increase..... \$11,385.00
• Credit for the selection of an alternative floor tile product.	Decrease.....(\$1,650.00)
• Credit for eliminating an exterior light.	Decrease.....(\$285.86)
Total Change Order #3.....\$55,375.16	

II. ALTERNATIVES:

A. Approve a resolution to authorize Change Order No. 3 in the amount of \$55,375.16 for additional work and revising scope in conjunction with the Office Fit Up – 600 South Seventh Street.

B. Do not approve Change Order No. 3 in the amount of \$55,375.16

III. RECOMMENDATION:

Staff recommends Alternative “A”.

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IV. JUSTIFICATION:

- A. All proposed changes have been reviewed by project architect and LMHA staff for reasonableness and cost effectiveness and found acceptable.
- B. The cost of increase of this work included in this change order has been minimized by through coordination and communication between the contractor, architect and LMHA's project representative.

V. BUDGET APPROVAL:

Funding for this project is provided from the Section 8 HUD Held Reserve Funds.

Angela Larsson, Director of Finance

Date

VI. PROCUREMENT CERTIFICATION:

This is to certify that the procurement procedure for approval of Change Order #3 to Martin Construction Company has been conducted in accordance with Louisville Metro Housing Authority's procurement policies and procedures.

Steve Webb, Purchasing Agent

Date

Prepared by: Keith McCarthy, Program Manager
Capital Improvements Department

Submitted by: Bernard Pincus, Director
Choice Construction Implementation
June 16, 2020