

**COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF MADISON, WISCONSIN**

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Resolution No. 3064  
Authorizing the Execution of Change Order Number  
007 to the Contract by and between Truax Park  
Redevelopment Phase I, LLC and McGann  
Construction, Inc. for Construction Management  
Services

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Presented January 12, 2012  
Referred \_\_\_\_\_  
Reported Back \_\_\_\_\_  
Adopted January 12, 2012  
Placed on File \_\_\_\_\_  
Moved By Kelly Thompson-Frater  
Seconded By Timothy Bruer  
Yeas 7 Nays 0 Absent 0  
Rules Suspended \_\_\_\_\_

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**PREAMBLE**

The Community Development Authority of the City of Madison (the "CDA") is undertaking the redevelopment of Truax Park Apartments, which includes the renovation of seventy-one (71) apartments in six (6) buildings.

The CDA adopted a resolution in September of 2010 (Resolution No. 2985) authorizing the Chair and Secretary of the CDA to execute a contract as the managing member of Truax Park Redevelopment Phase I, LLC with McGann Construction, Inc. (the "Construction Manager") for the construction manager/contractor services for Truax Park Redevelopment Phase 1 (the "Contract") and authorizing the Secretary to approve changes to the Contract relating to Truax Park Redevelopment Phase I, in an amount up to \$10,000 per change order/\$50,000 total without the action of the CDA.

The CDA has received a Change Order for an addition to the Contract in the amount of \$228,704.44 ("Change Order 007). The Change Order is due to three factors. First, failure of the plumber to complete work under its contract added \$149,567 to the Construction Manager's costs. Second, as part of the Low Income Housing Tax Credit Application, the CDA agreed to complete a fitness center, business center and community center (the "Community Facilities") on site. While the cost of the Community Facilities was budgeted, the scope of work was not in the Contract. Change Order 007 adds \$49,640 to the Contract for the additional work relating to the construction of the Community Facilities. Finally, the owner requested vinyl stair treads be added to the existing stair tower in four buildings. The cost of the change in flooring scope is \$44,640. Detail for work being added is attached as Exhibit A.

In December, the CDA applied to the Wisconsin Housing and Economic Development Authority for additional Low Income Housing Tax Credits and was awarded \$350,000 of additional credits. The tax credit investor is expected to pay an additional \$245,000 in equity for the additional credit. The additional equity will costs in Change Order 007.

NOW THEREFORE BE IT RESOLVED that subject to the tax credit investor's commitment to contribute a minimum of \$245,000 of additional equity, the CDA does hereby authorize the Secretary of the CDA to execute Change Order 007 increasing the amount of the contract by \$228,705.55 to \$6,973,223.73.