

**HOUSING AUTHORITY OF NEW ORLEANS  
BOARD OF COMMISSIONERS  
REGULAR MEETING  
MARCH 13, 2012**

**RESOLUTION NO. 2012-08**

**WHEREAS**, the Housing Authority of New Orleans (HANO) executed Contract #11-130-05-06 with Durr Heavy Construction, LLC for the Guste III Site Demolition and Infrastructure project in the amount of \$6,283,834 on October 19, 2011 to be funded with Replacement Housing Factor grant funds; and

**WHEREAS**, it has been determined that Change Order Number 2 is now required due to unforeseen conditions in the buildings targeted for demolition and in the infrastructure installation, requiring additional work to be performed along with the original Scope of Services prepared for this project; and

**WHEREAS**, approval from the Board of Commissioners is requested for Change Order Number 2 that results in modification to the contract amount in an amount not to exceed \$708,152.00 for additional work associated with the removal of environmentally hazardous materials and installation of additional water connections and fire hydrants under the Guste III Site Demolition and Infrastructure project; and

**WHEREAS**, the price proposal has been reviewed and negotiated by the project architect and HANO staff and has been found to be a fair and reasonable addition to the contract; and

**WHEREAS**, funding for Change Order Number 2 will be provided by Replacement Housing Factor grant funds.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Commissioners of the Housing Authority of New Orleans approves Change Order Number 2 to Contract #11-130-05-06 between HANO and Durr Heavy Construction, LLC for the Guste III Site Demolition and Infrastructure project in the additional amount not to exceed Seven Hundred Eight Thousand, One Hundred Fifty-Two dollars and Zero cents (\$708,152.00).

Executed this 13<sup>th</sup> day of March, 2012.

APPROVAL



**DAVID GILMORE,  
ADMINISTRATIVE RECEIVER  
CHAIRMAN, BOARD OF COMMISSIONERS**



Housing Authority of New Orleans

March 13, 2012

**MEMORANDUM**

**TO: David Gilmore,  
Administrative Receiver  
Chairman, Board of Commissioners**

**FROM: Desiree Andrepont  
Director of Real Estate Planning and Development**

**RE: Change Order #2  
Guste III Demolition and Infrastructure Project**

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Board of Commissioners approval of Change Order Number 2 to Contract #11-130-05-06 between HANO and Durr Heavy Construction, LLC for the Guste III Site Demolition and Infrastructure project in an additional amount not to exceed \$708,152.00 is requested.

Change Order Number 2 is necessary due to unforeseen conditions involving the removal and abatement of waterproof mastic (containing asbestos) on the concrete block masonry in all buildings targeted for demolition. This condition will cause additional work to be performed along with the original Scope of Services prepared for this project including the removal and abatement of environmental hazardous materials as required by the Louisiana Department of Environmental Quality. In addition, the change order includes additional water connections to support new housing and irrigation systems and fire-hydrants to support the sprinkler system of the 49-unit apartment building planned for construction.

The Modernization Department has reviewed Change Order No. 2 and has found the scope of work and related costs to be fair and reasonable. The Architect and this Department further certify the work is within the General Scope of Work of the original contract, is necessary and cost effective, and cannot be practicably performed under a separate contract. Change Order Number 2 has been negotiated in an amount not to exceed Seven Hundred Eight Thousand One Hundred Fifty-Two Dollars and Zero Cents (\$708,152.00) from Replacement Housing Factor grant funds.

The previous contract amount was \$6,289,354.00. The new contract amount for this project will be in an amount not to exceed \$6,997,506.00 if approved. The original contract amount of \$6,283,834.00 was increased by \$5,520.00 with Change Order Number 1. Change Order No. 1 authorized the removal and abatement of asbestos found in the piping elbows behind the walls in twelve (12) housing units targeted for demolition. Change Order Number 2 is a 10-percent increase in the current contract amount. The cumulative percent of increased change orders as compared to the original contract amount is 11%.