



Agenda Item:

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## COUNCIL COMMUNICATION City Manager's Office

### GENERAL INFORMATION

Agenda Date: 03/28/05  
05-170

Communication No.:

Agenda Item Type: Resolution

Roll Call No.:

Submitted by: Jeb E. Brewer, P.E., City Engineer

### SUBJECT—

Approving Change Order No. 2 with North American Specialty Insurance Company, for additional work on Union Park Water Playground Project for a total not to exceed \$20,552.44.

### SYNOPSIS—

Change Order No. 2, in an amount not to exceed \$20,552.44, has been negotiated with North American Specialty Insurance Company (1200 Arlington Heights Road, Suite 400, Itasca, IL, Jeff Goldberg, Senior Claims Attorney) for additional work on the Union Park Water Playground Project.

### FISCAL IMPACT—

Funding for this change order is available in the Capital Improvements Program, Wading Pool Improvements 2004, Account 543080, Fund CP040, Organization PKS990000, Project PKS034, Activity ID 11-2002-006, Wading Pool Improvements 2004, with a transfer of \$20,552.44 from Account 543080, Fund CP040, Organization PKS990000, Project PKS137, Neighborhood Park Improvements.

### RECOMMENDATION—

Approval

**BACKGROUND—**

On April 5, 2004, by Roll Call No. 04-752, the City Council awarded a Contract for construction of the Union Park Water Playground Improvements to Buchanan Builders, Inc. Buchanan failed to perform and complete the work under the Contract during the contract period that ended on September 30, 2004. Buchanan further failed to complete the work under an extension that ended on January 21, 2005, as specified in the Notice of Default given to Buchanan by the City Engineer on January 6, 2005. The surety, North American Specialty Insurance, has discharged Buchanan's obligations under the Contract, and its obligations under the Performance, Payment and Maintenance Bond by agreeing to hire Brocon Services, LLC. to complete said Contract, pursuant to the terms of the Takeover Agreement between the City and North American approved by the City Council on February 16, 2005 by Roll Call No. 05-378.

During construction of the project, the water service to the entire park, which was installed in the WPA era, was discovered to be steel pipe that has significant deterioration. Steel pipe service is no longer allowed by City plumbing code. Change Order No. 2 in the amount of \$20,552.44 has been negotiated between the City, North American and North American's completion contractor Brocon to replace the water service to the park with a new copper water service. The service will extend from the meter pit located near Guthrie Avenue to the shelter near the wading pool. From there it will be bored under the parking lot and extended to the west shelter building. After completion of this work, the water service in the park will meet current building code standards.