

Office of School Facilities
Jaime G. Torrens, Chief Facilities Officer

SUBJECT: TERMINATION FOR CAUSE OF EMPLOYMENT OF THE CONTRACTOR, ZURQUI CONSTRUCTION SERVICES, INC. – NEW THREE-STORY ADDITION CLASSROOM BUILDING AT BOB GRAHAM EDUCATIONAL CENTER, PROJECT NO. 00731700, AWARDED BY THE SCHOOL BOARD TO ZURQUI CONSTRUCTION SERVICES, INC. ON MAY 11, 2011

COMMITTEE: FACILITIES AND CONSTRUCTION REFORM

LINK TO STRATEGIC FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY

The construction contract for this project was awarded to the lowest bidder, Zurqui Construction Services, Inc. (Contractor) on May 11, 2011. The Contractor was notified (with copy to Contractor's Surety, Great American Insurance Company) on February 6, 2012 that the Contractor was in default of the Contract and was given seven (7) calendar days to cure its default or termination of the contract would be recommended to the School Board. The items of default include but are not limited to Contractor's failure to: 1) adhere to the project construction schedule, 2) submit a mitigation schedule for the timely completion of the work, and 3) increase manpower, equipment and working hours as needed to mitigate delay in completing the project.

Despite being given sufficient time to cure, the Contractor has continued to fall farther behind schedule, rather than recovering lost time as it had previously committed to do. On March 30, 2012, the Contractor was notified that it had failed to cure the aforementioned defaults and that the District would be recommending termination for cause of employment of the Contractor for approval by the School Board at its next meeting on April 18, 2012. That notification also called upon the Surety, pursuant to the Performance and Guarantee Bond, to immediately remedy the breach and default of the Contractor or take charge of the Project and complete the Contract or any remedial work required under the Contract at its own expense. The Project Architect/Engineer has certified that sufficient cause exists for termination. In addition, the Board's scheduling consultant has confirmed that the Contractor is substantially behind the construction schedule, has not provided the resources needed to mitigate the schedule and is not entitled to extensions of time sufficient to reconcile the delay.

Therefore, pursuant to Article 14.2.2 of the general conditions of the contract, it is recommended that employment of the Contractor, Zurqui Construction Services, Inc. be terminated for cause. The Contractor's Surety, Great American Insurance Company,

has twenty (20) days from March 30, 2012 to notify the School Board of its election to remedy the default of the Contractor.

RECOMMENDED: That The School Board of Miami-Dade County, Florida:

- 1) terminate for cause the employment of the Contractor, Zurqui Construction Services, Inc., for the New Three-Story Addition Classroom Building at Bob Graham Educational Center, Project No. 00731700; and
- 2) authorize the Superintendent to pursue all remedies available pursuant to the Contract and Surety Bonds.

JGT:NB