SOUTH WASHINGTON COUNTY SCHOOLS
SCHOOL BOARD
7362 East Point Douglas Rd S.
Cottage Grove, MN 55016

ADMINISTRATIVE REPORT

DATE:	August 22, 2024
TOPIC:	#7.5 - Resolution Terminating a Construction Contract
PRESENTER:	Kyle Uecker, Director of Facilities
REFERENCE TO POLICY/STATUTE:	701

A. **PURPOSE OF REPORT**
   a. District Counsel requests that we take this next step in the matter concerning the flooring project at Woodbury High School, by terminating the contract with Parkos Construction.

B. **RECOMMENDATION**
   a. Approval. District Counsel has provided the Resolution Terminating a Construction Project for the Board to review and execute. We ask that the Board do so, as we can continue to pursue a resolution to the matter.

C. **CONNECTION TO STRATEGIC PRIORITY**
   a. Operations, Staffing, and Finance

School Board Member _____ introduced the following Resolution and moved its adoption:

RESOLUTION TERMINATING A CONSTRUCTION CONTRACT

WHEREAS, the District and Parkos Construction are parties to a construction contract (the "Contract") under which Parkos agreed, among other things, to install new flooring in certain areas of the Woodbury Senior High School;

WHEREAS, Parkos contracted with Grazzini Brothers Construction for installation of the flooring;

WHEREAS, the District's architect for the project, KOMA, has determined that the flooring installation does not meet project specifications and requirements;

WHEREAS, District staff and consultants have attempted to work with Parkos and Grazzini to effect correction of the flooring work, but these efforts have been unsuccessful;

WHEREAS, the District also put Parkos' performance bond surety, United Fire & Casualty Company, on notice of the problems, and notified United Fire & Casualty Company and Parkos that it was considering declaring a default on the Contract due to the unremedied flooring work;

WHEREAS, District staff and consultants met with Parkos, Grazzini, and United Fire & Casualty Company on October 4, 2023 to discuss the problems, but no resolution was achieved;

WHEREAS, the District declared Parkos in default of the Contract on December 14, 2023;

WHEREAS, on July 15, 2024, the District requested that KOMA certify that it has sufficient cause to justify terminating the Contract;

WHEREAS, on August 1, 2024, KOMA certified that sufficient cause exists for the District to terminate the Contract;

WHEREAS, the District now wishes to terminate the Contract after giving Parkos and United Fire & Casualty Company seven days' notice of its intent to terminate.

NOW, THEREFORE, BE IT RESOLVED by the School Board of Independent School District No. 833, South Washington County Schools, as follows:

1. The School Board hereby authorizes and directs District staff and consultants to provide Parkos and United Fire & Casualty Company seven days' notice of the District's intent to terminate the Contract.

2. The School Board hereby authorizes the termination of the Contract after seven days' notice has been provided to Parkos and United Fire & Casualty Company.

3. The School Board hereby authorizes and directs District staff and consultants to pursue all avenues for recovery against Parkos and United Fire & Casualty Company so that the flooring issues are resolved and corrected.

The motion for the adoption of this Resolution was duly seconded by School Board Member _____ and upon a vote being taken, the following School Board members voted in favor of the Resolution:

And the following School Board members voted against the Resolution:

Based on the vote, this Resolution was declared duly passed and adopted.