

EXECUTIVE SUMMARY**Termination of Design/Build Agreement with JWR Construction, Inc. for City of Parkland Classroom Additions and Authorization to Initiate Litigation****GENERAL OVERVIEW:**

Pursuant to the terms of the Agreement, JWR agreed to complete all design and construction work by July 20, 2016 in exchange for a not-to-exceed, Guaranteed Maximum Price (“GMP”) of \$1,871,561.00, which was increased by \$17,469.01 via Board-approved change orders (for a revised total GMP of \$1,889,030.01).

Notwithstanding the clear, unambiguous terms of the Agreement, JWR advised the District for the first time on March 2, 2016 that it could not perform the design and construction work for the contractually agreed GMP and the agreed upon time. Via a letter dated March 8, 2016, JWR formally requested a meeting with District staff to discuss the projects and JWR's assertion that its “... projected construction cost exceed[s] the construction budget.” JWR's March 8, 2016 letter and its attachments are attached to this item as Exhibit “3.”

On March 17, 2016 the Superintendent and his staff met with JWR to discuss this matter and to impress upon JWR the importance and urgency of timely performance. JWR reaffirmed that it could not provide the scope of work required by the Agreement within the GMP, and further, that it could not complete the work by July 20, 2016 as required by the Agreement (even if the scope of work was reduced). In addition, JWR refused to consider a reduction to its fee as a means to stay within the GMP.

Accordingly, JWR has failed and refused to abide by the essential terms of the Agreement, and is therefore in breach of its contractual obligations.

In a letter from the Superintendent to JWR dated April 22, 2016, JWR was advised of his intent to recommend termination of the Agreement for cause. The Superintendent's letter is attached to this item as Exhibit “2.”

This item seek approval of termination of the Agreement and also seeks authorization for the General Counsel to initiate litigation against JWR for damages incurred by the District as a result of JWR's breach of its contractual obligations.