

APPROVED
OCT 03 2007

REPORT OF GENERAL MANAGER

NO. 07-223

DATE October 3, 2007

**BOARD OF RECREATION
and PARK COMMISSIONERS**

C.D. 4

BOARD OF RECREATION AND PARK COMMISSIONERS

**SUBJECT: GRIFFITH OBSERVATORY – RENOVATION AND EXPANSION PROJECT
(#1504C) (W.O. #E170210F) - BOND TO RELEASE MONEY WITHHELD ON
CLAIMS**

R. Adams	_____	J. Kolb	_____
H. Fujita	_____	F. Mok	_____
S. Huntley	_____	K. Regan	_____
V. Israel	_____	*M. Shull	<i>[Signature]</i>

[Signature]
General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Accept the Bond to Release Money Withheld on Claims, filed by S.J. Amoroso Construction Co., Inc., general contractor for the Griffith Observatory - Renovation and Expansion Project (#1504C) (W.O. #E170210F); and
2. Direct the Board Secretary to notify the contractor, surety, and other appropriate parties.

SUMMARY:

At its meeting of February 7, 2007, the Board approved General Manager's Report No. 07-30, authorizing the acceptance of a Stop Notice from E.A. Environmental Construction, Inc., in the amount of \$502,713.65 for the subject project. The amount of the Stop Notice, plus an additional 25%, was withheld in order to satisfy this claim, for a total withholding amount of \$628,392.07.

On September 11, 2007, the Department received the following Bond to Release Money Withheld on Claims, filed by the general contractor, S.J. Amoroso, Construction Co., Inc.:

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NO. 07--223

Griffith Observatory – Renovation and Expansion Project (#1504C)

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General Contractor: S.J. Amoroso Construction Co., Inc.

Contract No. 3068

Claimant: E.A. Environmental
Construction, Inc.

Principal: S.J. Amoroso Construction Co.,
Inc.

Amount of

Bond: \$628,392.07

Surety: Federal Insurance Company

Project

Project

Status: 100%

Impact: None

The Bond was filed in accordance with California Civil Code Section 3196, which states, "If the original contractor or subcontractor disputes the correctness or validity or enforceability of any stop notice, the public entity may, in its discretion, permit the original contractor to file with the public entity a bond executed by a corporate surety, in an amount equal to 125 percent of the claim stated in the stop notice conditioned for the payment of any sum which the stop notice claimant may recover on the claim together with his costs of suit in the action, if he recovers therein. Upon the filing of such bond with the public entity, the public entity shall not withhold any money or bonds (where bonds are to be issued in payment for the work of improvement) from the original contractor on account of the stop notice."

FISCAL IMPACT STATEMENT:

Acceptance of the Bond and release of the funds have no impact on the Department's General Fund, as monies were previously appropriated for this project.

Prepared by Lisa Shinsato, Commission Executive Assistant I, Commission Office.