

RESOLUTION NO. R-14-12

A RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A CONTRACT WITH HECO, INC., IN THE AMOUNT OF \$27,000.00 FOR THE DEMOLITION OF THE STRUCTURE LOCATED AT 2707 NORTHEAST BROOKTREE LANE.

WHEREAS, a structure located at 2707 Northeast Brooktree Lane, in Gladstone, commonly known as Pricilla & Dana's Dance Studio was damaged when the roof of the structure collapsed under the strain of snow and water; and

WHEREAS, the Gladstone, Missouri, Building Commission, after a duly noticed hearing and after an evidentiary hearing, determined that the structure at 2707 Northeast Brooktree Lane, was in a dangerous condition and ordered that the building be demolished to ensure the health and safety of the city; and

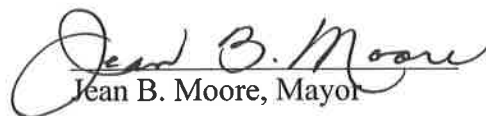
WHEREAS, bids for the demolition were requested and HECO Inc., a Missouri Corporation, was the low bidder at Twenty Seven Thousand and no/00 Dollars (\$27,000.00).

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:

THAT the low bid by HECO Inc., is hereby accepted and the City Manager is hereby authorized and directed to execute a Demolition Contract with HECO Inc., for \$27,000.00; and

FURTHER THAT, if during the course of the demolition conditions are discovered that increase the cost of the project then the City Manager is authorized to take such measures as are necessary to complete the demolition and clean-up of the demolition site.

INTRODUCED, READ, PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI THIS 24TH DAY OF FEBRUARY 2014.


Jean B. Moore, Mayor

ATTEST:


Cathy Swenson, City Clerk



All-America City

14-12
Gladstone



2008

OFFICE OF THE CITY COUNSELOR

TO: MAYOR JEAN MOORE
MAYOR PRO TEM BRIAN HILL
COUNCILMEMBER CAROL SUTER
COUNCILMAN BILL GARNOS
COUNCILMAN GARY MARKENSON
CITY MANAGER KIRK DAVIS

FROM: CITY COUNSELOR RANDALL THOMPSON

RE: RESOLUTION TO APPROVE CONTRACT WITH HECO, INC. TO
DEMOLISH THE STRUCTURE LOCATED AT 2707 NE BROOKTREE LANE

DATE: FEBRUARY 24, 2014

The Building Commission has determined that Pricilla & Dana's Dance Studio structure is in a dangerous condition and not repairable. The Commission issued a demolition order.

This matter is on the Council Agenda because the cost of demolition is greater than \$25,000 and because we are entering into a demolition contract and requiring the contractor to post performance and payment bonds. The successful bidder, HECO Inc., bid the job for approximately \$30,000 less than the next lowest bid and staff agreed to accept that bid provided the contractor could obtain bonding.

The structure was damaged when snow and water caused the roof to fail last February. City staff gave the owner of the building ample time to work out an agreement with his insurance carrier before going forward with action by the Commission. Apparently no agreement could be reached.

The owner's testimony (through his retained adjuster) was that the building could not be repaired and was a total loss. His insurance carrier does not consider the building to be a total loss and has offered to settle the claim for \$200,000.00. The Commission went forward with a hearing and decision because the owner's efforts to settle the insurance claim appeared to have stalled and because of concerns for the public's safety.

Please contact me with any questions you may have about the Resolution or the building.

RDT

ORIGINAL

DEMOLITION CONTRACT

This Agreement and Indenture is made and entered into this 24th day of March, 2014, by and between The City of Gladstone (hereinafter "City") and HECO, Inc., a Missouri Corporation (hereinafter "HECO").

WITNESSETH:

THAT, WHEREAS, the City, by and through its Building Commission, has determined that the structure located at 2707 NE Brooktree Lane and previously known as Pricilla & Dana's Dance Studio is a Dangerous Building and has ordered that the building be demolished; and

THAT, WHEREAS, the City requested bids from interested contractors and that the bid by HECO was the lowest qualified offer.

NOW, THEREFORE, the parties agree as follows:

I. SCOPE OF INSPECTION.

It is understood and agreed that HECO has by careful examination satisfied itself as to the nature and location of the work, the conformation of the ground, the character, quality and quantity of the materials to be encountered, the character of the equipment and facilities needed preliminary to and during the prosecution of the work, the general local conditions, and all other matters which can in any way affect the work under this Contract. No verbal agreement or conversation with any officer, agent or employee of the City, either before or after the execution of this contract, shall affect or modify any of the terms or obligations herein contained.

The relation of HECO to the City shall be that of an independent contractor.

II. DEMOLITION SPECIFICATIONS.

HECO shall abide by and perform the following work:

A. General Specifications:

1. HECO, if not already, will be required to obtain a business license with the City of Gladstone.
2. HECO will be responsible for obtaining a demolition permit from the City of Gladstone. *(permit fee waived)*
3. HECO shall schedule work to be done Monday through Friday during the hours of 7:00 am -7:00 pm.
4. HECO will take every precaution necessary to keep dust and debris from adversely affecting the adjacent properties, public streets, and waterways; and is responsible for any damage thereto.
5. HECO shall secure site during times that no work is going on.

Reo 14-12

6. HECO shall start work within ten (10) working days of being issued a demolition permit and shall complete demolition within fifteen (15) working days of starting. (Note: Adverse weather conditions, holidays, and weekends will not be considered as working days).

B. Demolition Specifications:

1. The following shall be demolished and removed from the premises and disposed of pursuant to Missouri Department of Natural Resources RSMo Chapter 260.
 - a. The commercial structure, including:
 - i. Building.
 - ii. Foundation.
 - iii. Slab.
 - iv. Equipment.
 - v. Swimming pool.
 - vi. Contents, and
 - vii. Anything else associated with the structure.
 - viii. Note: Asphalt parking lot to remain.
2. The following improvements shall be made to the premises.
 - a. HECO shall fill the swimming pool(s) with approved fill dirt, free of asphalt, concrete, rocks and/or other unsuitable fill.
 - b. All disturbed areas will be graded for positive drainage.
 - c. Seed all disturbed areas with bluegrass and cover with straw.
3. HECO shall install and maintain erosion control at all times; or at the request of the City of Gladstone at no additional cost.
4. Contractor's bid package shall include provisions for asbestos inspection of the structure(s).
 - a. HECO shall submit a copy of the asbestos inspection report prior to issuance of demolition permit.
 - b. HECO, if asbestos is found, shall submit three (3) bids for the abatement of said asbestos.
5. HECO shall contact utility companies to disconnect their utilities from the structure and supply a letter to the City of Gladstone from said utility that services have been disconnected.
6. HECO shall contact City of Gladstone Water Department to shut off water service, remove the water meter and break the yoke.
7. HECO shall excavate, turn off the corporation stop, remove the water service line from the corporation stop and cut the threads on the corporation stop; located at the water main.
8. HECO shall excavate, cut, cap and concrete the sanitary sewer line at the sanitary sewer main.
9. HECO at their expense shall make acceptable repairs to any damages to adjacent properties, curb and gutters, street, etc.

III. CONTRACT PRICE & PERFORMANCE:

- A. HECO shall demolish the building at 2707 NE Brooktree Lane for the total sum of Twenty Seven Thousand and 00/100 Dollars (\$27,000.00), water kill included. In addition HECO may retain any salvage removed from the site.
- B. Asbestos or Hazard Waste removal is excluded from the contract amount. HECO shall notify the City if it encounters any Asbestos or Hazardous Waste and the parties may contract separately for its removal.
- C. Upon completion of the demolition as described above in Section I, HECO shall invoice the City for payment of all sums due. The City shall then submit the invoice for payment. Unless the City objects to any items submitted in the invoice, payment will occur within 30 days.
- D. HECO shall complete the demolition as described above in Section I within fifteen (15) working days after the issuance of the demolition permit. If the demolition is delayed through no fault of HECO the parties may enlarge the completion date by written agreement.

IV. BOND.

Although this project is not a "Public Works" as that phrase is used in Section 107.170 of the Revised Statutes of Missouri, this agreement is between a public entity and a private contractor and the City finds it to be appropriate and necessary to require a bond from HECO. Simultaneously with the execution of this Contract, HECO shall furnish a good and sufficient surety bond in the full amount of the contract sum. This surety bond, executed by HECO to the City, shall be a guarantee: (a) for the faithful performance and completion of the work in strict accordance with the terms and intent of this contract; (b) the payment of all bills and obligations arising from this contract which might in any manner become a claim against the City; (c) for the payment to the City of all sums due or which may become due by the terms of this contract, as well as by reason of any violation thereof by HECO; and for a period of two years from and immediately following the acceptance of the completed project by the City, the payment to the City of all damage loss and expense which may occur to the City by reason of defective materials used, or by reason of defective or improper workmanship done, in the furnishing of labor and equipment in the performance of this contract.

All provisions of the bond shall be complete and in full accordance with statutory requirements. The bond shall be executed with the proper sureties through a company licensed and qualified to operate in the state and approved by the City. Bond shall be signed by an agent resident in the State of Missouri and date of bond shall be the date of execution of the contract. If at any time during the continuance of the contract the surety of HECO's bond becomes irresponsible, the City shall have the right to require additional and sufficient sureties which HECO shall furnish to the satisfaction of the City within ten (10) days after notice to do so. In default thereof, the contract may be suspended, all payments or money due HECO withheld, and the contract completed as hereinafter provided.

HECO shall obtain a Performance and Maintenance Bond in the form provided in Attachment 1, a Payment Bond in the form provided in Attachment 2, and a Consent in the form provided in Attachment 3.

V. INSURANCE.

A. General:

HECO shall secure, pay for, and maintain during the life of the Contract, insurance of such types and amounts as necessary to protect himself and the City against all hazards enumerated herein. All policies shall be in the amounts, form and companies satisfactory to the City and with an insurance company authorized to do business in the State of Missouri.

The insuring company shall deliver to the City together with all certificates of required insurance a letter signed by an authorized representative and certifying that all provisions of the insurance requirements are complied with.

All certificates of insurance required herein shall state that thirty (30) days written notice will be given to the City before the policy is canceled or changed. All certifications of insurance shall be delivered to the City and approved by the City's attorney prior to the time that any operations under this contract are started.

If part of the Contract is to be sublet, HECO shall either:

1. Cover any and all subcontractors in its insurance policies; or
2. Require each subcontractor not so covered to secure insurance which will protect said subcontractor and the City against all applicable hazards or risks of loss in the minimum amounts designated in subsection B below.

It shall be the responsibility of HECO to see that this is done and to provide the City with a certificate of insurance binding such coverage.

B. Bodily Injury and Property Damage Liability Insurance.

HECO shall purchase and maintain:

- (1) Bodily Injury Liability insurance coverage providing limits for bodily injuries, including death, of not less than \$1,000,000 per occurrence and \$2,000,000 per project general aggregate.
- (2) Property Damage Liability insurance coverage for limits of not less than \$1,000,000 per occurrence nor less than \$2,000,000 per project general aggregate for the policy year.

C. Contractual Liability:

HECO shall purchase and maintain property damage contractual liability coverage with an aggregate limit of not less than \$1,000,000.

D. City's Protective Liability and Property Damage Insurance:

HECO shall purchase and maintain City's Protective Liability and Property Damage insurance issued in the name of the City as will protect both against any and all claims that might arise as a result of the operations of HECO or his subcontractors in fulfilling this contract.

The minimum amount of such insurance shall be the same as required in Subsection B-Bodily Injury Liability and Property Damage Liability Insurance. This policy shall be filed with the City and a copy filed with the consulting Engineer, if applicable.

E. Employer's Liability and Workmen's Compensation:

Employer's and Workmen's Compensation insurance as will protect HECO against any and all claims resulting from injuries to and death of workmen engaged in work under this contract, and in addition, HECO shall carry occupational disease coverage with statutory limits, and Employer's Liability with a limit of at least \$1,000,000 per accident and \$1,000,000 per employee. The "All State" endorsement shall be included if HECO's home office is not located in the State of Missouri or if any work under the Contract involves work outside the State of Missouri.

F. Operating Hazards:

HECO shall carry insurance to cover operating hazards during the period of placing the facilities in operation and during testing, and until such time as the facilities are accepted for operation by the City.

G. HECO's Responsibility for Other Losses:

For the consideration in this agreement heretofore stated, in addition to HECO's other obligations, HECO assumes full responsibility for all loss or damage from any cause whatsoever to any tools owned by the mechanics, any tool, machinery, equipment, or motor vehicle owned or rented by HECO, its agents, subcontractors, material suppliers or its or their employees; to sheds or other temporary structures, scaffolding and staging's, protective fences, bridges and sidewalk hooks.

H. HECO's Responsibility on Damages and Claims Indemnifying City:

HECO shall indemnify and save harmless the City and its officers and agents, of and from all losses, damages, costs, expenses, judgments, or decrees whatever arising out of action or suit that may be brought against the City or any officer or agent of the City for

or on account of the failure, omission, or neglect of HECO to do and perform any of the covenants, acts, matters or things by this contract undertaken to be done or performed, or for the injury, death or damage caused by the negligence or alleged negligence of HECO or its subcontractors or its or their agents, or in connection with any claim or claims based on the lawful demands of subcontractors, workmen, material men, or suppliers of machinery and parts thereof, equipment, power tools, and supplies incurred in the fulfillment of this contract.

I. Notification In Event of Liability or Damage:

Upon the occurrence of any event, the liability for which is herein assumed, HECO agrees to forthwith notify the City in writing, such happening, which notice shall forthwith give the details as to the happening, the cause as far as can be ascertained, the estimate of loss or damage done, the names of witnesses, if any, and stating the amount of any claim.

VI. ASSIGNMENT OF CONTRACT.

HECO shall not assign or transfer this contract nor sublet it as a whole, without the written consent of the City and of the Surety on HECO's bond. Such consent of Surety, together with copy of assignment, shall be filed with the City. No assignment, transfer or subletting, even though consented to, shall relieve HECO of its liabilities under this contract. Should any assignee fail to perform the work undertaken in a satisfactory manner, the City may at his option annul and terminate Assignee's contract.

VII. PROTECTION OF WORK AND PROPERTY.

HECO shall be accountable for any damage resulting from its operations. HECO shall be fully responsible for the protection of all persons including members of the public, employees of HECO and employees of other contractors or subcontractors and all public and private property including structures, sewers and utilities above and below ground, along, beneath, above, across or near the site or sites of the work, or other persons or property which are in any manner affected by the prosecution of the work.

HECO shall furnish and maintain all necessary safety equipment such as barriers, signs, warning lights and guards as required to provide adequate protection of persons and property.

HECO shall give reasonable notice to the owner or owners of public or private property and utilities when such property is liable to injury or damage through the performance of the work, and shall make all necessary arrangements with such owner or owners relative to the removal and replacement or protection of such property or utilities.

HECO agrees to hold the City harmless from any and all loss or damage arising out of jurisdictional labor disputes or other labor troubles of any kind that may occur during the construction or performance of this contract.

Wherever the work is along existing pavement which is to be retained, traction equipment with lugs will not be permitted. HECO shall use utmost care not to damage or destroy any existing pavement. Any pavement damaged or destroyed due to the operations of HECO, which is not within the Contract limits, shall be replaced in accordance with these specifications.

HECO shall be held responsible for all damage to parking lots, roads, highways, shoulders, ditches, bridges, culverts, and other property, caused by HECO or its subcontractors in transporting equipment or materials to or from the site of work, regardless of location of such damage, and shall pay for or replace such damaged property to the reasonable satisfaction of the owner of such property.

HECO will exercise care to prevent damage to existing roadways, highways, ditches, shoulders, structures, and underground utilities adjacent to construction areas. Any damage resulting from HECO's operations or operations of Subcontractors shall be repaired or replaced at HECO's expense.

VIII. CITY'S RIGHT TO TERMINATE CONTRACT.

If HECO should be adjudged bankrupt, or should make a general assignment for the benefit of its creditors, or if a receiver should be appointed on account of HECO's insolvency, or if it should persistently or repeatedly refuse or should fail, except in cases for which extension of time is provided, to supply enough properly skilled workmen or proper materials, or persistently disregard laws, ordinances or the instructions of the City, or otherwise be guilty of a substantial violation of any provision of the Contract, then the City may, without prejudice to any other right or remedy and after giving HECO seven (7) days written notice, terminate the employment of HECO and finish the work by whatever method the City may deem expedient.

In such case, no payment will be made to HECO until the work is finished. If the expense of finishing the work exceeds the Contract price then HECO shall receive no payment. IF the expense of finishing the work is less than the Contract price then HECO shall receive the difference.

IX. OSHA CONSTRUCTION SAFETY PROGRAM.

Missouri law, 292.675 RSMo, requires the awarded contractor and its subcontractor(s) to provide a ten-hour occupational safety and health administration (OSHA) construction safety program (or a similar program approved by the Missouri Department of Labor and Industrial Relations as a qualified substitute) for their on-site employees (laborers, workmen, drivers, equipment operators, and craftsmen) who have not previously completed such a program and are directly engaged in actual construction of the improvement (or working at a nearby adjacent facility used for construction of the improvement). The awarded contractor and its subcontractor(s) shall require all such employees to complete this ten-hour program, pursuant to 292.675 RSMo, unless they hold documentation on their prior completion of said program. Penalties for non-compliance include Contractor forfeiture to the Missouri Highways and Transportation Commission in the amount of \$2,500, plus \$100.00 per contractor and subcontractor employee

for each calendar day such employee is employed beyond the elapsed time period for required program completion under 292.675 RSMo.

X. COMPLIANCE WITH SECTION 285.525. RSMo.

HECO shall execute an Affidavit acknowledging compliance with Section 285.525 RSMo. et. seq. attached hereto as Attachment No. 4.

ATTEST:

By: Cathy L. Swenson
Cathy L. Swenson
Title: City Clerk

Approved as to Form:

Randall D. Thompson
Randall D. Thompson
Title: Attorney for the Owner

ATTEST:

By: Irina O'Conne
Title: Secretary

Approved as to Form:

Attorney for the Contractor (optional)

OWNER City of Gladstone

By: Kirk L. Davis
Kirk L. Davis
Title: City Manager

CONTRACTOR: HECO, Inc.

By: L. Horst

CORPORATE SEAL:



**AFFIDAVIT OF COMPLIANCE WITH SECTION 285.525 R.S.M.O., ET SEQ.
FOR CONTRACTS OVER \$5,000.00**

EFFECTIVE JANUARY 1, 2009

State of Missouri

}ss

County of Clay

Before me, the undersigned Notary Public, in and for the County of Clay, State of Missouri, personally came and appeared Lance Houston, who is president/owner of HECO, Inc., a Missouri Corporation and after being duly sworn did depose and say:

- (1) that said company is enrolled in and participates in a federal work authorization program with respect to the employees working in connection with the contracted services; and
- (2) that said company does not knowingly employ any person who is an unauthorized alien in connection with the contracted services.

The terms used in this affidavit shall have the meaning set forth in Section 285.525 R.S.M.o., et. seq.

Documentation of participation in a federal work authorization program is attached to this affidavit.

L. Houston

Signature

Lance Houston

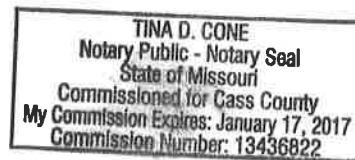
Name

Subscribed and sworn to me this 7 day of March, 2014.

My commission expires 1-17-2017.

Tina D Cone

Notary Public



Company ID Number: 354878

THE E-VERIFY PROGRAM FOR EMPLOYMENT VERIFICATION MEMORANDUM OF UNDERSTANDING

ARTICLE I

PURPOSE AND AUTHORITY

This Memorandum of Understanding (MOU) sets forth the points of agreement between the Department of Homeland Security (DHS) and Heco, Inc (Employer) regarding the Employer's participation in the Employment Eligibility Verification Program (E-Verify). This MOU explains certain features of the E-Verify program and enumerates specific responsibilities of DHS, the Social Security Administration (SSA), and the Employer. E-Verify is a program that electronically confirms an employee's eligibility to work in the United States after completion of the Employment Eligibility Verification Form (Form I-9). For covered government contractors, E-Verify is used to verify the employment eligibility of all newly hired employees and all existing employees assigned to Federal contracts or to verify the entire workforce if the contractor so chooses.

Authority for the E-Verify program is found in Title IV, Subtitle A, of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA), Pub. L. 104-208, 110 Stat. 3009, as amended (8 U.S.C. § 1324a note). Authority for use of the E-Verify program by Federal contractors and subcontractors covered by the terms of Subpart 22.18, "Employment Eligibility Verification", of the Federal Acquisition Regulation (FAR) (hereinafter referred to in this MOU as a "Federal contractor with the FAR E-Verify clause") to verify the employment eligibility of certain employees working on Federal contracts is also found in Subpart 22.18 and in Executive Order 12989, as amended.

ARTICLE II

FUNCTIONS TO BE PERFORMED

A. RESPONSIBILITIES OF SSA

1. SSA agrees to provide the Employer with available information that allows the Employer to confirm the accuracy of Social Security Numbers provided by all employees verified under this MOU and the employment authorization of U.S. citizens.
2. SSA agrees to provide to the Employer appropriate assistance with operational problems that may arise during the Employer's participation in the E-Verify program. SSA agrees to provide the Employer with names, titles, addresses, and telephone numbers of SSA representatives to be contacted during the E-Verify process.
3. SSA agrees to safeguard the information provided by the Employer through the E-Verify program procedures, and to limit access to such information, as is appropriate by law, to individuals responsible for the verification of Social Security Numbers and for evaluation of the E-Verify program or such other persons or entities who may be authorized by SSA as governed by the Privacy Act (5 U.S.C. § 552a), the Social Security Act (42 U.S.C. 1306(a)), and SSA regulations (20 CFR Part 401).

Company ID Number: 354878

Information relating to the Program Administrator(s) for your Company on policy questions or operational problems:

Name:	Russel Branson
Telephone Number:	816-415-2550
Fax Number:	816-415-2182
E-mail Address:	tina@houstondemolitionkc.com

Information relating to the Program Administrator(s) for your Company on policy questions or operational problems:

Name:	
Telephone Number:	
Fax Number:	
E-mail Address:	

PERFORMANCE AND MAINTENANCE BOND

KNOW ALL MEN BY THESE PRESENTS: That HECO, Inc. as Principal, hereinafter called Contractor, and Berkley Insurance Company as Surety, licensed to do business as such in the State of Missouri, hereby bind themselves and their respective heirs, executors administrators, successors, and assigns, unto Gladstone, Missouri, a Municipal corporation, as Oblige, in the penal sum of Twenty-Seven Thousand Dollars and NO/100-----Dollars(\$ 27,000.00-----) for the payment whereof Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, by these presents.

WHEREAS,

Contractor has by written agreement Contract Document No. _____ dated 3/24 2014 entered into a contract with Gladstone for
Demolition of 2707 NE Brooktree Lane

_____ which contract, including any present or future amendment thereto, is incorporated herein by reference and is hereinafter referred to as the Contract.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if the Contractor shall promptly and faithfully perform said Contract including all duly authorized changes thereto, and including the TWO year maintenance requirement contained therein, according to all the terms thereof, including those under which Contractor agrees to pay legally required wage rates including the prevailing hourly rate of wages in the locality, as determined by the Department of Labor and Industrial Relations or by final judicial determination, for each craft or type of workman required to execute the contract, and, further, shall defend, indemnify and hold Gladstone harmless from all damages, loss and expense occasioned by any failure whatsoever of said Contractor and Surety to fully comply with and carry out each and every requirement of the contract, then this obligation shall be void; otherwise it shall remain in full force and effect.

In the event that Contractor shall be and is declared by Gladstone to be in default under the Contract, Gladstone having performed its obligations thereunder, the Surety may promptly remedy the default, or shall promptly:

- 1). Complete the Contract in accordance with its terms and conditions, or
- 2) Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by Surety of the lowest responsible bidder, or, if Gladstone elects, upon determination by Gladstone and the Surety jointly of the lowest responsible bidder, arrange for a contract between such bidder and Gladstone, and make available as Work progresses (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price; but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the penal sum of the bond. The term "balance of the contract price", as used in this paragraph, shall mean the total amount payable by Gladstone to Contractor under the Contract and any amendments thereto, disbursed at the rate provided in the original contract, less the amount properly paid by Gladstone to Contractor. If the completion contract provides for more rapid payment than the Contract, then Surety shall advance such terms as are needed to make payment as provided in the completion contract and shall recover it from Gladstone when payment from Gladstone is due.

WAIVER. The said surety, for value received, hereby expressly agrees that no change, extension of time, alteration or addition to the terms of the contract or to the work to be performed thereunder, shall in any wise affect the obligations of this bond; and it does hereby waive notice of any such change, extension of time, or alteration or addition or addition to the terms of the contract or the work to be performed thereunder.

ATTACHMENT 1

(P&M Bond Cont.)

IN WITNESS WHEREOF, the above parties have executed this instrument the 24th day of March, 2014.

SIGNATURE OF PRINCIPAL (as applicable)

A. Individual, partnership or joint venture

[Signature]
(Signature of sole proprietor or general partner)

B. Corporation

HECO, Inc.
Name of Corporate Principal

Attest: [Signature]
Secretary (affix seal)

By: _____
Its: _____

SIGNATURE OF SURETY

Name and address of Corporate Surety
Berkley Insurance Company
475 Steamboat Road
Greenwich, CT 06830 203-542-3800

By [Signature] (seal)
Attorney in Fact (attach power of attorney)
Barbara A. Miller

ACCEPTANCE BY GLADSTONE

The foregoing bond is approved.

Date 3/24/14, [Signature]
Scott Wingerson; Assistant City Manager

The foregoing bond is in due form according to law and is approved.

Date 3/24/14, [Signature]
Randall D. Thompson, City Counselor

POWER OF ATTORNEY
BERKLEY INSURANCE COMPANY
WILMINGTON, DELAWARE

KNOW ALL MEN BY THESE PRESENTS, that BERKLEY INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Delaware, having its principal office in Greenwich, CT, has made, constituted and appointed, and does by these presents make, constitute and appoint: **Barbara A. Miller** **Thomas McGee, L.C.**
Kansas City, MO

Surety Bond No.: 0181282

Principal: Heco, Inc.

Obligee City of Gladstone

Amount of Bond: See Bond Form

its true and lawful Attorney-in-Fact, to sign its name as surety only as delineated below and to execute, seal, acknowledge and deliver any and all bonds and undertakings, with the exception of Financial Guaranty Insurance, providing that no single obligation shall exceed Fifty Million and 00/100 U.S. Dollars (U.S.\$50,000,000.00), to the same extent as if such bonds had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office in their own proper persons.

This Power of Attorney shall be construed and enforced in accordance with, and governed by, the laws of the State of Delaware, without giving effect to the principles of conflicts of laws thereof. This Power of Attorney is granted pursuant to the following resolutions which were duly and validly adopted at a meeting of the Board of Directors of the Company held on January 25, 2010:

RESOLVED, that, with respect to the Surety business written by Berkley Surety Group, LLC, the Chairman of the Board, Chief Executive Officer, President or any Vice President of the Company, in conjunction with the Secretary or any Assistant Secretary are hereby authorized to execute powers of attorney authorizing and qualifying the attorney-in-fact named therein to execute bonds, undertakings, recognizances, or other suretyship obligations on behalf of the Company, and to affix the corporate seal of the Company to powers of attorney executed pursuant hereto; and said officers may remove any such attorney-in-fact and revoke any power of attorney previously granted; and further

RESOLVED, that such power of attorney limits the acts of those named therein to the bonds, undertakings, recognizances, or other suretyship obligations specifically named therein, and they have no authority to bind the Company except in the manner and to the extent therein stated; and further

RESOLVED, that such power of attorney revokes all previous powers issued on behalf of the attorney-in-fact named; and further

RESOLVED, that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligation of the Company; and such signature and seal when so used shall have the same force and effect as though manually affixed. The Company may continue to use for the purposes herein stated the facsimile signature of any person or persons who shall have been such officer or officers of the Company, notwithstanding the fact that they may have ceased to be such at the time when such instruments shall be issued.

IN WITNESS WHEREOF, the Company has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 22 day of January, 2013.



Attest:

By

Ira S. Lederman
Senior Vice President & Secretary

Berkley Insurance Company

By

Jeffrey M. Hafter
Senior Vice President

STATE OF CONNECTICUT)

) ss:

COUNTY OF FAIRFIELD)

Sworn to before me, a Notary Public in the State of Connecticut, this 22 day of January, 2013, by Ira S. Lederman and Jeffrey M. Hafter who are sworn to me to be the Senior Vice President and Secretary, and the Senior Vice President, respectively, of Berkley Insurance Company.

EILEEN KILLEEN

NOTARY PUBLIC, STATE OF CONNECTICUT
MY COMMISSION EXPIRES JUNE 30, 2017

Eileen Killeen
Notary Public, State of Connecticut

CERTIFICATE

I, the undersigned, Assistant Secretary of BERKLEY INSURANCE COMPANY, DO HEREBY CERTIFY that the foregoing is a true, correct and complete copy of the original Power of Attorney; that said Power of Attorney has not been revoked or rescinded and that the authority of the Attorney-in-Fact set forth therein, who executed the bond or undertaking to which this Power of Attorney is attached, is in full force and effect as of this date.

Given under my hand and seal of the Company, this _____ day of _____.



Andrew M. Fuma

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS: That HECO, Inc. as Principal, hereinafter called Contractor, and Berkley Insurance Company as Surety, licensed to do business as such in the State of Missouri, hereby bind themselves and their respective heirs, executors administrators, successors, and assigns, unto Gladstone, Missouri, a Municipal corporation, as Obligee, in the penal sum of Twenty-Seven Thousand Dollars and NO/100-----Dollars(\$ 27,000.00-----) for the payment whereof Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, by these presents.

WHEREAS,

Contractor has by written agreement Contract Document No. _____ dated 3/24 2014 entered into a contract with Gladstone for
Demolition of 2707 NE Brooktree Lane

_____ which contract, including any present or future amendment thereto, is incorporated herein by reference and is hereinafter referred to as the Contract.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if in connection with the Contract including all duly authorized modifications thereto, prompt payment shall be made to all laborers, subcontractors, teamsters, truck drivers, owners or other suppliers of equipment employed on the job, and other claimants, for all labor performed in such work whether done for the prime contractor, a subcontractor, the Surety, a completion contractor or otherwise (at the full wage rates required by any law of the United States or of the State of Missouri, where applicable), for services furnished and consumed, for repairs on machinery, for equipment, tools, materials, lubricants, oil, gasoline, water, services furnished and consumed, for repairs on machinery, for equipment, tools, materials, lubricants, oil, gasoline, water, gas, power, light, heat, oil, telephone services, grain, grain, hay, feed, coal, groceries and foodstuffs, either consumed, rented, used or reasonable required for use in connection with the construction of the work or in the performance of the Contract and all insurance premiums, both for compensation and for all other kinds of insurance on the work, for sales taxes and for royalties in connection with, or incidental to, the completion of the Contract, in all instances whether the claim be directly against the Contractor shall defend, indemnify and hold Gladstone harmless from all such claims, demands or suits by any such person or entity, then this obligation shall be void; otherwise it shall remain in full force and effect.

Any conditions legally required to be included in a payment on this contract, are included herein by reference.

The Surety agrees that, in the event that the Contractor fails to make payment of the obligations covered by this bond, it will do so and, further, that within forty-five (45) days of receiving, at the address given below, a claim hereunder stating the amount claimed and the basis for the claim in reasonable detail, it (a) will send and answer to the claimant, with a copy to Gladstone, stating the amounts that are undisputed. The amount of this bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder.

While this bond is in force, it may be sued on at the instance of any party to whom any such payment is due, in the name of Gladstone, Missouri, to the use of such party. Gladstone shall not be liable for the payment of any costs or expenses of any such suit.

No suit shall be commenced or pursued hereunder other than in a state court of competent jurisdiction in Clay County, Missouri, or in the United States District Court for the Western District of Missouri.

(Payment Bond Cont.)

WAIVER. The said surety, for value received, hereby expressly agrees that no change, extension of time, alteration or addition to the terms of the contract or to the work to be performed thereunder, shall in any wise affect the obligations of this bond; and it does hereby waive notice of any such change, extension of time, or alteration or addition or addition to the terms of the contract or the work to be performed thereunder.

IN WITNESS WHEREOF, the above parties have executed this instrument the 24th day of March, 2014.

SIGNATURE OF PRINCIPAL (as applicable)

A. Individual, partnership or joint venture

[Signature]
(Signature of sole proprietor or general partner)

B. Corporation

HECO, Inc.
Name of Corporate Principal

Attest:

[Signature]
Secretary (affix seal)

By:

Its:

SIGNATURE OF SURETY

Name and address of Corporate Surety
Berkley Insurance Company
475 Steamboat Road
Greenwich, CT 06830 (203-542-3800)

By

Barbara A. Miller
Attorney in Fact (attach power of attorney)

(seal)

Barbara A. Miller

ACCEPTANCE BY GLADSTONE

The foregoing bond is approved.

Date

3/24/14

[Signature]
Scott Wingerson; Assistant City Manager

The foregoing bond is in due form according to law and is approved.

Date

3/24/14

[Signature]
Randall D. Thompson, City Counselor

**POWER OF ATTORNEY
BERKLEY INSURANCE COMPANY
WILMINGTON, DELAWARE**

KNOW ALL MEN BY THESE PRESENTS, that BERKLEY INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Delaware, having its principal office in Greenwich, CT, has made, constituted and appointed, and does by these presents make, constitute and appoint: **Barbara A. Miller** **Thomas McGee, L.C.**
Kansas City, MO

Surety Bond No.: 0181282

Principal: Heco, Inc.

Obligee City of Gladstone

Amount of Bond: See Bond Form

its true and lawful Attorney-in-Fact, to sign its name as surety only as delineated below and to execute, seal, acknowledge and deliver any and all bonds and undertakings, with the exception of Financial Guaranty Insurance, providing that no single obligation shall exceed Fifty Million and 00/100 U.S. Dollars (U.S.\$50,000,000.00), to the same extent as if such bonds had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office in their own proper persons.

This Power of Attorney shall be construed and enforced in accordance with, and governed by, the laws of the State of Delaware, without giving effect to the principles of conflicts of laws thereof. This Power of Attorney is granted pursuant to the following resolutions which were duly and validly adopted at a meeting of the Board of Directors of the Company held on January 25, 2010:


RESOLVED, that, with respect to the Surety business written by Berkley Surety Group, LLC, the Chairman of the Board, Chief Executive Officer, President or any Vice President of the Company, in conjunction with the Secretary or any Assistant Secretary are hereby authorized to execute powers of attorney authorizing and qualifying the attorney-in-fact named therein to execute bonds, undertakings, recognizances, or other suretyship obligations on behalf of the Company, and to affix the corporate seal of the Company to powers of attorney executed pursuant hereto; and said officers may remove any such attorney-in-fact and revoke any power of attorney previously granted; and further

RESOLVED, that such power of attorney limits the acts of those named therein to the bonds, undertakings, recognizances, or other suretyship obligations specifically named therein, and they have no authority to bind the Company except in the manner and to the extent therein stated; and further

RESOLVED, that such power of attorney revokes all previous powers issued on behalf of the attorney-in-fact named; and further

RESOLVED, that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligation of the Company; and such signature and seal when so used shall have the same force and effect as though manually affixed. The Company may continue to use for the purposes herein stated the facsimile signature of any person or persons who shall have been such officer or officers of the Company, notwithstanding the fact that they may have ceased to be such at the time when such instruments shall be issued.

IN WITNESS WHEREOF, the Company has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 22 day of January, 2013.

Attest:
 By 
 Ira S. Lederman
 Senior Vice President & Secretary

Berkley Insurance Company

By 
 Jeffrey M. Hafter
 Senior Vice President

STATE OF CONNECTICUT)

) ss:

COUNTY OF FAIRFIELD)

Sworn to before me, a Notary Public in the State of Connecticut, this 22 day of January, 2013, by Ira S. Lederman and Jeffrey M. Hafter who are sworn to me to be the Senior Vice President and Secretary, and the Senior Vice President, respectively, of Berkley Insurance Company.

EILEEN KILLEEN
 NOTARY PUBLIC, STATE OF CONNECTICUT
 MY COMMISSION EXPIRES JUNE 30, 2017


 Notary Public, State of Connecticut

CERTIFICATE

I, the undersigned, Assistant Secretary of BERKLEY INSURANCE COMPANY, DO HEREBY CERTIFY that the foregoing is a true, correct and complete copy of the original Power of Attorney; that said Power of Attorney has not been revoked or rescinded and that the authority of the Attorney-in-Fact set forth therein, who executed the bond or undertaking to which this Power of Attorney is attached, is in full force and effect as of this date.

Given under my hand and seal of the Company, this _____ day of _____




 Andrew M. Fuma

ATTACHMENT 3

AUTHORIZATION TO INSERT DATE OF CONTRACT IN BONDS

BOND #0181282

City of Gladstone, Missouri
City Hall
7010 N. Holmes
Gladstone, MO 64118

RE: Performance and Two Year Guarantee Bond and Statutory Bond

Gentlemen:

The undersigned is an authorized representative of Berkley Insurance Company
, Surety for HECO, Inc.
, Contractor for and during
the entire period of construction of the demolition of 2707 NE Brooktree Lane

Authorization is hereby given by the Surety to the City of Gladstone, Missouri, to insert the
date of the execution of the Contract on both the Bonds and Powers of Attorney.

Berkley Insurance Company

Surety

(Seal)

Barbara A. Miller

Authorized Representative

Barbara A. Miller, Attorney-in-Fact

Signed and sealed the 7th day of March, 2014.

POWER OF ATTORNEY
BERKLEY INSURANCE COMPANY
WILMINGTON, DELAWARE

KNOW ALL MEN BY THESE PRESENTS, that BERKLEY INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Delaware, having its principal office in Greenwich, CT, has made, constituted and appointed, and does by these presents make, constitute and appoint: **Barbara A. Miller** **Thomas McGee, L.C.**
Kansas City, MO

Surety Bond No.: 0181282

Principal: Heco, Inc.

Obligee City of Gladstone

Amount of Bond: See Bond Form

its true and lawful Attorney-in-Fact, to sign its name as surety only as delineated below and to execute, seal, acknowledge and deliver any and all bonds and undertakings, with the exception of Financial Guaranty Insurance, providing that no single obligation shall exceed Fifty Million and 00/100 U.S. Dollars (U.S.\$50,000,000.00), to the same extent as if such bonds had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office in their own proper persons.

This Power of Attorney shall be construed and enforced in accordance with, and governed by, the laws of the State of Delaware, without giving effect to the principles of conflicts of laws thereof. This Power of Attorney is granted pursuant to the following resolutions which were duly and validly adopted at a meeting of the Board of Directors of the Company held on January 25, 2010:

RESOLVED, that, with respect to the Surety business written by Berkley Surety Group, LLC, the Chairman of the Board, Chief Executive Officer, President or any Vice President of the Company, in conjunction with the Secretary or any Assistant Secretary are hereby authorized to execute powers of attorney authorizing and qualifying the attorney-in-fact named therein to execute bonds, undertakings, recognizances, or other suretyship obligations on behalf of the Company, and to affix the corporate seal of the Company to powers of attorney executed pursuant hereto; and said officers may remove any such attorney-in-fact and revoke any power of attorney previously granted; and further

RESOLVED, that such power of attorney limits the acts of those named therein to the bonds, undertakings, recognizances, or other suretyship obligations specifically named therein, and they have no authority to bind the Company except in the manner and to the extent therein stated; and further

RESOLVED, that such power of attorney revokes all previous powers issued on behalf of the attorney-in-fact named; and further

RESOLVED, that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligation of the Company; and such signature and seal when so used shall have the same force and effect as though manually affixed. The Company may continue to use for the purposes herein stated the facsimile signature of any person or persons who shall have been such officer or officers of the Company, notwithstanding the fact that they may have ceased to be such at the time when such instruments shall be issued.

IN WITNESS WHEREOF, the Company has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 22 day of January, 2013.

Attest:
By Ira S. Lederman
Ira S. Lederman
Senior Vice President & Secretary

Berkley Insurance Company

By Jeffrey M. Hafter
Jeffrey M. Hafter
Senior Vice President

STATE OF CONNECTICUT)

COUNTY OF FAIRFIELD) ss:

Sworn to before me, a Notary Public in the State of Connecticut, this 22 day of January, 2013, by Ira S. Lederman and Jeffrey M. Hafter who are sworn to me to be the Senior Vice President and Secretary, and the Senior Vice President, respectively, of Berkley Insurance Company.

EILEEN KILLEEN
NOTARY PUBLIC, STATE OF CONNECTICUT
MY COMMISSION EXPIRES JUNE 30, 2017

CERTIFICATE

Eileen Killeen
Notary Public, State of Connecticut

I, the undersigned, Assistant Secretary of BERKLEY INSURANCE COMPANY, DO HEREBY CERTIFY that the foregoing is a true, correct and complete copy of the original Power of Attorney; that said Power of Attorney has not been revoked or rescinded and that the authority of the Attorney-in-Fact set forth therein, who executed the bond or undertaking to which this Power of Attorney is attached, is in full force and effect as of this date.

Given under my hand and seal of the Company, this 7th day of March, 2014.



Andrew M. Tuma
Andrew M. Tuma