



**CITY COUNCIL
COMMUNICATION:**

ITEM _____

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

00-070

SYNOPSIS -

AGENDA:

FEBRUARY 21, 2000

SUBJECT:

SETTLEMENT WITH
MERCHANTS
BONDING
COMPANY

Repairs made in 1996 to the pinniped pool at Blank Park Zoo have failed and staff has worked with the contractor and bonding company to make repairs under the bond. Following a period of discussion and negotiations, Merchants Bonding Company has agreed to reimburse the City for the full amount of the original contract, \$30,667.50. The City seeks approval to accept the check from Merchants Bonding Company, and authorize Mayor Daniels to execute the Release Of All Claims - Performance Maintenance Payment Bond form.

FISCAL IMPACT -

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

The City received a check for the full amount of the original project (\$30,667.50) from Merchants Bonding Company. Any additional costs incurred due to inflation or the use of different materials and a different contractor will come from Capital Improvement Programs (CIP) funds.

SUBMITTED BY:

FLOYD BENTZ, P.E.
CITY ENGINEER

RECOMMENDATION -

Approval.

BACKGROUND -

On April 22, 1996, by Roll Call No. 96-1530, Council awarded a contract to Specialty Construction Services, Inc. to make repairs and re-coat the pinniped pool at Blank Park Zoo with epoxy coating.

Shortly after completion of the project, symptoms of failure of the bonding of the epoxy coating to the substrate of the pool began to appear, including bubbling and peeling of the coatings. The contractor would not cooperate in making the

necessary repairs to stop further peeling. The contractor only patched what had already peeled. It also became apparent that repairs to the cracks and expansion joints under this contract were failing, as the filler material had lost its bond.

After nearly two years of negotiations with Merchants Bonding Company and the contractor, which included our hiring of third party consultants to determine the ground water level and the cause of the failure of the coatings, the results prompted Merchants Bonding Company to settle the case and make payment to the City in the full amount of the contract.





