



Legislation Text

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Northeast Pool Liner Replacement (B)

The Northeast Pool Liner is no longer functional and needs to be replaced. City staff is seeking City Commission approval to enter into a Settlement Agreement with Natare, the company that installed the pool liner.

There is an immediate need to replace the pool liner at the Northeast Pool to restore the pool to operation as soon as possible. The old liner has deteriorated and is no longer serviceable. City staff is seeking City Commission approval of a settlement agreement with Natare. The settlement agreement proposes that the City pay Natare up to \$75,000 towards the costs of installing a new pool liner. The settlement agreement is a compromise of a claim on the warranty for the liner and would result in Natare installing a new liner with Natare and the City sharing costs. After review by Natare and the City, no definitive causes have been identified for deterioration of the liner.

The warranty states that the Natare Natatec materials shall retain their integrity as a watertight membrane and not peel, flake, crack, tear or delaminate. When the system was first installed in 2008, Natare made the City aware that it is typical for the membrane system to experience some shrinking and stretching in the first year of operation. During the summer of 2008, wrinkles began developing in the pool. Natare was contacted and agreed to inspect the pool on a warranty basis to determine the cause of the wrinkles. The pool was drained and technicians inspected the liner thoroughly although no specific cause for the wrinkles was determined.

After multiple issues with the pool liner and many attempts to repair it, on February 10, 2015 the City provided correspondence to Natare requesting that Natare replace the Northeast Pool liner under Natare's ten-year warranty. Thereafter, on April 20, 2015, the City provided correspondence to Natare in follow-up to its February 10, 2015 correspondence for warranty. On July 30, 2015, Natare responded to the City's warranty claims and in follow-up to calls in April, May, and early June regarding the issues raised by the City. On September 17, 2015, the City renewed its request. Natare then requested that the pool be drained so they could inspect the liner. City staff coordinated with Natare to schedule a date over the winter when the pool has fewer users.

On January 5, 2016 the pool was completely drained. On January 11, 2016 Natare and an independent consultant hired by the City inspected the Northeast Pool. Both Natare and the City's consultant concur that the pool liner must be replaced. These inspections did not identify any definitive causes for the pool liner deterioration. Several meetings, both in person and by telephone, have taken place since that time in an effort to reach a settlement agreement on the warranty claim to replace the pool liner.

The pool is currently sitting empty with a dewatering system operating 24-hours per day to ensure the pool shell does not "float" due to ground water intrusion. The contracted user groups have been displaced and the City is not able to provide swimming space to the public at this time since Northeast Pool is City's only year round pool.

In order for the pool liner replacement work to proceed with Natare, the City Commission would need to approve the settlement agreement. If the City Commission does not approve the settlement agreement, City staff will pursue having the work done through another vendor and seek authorization to file a lawsuit against Natare.

If the settlement agreement is approved, staff expects work on the pool to take 4 - 6 weeks which would allow the pool to re-open for the busy spring and summer swim seasons. Installation of a pool liner through another vendor would result in a longer pool closure based on availability of the vendor to commence the work. Natare has crews and resources ready to commence installation of a new pool liner upon approval of a settlement agreement.

The settlement agreement proposes that the City pay Natare up to \$75,000 for installation of a new pool liner. Funds allocated for pool improvements are available in the City's capital improvement program. The City would be responsible for preparing the pool for installation of the new pool liner and having a pressure test performed which can be done with City staff and other contracted resources. The cost to install a new pool liner through another company is estimated at \$150,000 - \$180,000.

The City Commission authorize the City Manager to execute a settlement agreement with Natare for resolution of the warranty claim in an amount not to exceed \$75,000 for installation of a new liner at Northeast Pool with a 10-year warranty.