

**MOORPARK CITY COUNCIL  
AGENDA REPORT**

**TO:** Honorable City Council

**FROM:** Teri Davis, Senior Management Analyst 

**DATE:** October 15, 2010 (CC Meeting of 10/20/10)

**SUBJECT:** Consider Redirecting City Clerk to Release Surety Bond for Malibu Pacific Tennis Courts, Inc. for Veterans Memorial Project Upon Receipt of Replacement Defective Materials and Workmanship Bond for Reconstruction Work of Victory Column

**BACKGROUND AND DISCUSSION**

The Veterans Memorial (Memorial) is located at 608 Spring Road. In May 2009, City Council authorized the City Clerk to file the Notice of Completion for the Memorial project. At the same time City Council authorized the City Clerk to release the performance bond one (1) year after the Recordation of the Notice of Completion in accordance with the contract, and completion of contractual obligations on the part of the Contractor. The Notice of Completion was recorded on June 3, 2009. The City Clerk was notified, prior to releasing the bond, that Malibu has ongoing contractual obligations; therefore, the bond is not yet released.

The surety bond was used as a mechanism to guarantee for one year after the Recordation of the Notice of Completion the construction of the Memorial project. The project has been completed and is acceptable to the City with one exception. The granite sidings of the Victory Column at the Memorial failed and collapsed in April 2010 which is within the warranty period. The collapse is attributed to faulty workmanship and Malibu Pacific Tennis Courts, Inc. (Malibu), the project contractor, accepts responsibility and is cooperating with the City to remedy the collapse. Reconstruction of the Victory Column is estimated to cost less than \$10,000.

The City is entitled to a one year warranty for the reconstruction work; however, holding the original bond for an additional year as a warranty for a portion of reconstruction is not standard practice. A replacement bond for defective materials and workmanship in the amount of \$10,000 will be issued as a mechanism to guarantee the reattachment of the granite sidings to the Victory Column. The following are the applicable bonds:

<u>SURETY TYPE</u>	<u>BOND NUMBER</u>	<u>ORIGINAL BOND AMOUNT</u>	<u>PRIOR AUTHORIZED ACTION ON 5/20/09</u>	<u>AUTHORIZED ACTION OF 10/20/10</u>
Faithful Performance and Material Labor & Supply	4371655	\$398,424	Release one year after Recordation of Notice of Completion in accordance with the contract, and completion of contractual obligations on the part of the Contractor	Release upon receipt of replacement defective materials and workmanship bond for \$10,000

**FISCAL IMPACT**

None.

**STAFF RECOMMENDATION**

Authorize the City Clerk to fully release the Faithful Performance and Material Suppliers and Laborers Bond No. 4371655 upon receipt of the replacement bond for \$10,000 for defective materials and workmanship.