



LGA Asset Mutual Fund
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30/09/2022

Attention: Tania Del Torre

City of Marion
Via email

Dear Tania,

Asset Mutual Claim No:	PR0034569
Date of Loss:	22/01/2022
Your Reference:	00006731
Description:	Extreme weather event over the weekend of the AusCycling BMX event

We acknowledge receipt of the above claim for a damaged BMX track.

As you are aware, we engaged Crawford & Co to complete an assessment on this loss. The appointed assessor subsequently engaged Imparta Engineers to report on the cause of loss.

The appointed assessor, Andrew reports that the technical details, specification and construction methods for the wear course (polymer coating system) has not been provided and will not be provided by [REDACTED]. Andrew subsequently engaged in a verbal discussion with [REDACTED] and obtained the below information:-

- [REDACTED] advised that in their opinion the issues with the wear course is a procedure issue and in particular the curing period was not adequate. The focus was on getting the track finished and this resulted in the issue of the curing period.
- [REDACTED] commented that the wear course and track was used too early. [REDACTED] expected a catastrophic failure of the track and in his opinion it performed better than expected. They were expecting worse damage to the track.
- In subsequent discussions with [REDACTED] it was established the curing period for the wear course is climate dependent. When asked about the curing period for January 2022, [REDACTED] did not disagree that at that time of the year when weather was warmer the curing period would be 2-3 weeks. [REDACTED] advised the glue product is water based and hence, it is climate dependent.

Further details reported note a test ride of the track was undertaken by 10 riders on Sunday, 16th January 2022. The Certificate of Practical Completion states that as at 14 January 2022 the completion of the track wear course was outstanding. Anticipated completion date for the wear course being 19th January 2022. The track completion occurred 19th January 2022 and the track was recommended to not be used prior to 6pm Thursday 20/01/2022.

During the event volunteers used outdoor brooms to sweep the water from the track. The UCI BMX 2017 track guide, under surface maintenance during events, states rubber bladed squeegees should be used for pushing water off the track.

The appointed assessor and Imparta Engineers have reported the track failed for the following reasons, in their expert opinion based on the current information in our possession:-

- The nature of the wear course system selected and used in the tracks construction
- Inadequate curing time
- Initial damage caused by riders training on the track prior to the race meet, which most likely caused tears/holes in the wear course top layers in some areas.
- Damage caused by riders during the event
- Continued track use after initial damage allowed rainwater runoff to permeate into the wear course and base course material, weakening the layers further
- Unclear design documentation with respect to cross falls and crack drainage
- Incorrect removal of standing water from the track.
- Poorly installed wearing course to the berms
- Inclement weather
- Compressed curing time
- Use of the track during adverse weather conditions

The LGA Asset Mutual Fund provides cover for All Real & Personal Property owned by Council or for which Council is responsible as listed on your Asset Schedule, however the Fund does not cover damage caused by or arising out of wear and tear, gradual deterioration, faulty workmanship or materials, inherent vice or latent defect, error or omission in design, plan or specification or failure in design.

Based on the information in our possession, the failure is reported as occurring as a result of the defective or faulty workmanship in the construction of the polymer coating system or wearing course, and further, the wear course was not given sufficient time to cure. The degree of failure was then exacerbated by use of the track prior to recommendations, poor surface drainage and inadequate dewatering procedures during heavy rainfall. In the assessor's opinion, the damage would not have occurred if the track/wear course had correct preparation, adequate curing time, improved design and adequate fall for water run-off. We therefore regret to advise that indemnity cannot be granted on this occasion.

Every effort has been taken to assess your claim correctly and the decision to decline it has not been taken lightly. Please be advised, however that should you believe this decision to be unsatisfactory, you do have the right to appeal using our internal disputes resolution process. If you wish to lodge a dispute, please forward your concerns addressed to The Fund Trustee and we will refer the matter on your behalf.

Please do not hesitate to contact our office should you have any queries or concerns.

Yours faithfully,



Tara Reid
Senior Claims Consultant