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Background

4/8/20 – Landfill Post Closure Operation and Management Agreement approved by Council

- Provides for allocation of ownership, operation, maintenance and management of landfill and landfill systems.
- Allocates design and construction responsibilities
- Provides for robust insurance program for protection of City's interest

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Context of Changes Requested

- Provisions for the protection of lenders and to address assignees were not included in the form of agreement approved by Council in April
- These types of protections/provisions are contemplated in DDA but were not directly addressed in the Landfill Agreement
- Additional Council authorization is requested for these terms to provide clarity for City and Developer by aligning the agreement with the DDA.

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Summary of Key Changes

- Protections for lenders
- Developer may assign responsibilities to design and construct landfill systems to a Phase Developer
- Design and construction obligation to be secured by bond or completion guaranty
- Phase Developers and lenders may be added as named insured to the pollution legal liability insurance (\$75m)

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Recommendation

Approve and authorize the City Manager to execute the Landfill Post-Closure Operations and Management Agreement with Related Santa Clara, LLC for the Related Santa clara development project and authorize the City Manager to obtain additional insurance programs to bolster the limits of liability available to City under the Project insurance programs.

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