



Legislation Text

File #: 13-0925, **Version:** 1

Recommendation to authorize City Manager to make payment for property and boiler and machinery insurance for the Southeast Resource Recovery Facility for the period of October 20, 2013 through October 20, 2014, for a premium not to exceed \$1,085,000, payable to Covanta Holding Corporation. (District 2)

The purchase of property and boiler and machinery insurance is required under the terms of the Southeast Resource Recovery Facility (SERRF) revenue bonds and lease, currently operated by Covanta Holding Corporation.

The proposed property insurance will be provided through Covanta Holding Corporation. The current Covanta program covers the property, mechanical breakdown, business interruption, flood, and earthquake coverage on Covanta's operated refuse-to-energy plants. The requested policy, which covers the period of October 20, 2013 to October 20, 2014, is at a 12-month premium not to exceed \$1,085,000, which is an increase of \$100,000 from the previous year.

This matter was reviewed by Deputy City Attorney Amy Webber on October 1, 2013 and by Budget Management Officer Victoria Bell on October 2, 2013.

City Council action to authorize the payment of this coverage is requested on October 22, 2013.

The total premium cost will not exceed \$1,085,000 for the period of October 20, 2013 through October 20, 2014. Sufficient funding is budgeted in the Insurance Fund (IS 390) in the Department of Human Resources (HR). This cost is allocated to the SERRF Fund as part of the annual Insurance Fund budget. There is no local job impact associated with this recommendation.

Approve recommendation.

DEBORAH R. MILLS
DIRECTOR OF HUMAN RESOURCES

APPROVED:

PATRICK H. WEST
CITY MANAGER