



Legislation Details (With Text)

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File created:	10/1/2012	In control:		In control:	City Council
On agenda:	10/16/2012	Final action:		Final action:	10/16/2012
Title:	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, 2012 through October 20, 2013, for a premium not to exceed \$985,000, payable to Covanta Holding Corporation. (District 2)				
Sponsors:	Human Resources				
Indexes:	Insurance				
Code sections:					
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Date	Ver.	Action By	Action	Result
10/16/2012	1	City Council	approve recommendation	Pass

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, 2012 through October 20, 2013, for a premium not to exceed \$985,000, 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. Through a stock purchase in July 2009, Covanta acquired Veolia's North American refuse to energy plants, including the operation of SERRF.

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, 2012 to October 20, 2013, is at a 12-month premium not to exceed \$985,000.

This matter was reviewed by Deputy City Attorney Amy Webber on September 20, 2012 and Budget Management Officer Victoria Bell on September 24, 2012.

City Council action to authorize the payment of this coverage is requested on October 16, 2012.

The total premium cost will not exceed \$985,000 for the period of October 20, 2012 through October 20, 2013. 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 allocation. There is no local job impact associated with this recommendation.

Approve recommendation.

DEBORAH MILLS
DIRECTOR OF HUMAN RESOURCES

APPROVED:

PATRICK H. WEST
CITY MANAGER