

CITY OF CARSON



Tuesday, May 8, 2018
701 East Carson Street
Helen Kawagoe Council Chambers
4:00 PM

**SPECIAL MEETING OF THE
CARSON RECLAMATION AUTHORITY**

“In accordance with the Americans with Disabilities Act of 1990, if you require a disability related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the City Clerk’s office at 310-952-1720 at least 48 hours prior to the meeting.” (Government Code Section 54954.2)

CALL TO ORDER: CARSON RECLAMATION AUTHORITY

ROLL CALL:

**ORAL COMMUNICATIONS FOR MATTERS LISTED ON THE AGENDA
(MEMBERS OF THE PUBLIC)**

DISCUSSION: (Items 1-4)

Item No. 1. [2018-297](#) APPROVE A SECOND AMENDMENT TO THE AGREEMENT WITH RESOLUTIONS, LLC ("RES") LIMITING RES' LIABILITY TO CRA FOR ANY AND ALL CLAIMS ARISING UNDER OR OUT OF THE NEGLIGENT OR IMPROPER DESIGN OF THE PILES, SUBJECT TO CERTAIN LIMITATIONS

Recommendation: 1. AUTHORIZE the Executive Director to execute an amendment to the RES Development Management Agreement, in a form acceptable to Authority Counsel, limiting RES's maximum aggregate liability to CRA for any and all claims arising under or out of the negligent or improper design of the piles, and only for such matters, to Three Million Dollars (\$3,000,000) provided that this limitation of liability shall not apply to (i) claims arising out of the willful misconduct or gross negligence of RES or its agents or employees; and/or (ii) the rights of CRA to obtain recovery under any of the insurance programs obtained by CRA pursuant to the Development Management Agreement.

- Item No. 2. [2018-298](#) AUTHORIZE EXECUTIVE DIRECTOR TO APPROVE AND BIND COVERAGE ON A GENERAL LIABILITY OWNER CONTROLLED INSURANCE PROGRAM (OCIP) LED BY TOKIO MARINE/HCC WITH FOUR LAYERS OF EXCESS COVERAGE WITH A \$200,000,000 LIMIT OF LIABILITY, AT AN ESTIMATED TOTAL COST OF \$2,060,240 INCLUDING BROKER COMMISSION AND SURPLUS LINES TAXES, TO BE SHARED WITH CAM-CARSON, LLC BASED ON CONSTRUCTION VALUE; AND A TERRORISM LIABILITY (GL AND PLL) POLICY LED BY LLOYD'S-TALBOT AS THE SYNDICATE LEADER WITH A \$100,000,000 LIMIT OF LIABILITY AT A TOTAL COST OF \$123,840 AND A TERRORISM PROPERTY DAMAGE/SABOTAGE (BR) POLICY WITH A LIMIT OF LIABILITY EQUAL TO 100% OF THE REPLACEMENT VALUE OF ALL HORIZONTAL AND VERTICAL CONSTRUCTION COMPONENTS (\$392,649,316) AT A TOTAL PREMIUM OF \$110,444, BOTH TO BE SHARED WITH CAM-CARSON, LLC BASED ON CONSTRUCTION VALUES, ALL PROCURED THROUGH JLT SPECIALTY INSURANCE SERVICES, INC.

Recommendation: TAKE the following actions:

1. AUTHORIZE the Executive Director to bind coverage on behalf of the Carson Reclamation Authority on a General Liability Owner Controlled Insurance Program (OCIP) with a limit of liability of \$200,000,000, procured through JLT Specialty Insurance Services, Inc. having a term of five years and an aggregate limit of liability of \$200,000,000, with a total cost of \$2,060,240 including broker commission and surplus lines taxes.
2. AUTHORIZE the Executive Director to bind coverage on behalf of the Carson Reclamation Authority on a Terrorism Liability (GL and PLL) policy with a limit of liability of \$100,000,000 and a Terrorism Property Damage/Sabotage (BR) with a limit of liability equal to 100% of the replacement value of all horizontal and vertical construction components, procured through JLT Specialty Insurance Services, Inc. each having a term of three years, with a total cost of \$234,284 including broker commission and surplus lines taxes.

Attachments: [Table of Premiums, Taxes and JLT Commission by Line of Coverage](#)

- Item No. 3. [2018-299](#) AUTHORIZE EXECUTIVE DIRECTOR TO APPROVE AND BIND COVERAGE ON AN OWNER PROTECTIVE PROFESSIONAL INDEMNITY PROGRAM (OPPI) WITH BERKLEY ASSURANCE COMPANY WITH A \$25,000,000 LIMIT OF LIABILITY, AT AN ESTIMATED TOTAL COST OF UP TO \$407,679 PLUS BROKER COMMISSION AND SURPLUS LINES TAXES, TO BE SHARED WITH CAM-CARSON, LLC BASED ON A 60/40 SPLIT, PROCURED THROUGH JLT SPECIALTY INSURANCE SERVICES, INC.

Recommendation: TAKE the following actions:

1. AUTHORIZE the Executive Director to bind coverage on behalf of the Carson Reclamation Authority on an Owner Protective Professional Indemnity Program (OPPI) with a limit of liability of \$25,000,000, procured through JLT Specialty Insurance Services, Inc. having a term of five years plus ten years of extended operations coverage, with a total cost of \$407,649 plus broker commission and surplus lines taxes, to be shared with CAM-Carson, LLC based on a 60/40 split.

Attachments: [OPPI Summary](#)

- Item No. 4. [2018-349](#) APPROVE A BUILDER'S RISK POLICY IN THE AMOUNT OF 100% OF THE REPLACEMENT VALUE OF THE HORIZONTAL AND VERTICAL CONSTRUCTION COMPONENTS ON THE COVERED PROPERTY, AT A PREMIUM ESTIMATED TO BE \$906,409, TO BE SHARED WITH CAM-CARSON, LLC BASED ON CONSTRUCTION VALUES, ALL PROCURED THROUGH JLT SPECIALTY INSURANCE SERVICES, INC.

Recommendation: TAKE the following actions:

1. AUTHORIZE the Executive Director to bind coverage on behalf of the Carson Reclamation Authority on a Builder's Risk (BR) policy with a limit of liability equal to 100% of the replacement value of all horizontal and vertical construction components \$398,938,087 (estimated), plus Earthquake and Delay in Start Up coverage, having a term of 32 months, with a total estimated cost of \$906,409 including broker commission and surplus lines taxes, with premiums to be shared with CAM-Carson, LLC based on construction values.
- 1.

ORAL COMMUNICATIONS (AUTHORITY MEMBERS)

ADJOURNMENT