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Title: CONSIDERATION OF RESOLUTION NO. 17-119, A RESOLUTION APPROVING A REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF CARSON AND THE CARSON RECLAMATION AUTHORITY (CITY COUNCIL)

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Attachments: 1. (CARSON) RESO 17-119-CC- Approving Reimbursement Agreement with CRA.pdf, 2. CRA and City of Carson Admin Reimbursement Agreement 2017.pdf

Date	Ver.	Action By	Action	Result
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Report to Mayor and City Council

Tuesday, September 19, 2017

Consent

SUBJECT:

CONSIDERATION OF RESOLUTION NO. 17-119, A RESOLUTION APPROVING A REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF CARSON AND THE CARSON RECLAMATION AUTHORITY (CITY COUNCIL)

I. SUMMARY

The Carson Reclamation Authority (Authority) does not have adequate personnel, office equipment or other facilities or equipment necessary to enable it to conduct its essential operations and carry out its remediation and project development programs. Therefore, it has become necessary for the Authority to utilize personnel of the City of Carson (City) as well as the City’s equipment, office space, and other facilities and services in order for the Authority to function efficiently and to carry out its constitutional and statutory purposes.

To reimburse the City for the administrative and overhead costs, the City and the Authority desire to enter into a reimbursement agreement.

II. RECOMMENDATION

1. WAIVE further reading and ADOPT RESOLUTION NO. 17-119, “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON ACCEPTING REIMBURSEMENT

FROM THE CARSON RECLAMATION AUTHORITY FOR ADMINISTRATIVE, OVERHEAD AND ALL OTHER EXPENDITURES ADVANCED BY THE CITY FOR THE ACCOUNT OF THE CARSON RECLAMATION AUTHORITY, AND APPROVING THE ACCOMPANYING REIMBURSEMENT AGREEMENT”

2. AUTHORIZE the Mayor to execute the Reimbursement Agreement after approval as to form by the City Attorney.

III. ALTERNATIVES

None. The City costs should be reimbursed and the Reimbursement Agreement will provide the mechanism for paying the actual administrative, overhead and contractual cost of services provided by the City to the Authority.

IV. BACKGROUND

The City of Carson determined that there were a number of former landfill and other sites in the City with the need for remediation, including the approximately 157-acre property located in the City of Carson, and that a substantial need existed to establish an entity to undertake such remediation, and operate and/or manage ongoing remediation systems. The entity should; however, protect the City and/or related public agencies from environmental liabilities and would not put the City's general fund and taxpayer dollars at risk for such cleanup expense.

Accordingly, on January 20, 2015, the governing boards of the Housing Authority and Community Facilities Districts each approved an agreement for the formation of the Authority for the purpose of overseeing, facilitating and funding the remediation and reclamation of contaminated properties in the City, and for the maintenance and potential development of same. On February 17, 2015, the Authority was established under the provisions of the California Joint Powers Act (Govt. Code Sections 6500 et seq.) when the Community Facilities District 2012-1, Community Facilities District 2012-2 and the Carson Housing Authority jointly approved Resolution Nos. CFD 2012-1-15-1, CFD 2012-2-15-1 and 15-04-HA.

Among the powers of Authority are to purchase, hold, sell, and improve real property. In May 2015, the Authority acquired, and currently owns, approximately 157 gross acres of real property in the City of Carson.

The Authority does not have adequate personnel, office equipment or other facilities or equipment necessary to enable it to conduct the essential operations and carry out its remediation and project development programs. Therefore, it has become necessary for the Authority to utilize personnel of the City of Carson (City) as well as the City's equipment, office space, and other facilities and services in order for the Authority to

function efficiently and to carry out its constitutional and statutory purposes. There might also be instances when the City may pay in advance some expenditures of the Authority and require repayment of such advance payments.

In order to establish a mechanism wherein the City could obtain reimbursement for costs incurred or to be incurred and funds advanced or to be advanced, to and for the benefit of the Authority during this fiscal year and subsequent fiscal years, a reimbursement agreement has been prepared. The Carson City Council and the Board of the Carson Reclamation Authority (CRA) are being requested to approve the respective resolution which authorizes the CRA reimbursement to the City, as well as the corresponding reimbursement agreement. The referenced documents are attached as exhibits to this report.

V. FISCAL IMPACT

The City will receive from the Authority the reimbursements for actual administrative, overhead and contractual costs of the City.

VI. EXHIBITS

1. Resolution No. 17-119, a resolution of the City Council accepting the reimbursement and approving a Reimbursement Agreement between the City of Carson and the Carson Reclamation Authority. (pgs. 4 - 5)
2. Reimbursement Agreement between the City of Carson and the Carson Reclamation Authority. (pgs. 6 - 12)

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