



**Carson Reclamation Authority  
SPECIAL MEETING**

**MONDAY, DECEMBER 9, 2024  
701 East Carson Street  
City Hall**

**10:30 AM**

Lula Davis-Holmes, Authority Chair

Cedric Hicks, Authority Vice Chair

Ray Aldridge, Jr., Board Member

Lillian Hopson, Board Member

Dianne Thomas, Board Member

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**This Agenda and corresponding staff reports can be found on the City of Carson website.**

***“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)***

- Treat everyone courteously
- Listen to others respectfully
- Exercise self-control
- Give open-minded consideration to all viewpoints
- Focus on the issues and avoid personalizing debate
- Embrace respectful disagreement and dissent as democratic rights that are inherent components of an inclusive public process and rolls for forging sound decisions

**RULES OF DECORUM:**

1. No person attending a Public Meeting shall engage in disorderly or boisterous conduct, including but not limited to applause, whistling, stamping of feet, booing, or making any loud, threatening, profane, abusive, personal, impertinent, or slanderous utterance-that disturbs, disrupts, or otherwise impedes the orderly conduct of the meeting.
2. All remarks by members of the public shall be addressed to the Mayor or the Chair and not to any other member of the public or to any single Council, Board or Commission Member unless in response to a question from that Member.
3. Signs, placards, banners, or other similar items shall not be permitted in the audience during a Public Meeting if the presence of such item disturbs, disrupts or otherwise impedes the orderly conduct of the meeting.
4. All persons attending a Public Meeting shall remain seated in the seats provided, unless addressing the body at the podium or entering or leaving the meeting.
5. All persons attending a Public Meeting shall obey any lawful order of the Presiding Officer to enforce the Rules of Decorum.

**PUBLIC INFORMATION**

**The public may address the members of the Carson Reclamation Authority during the designated public comments. There will be two oral communication sessions: one for items ON the agenda; another for matters NOT on the agenda but within the jurisdiction of the Authority. Comment time is limited to 3 minutes.**

**All are urged to take appreciate health safety precautions before entering Carson City Hall. Wearing a mask is not required but is highly recommended, especially by those who are experiencing any airborne illness symptoms.**

**IF YOU ARE NOT ABLE TO ATTEND THE MEETING IN-PERSON, PUBLIC COMMENTS CAN BE SUBMITTED BEFORE THE MEETING AT/VIA:**

- **Email:** Public comments can be emailed to [cityclerk@carsonca.gov](mailto:cityclerk@carsonca.gov). The cut off time to submit any e-mail communications is by 2:00 p.m. the day of the meeting.

- **Written:** Written comments can be dropped off at the City Clerk's Office. The cut off time to submit any written communications is 2:00 p.m. on the day of the meeting. Written comments dropped off to the City Clerk's Office or any e-mail received will not be read aloud during the meeting but will be circulated to the Board and incorporated into the record.

**PUBLIC VIEWING AVAILABLE BY:**

- **Livestream on the City's website:** The meeting will be streamed live over the internet via : [www.carsonca.gov](http://www.carsonca.gov)
- **Y o u t u b e :** [www.youtube.com/c/CityofCarsonCaliforniaOfficialYouTubePage](http://www.youtube.com/c/CityofCarsonCaliforniaOfficialYouTubePage)
- **Cable TV:** Spectrum (Channel 35) and ATT (Channel 99)

CALL TO ORDER: CARSON RECLAMATION AUTHORITY (10:30AM)

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ROLL CALL (AUTHORITY SECRETARY)

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FLAG SALUTE

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INVOCATION

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

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The public may address the members of the Carson Reclamation Authority on any matters within the jurisdiction of the Carson Reclamation Authority. No action may be taken on non-agendized items except as authorized by law. Speakers are limited to no more than three minutes, speaking once.

APPROVAL OF MINUTES

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1. APPROVAL OF THE FOLLOWING CARSON RECLAMATION AUTHORITY MEETING MINUTES:  
OCTOBER 7, 2024 (REGULAR) AND NOVEMBER 4, 2024 (REGULAR)  
RECOMMENDED ACTION  
— APPROVE the minutes as listed.

CONSENT

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2. CONSIDER APPROVAL OF CARSON RECLAMATION AUTHORITY CLAIMS & DEMANDS RESOLUTION NO. 24-13-CRJPA  
RECOMMENDED ACTION:  
— APPROVE RESOLUTION NO. 24-13-CRJPA
3. CONSIDER RENEWAL OF SPECIAL COUNSEL ENGAGEMENT LETTER WITH GREENBERG-TRAURIG, LLP FOR ENVIRONMENTAL AND RISK MANAGEMENT LEGAL SERVICES, FOR A TWO YEAR-YEAR PERIOD ENDING DECEMBER 31, 2026  
RECOMMENDED ACTION  
— APPROVE ON-CALL SPECIAL COUNSEL ENGAGEMENT AGREEMENT WITH GREENBERG TRAURIG, LLP FOR LEGAL SERVICES RELATED TO PLACEMENT, REPLACEMENT AND RESTRUCTURING OF INSURANCE, DEVELOPMENT OF REGULATORY AGREEMENTS, TRANSACTION SUPPORT FOR ENVIRONMENTAL, RISK MANAGEMENT AND OTHER RELATED MATTERS WITH RESPECT TO THE 157 ACRE SITE THROUGH DECEMBER 31, 2024  
— AUTHORIZE THE CHAIR AND THE EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT

4. CONSIDER A CONTRACTOR POLLUTION LIABILITY POLICY WITH ALLIANZ WITH A LIMIT OF \$5,000,000 AT A PREMIUM NOT TO EXCEED \$58,850 PLUS SURPLUS LINES TAXES AND STAMPING FEES ESTIMATED AT \$1,883.20, PROCURED THROUGH MARSH USA, INC.; AND AUTHORIZE THE EXECUTIVE DIRECTOR TO BIND THE POLICY

RECOMMENDED ACTION

- APPROVE A CONTRACTOR'S POLLUTION LIABILITY INSURANCE POLICY WITH ALLIANZ WITH A LIMIT OF \$5,000,000 AT A PREMIUM NOT TO EXCEED \$58,850 PLUS SURPLUS LINES TAXES AND STAMPING FEES ESTIMATED IN THE AMOUNT OF \$1,883.20, PROCURED AND PAYABLE THROUGH MARSH USA, INC.
- AUTHORIZE the Executive Director of the CRA to bind the Policy.

DISCUSSION

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ORAL COMMUNICATIONS FOR MATTERS NOT LISTED ON THE AGENDA (MEMBERS OF THE PUBLIC)

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ORAL COMMUNICATIONS (AUTHORITY MEMBERS)

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ANNOUNCEMENT OF UNFINISHED OR CONTINUED CLOSED SESSION ITEMS (AS NECESSARY)

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ADJOURNMENT

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*Date Posted: December 5, 2024*



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File #:

Version:

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## Report to Carson Reclamation Authority

Monday, December 9, 2024, 10:30 AM

APPROVAL OF MINUTES 1.

To: Carson Reclamation Authority

From: Joy Simarago, Deputy City Clerk CLERK Administration

Subject: APPROVAL OF THE FOLLOWING CARSON RECLAMATION AUTHORITY MEETING MINUTES:  
OCTOBER 7, 2024 (REGULAR) AND NOVEMBER 4, 2024 (REGULAR)

### I. SUMMARY

The City Clerk's Office is seeking approval of the following minutes:

- Monday, October 7, 2024 (Regular)
- Monday, November 4, 2024 (Regular)

### II. RECOMMENDATION

**APPROVE** the minutes as listed.

### III. ALTERNATIVES

None.

### IV. BACKGROUND

None.

### V. FISCAL IMPACT

None.

### VI. EXHIBITS

1. Minutes, October 7, 2024 (Regular)
2. Minutes, November 4, 2024 (Regular)

Prepared by: Dr. Khaleah K. Bradshaw, Authority Secretary and Joy Simarago, Deputy Authority Secretary

**Attachments**

[Draft Minutes - CRA Reg Mtg 10-07-2024.pdf](#)

[Draft Minutes - CRA Reg Mtg 11-04-2024.pdf](#)

**MINUTES**

**CARSON RECLAMATION AUTHORITY**

**REGULAR MEETING**

**OCTOBER 7, 2024**

**4:00 P.M.**

**CALL TO ORDER: CARSON RECLAMATION AUTHORITY (4:00 p.m.)**

The meeting was called to order at 4:04 P.M. by Authority Chair Lula Davis-Holmes in the Helen Kawagoe Council Chambers, Carson City Hall, located at 701 E. Carson Street, Carson, California 90745.

**ROLL CALL (AUTHORITY SECRETARY)**

Authority Secretary, Dr. Khaleah Bradshaw noted the roll.

Authority Board Members Present:

Authority Chair Lula Davis-Holmes, Authority Vice Chair Cedric Hicks, Board Member Ray Aldridge, Jr., Board Member Lillian Hopson, and Board Member Dianne Thomas

Also Present:

Monica Cooper, Authority Treasurer; John Raymond, Executive Director; and Danny Aleshire, Assistant Authority Counsel

**FLAG SALUTE**

Board Member Aldridge, Jr. led the Pledge of Allegiance.

**INVOCATION**

Board Member Thomas gave the invocation.

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

None.

## **APPROVAL OF MINUTES (Item 1)**

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### **1. APPROVAL OF THE FOLLOWING CARSON RECLAMATION AUTHORITY MEETING MINUTES: SEPTEMBER 3, 2024 (REGULAR)-**

#### RECOMMENDED ACTION

— Approve the minutes as listed

ACTION: It was moved to approve staff recommendation on motion of Hicks, seconded by Thomas and unanimously carried by the following vote:

Ayes: Authority Chair Davis-Holmes, Authority Vice Chair Hicks, Board Member Aldridge, Jr., Board Member Hopson, and Board Member Thomas

Noes: None

Abstain: None

Absent: None

## **CONSENT (Items 2-4)**

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It was moved to approve the Consent Items on motion of Thomas, seconded by Aldridge, Jr. and unanimously carried by the following vote:

Ayes: Authority Chair Davis-Holmes, Authority Vice Chair Hicks, Board Member Aldridge, Jr., Board Member Hopson, and Board Member Thomas

Noes: None

Abstain: None

Absent: None

### **2. CONSIDER RENEWAL OF A PROPERTY INSURANCE POLICY WITH STARR TECHNICAL RISKS AGENCY, INC. WITH A LIMIT OF \$58,631,848 AND WITH A \$5,000,000 EARTHQUAKE SUBLIMIT AT A TOTAL PREMIUM NOT TO EXCEED \$419,378.30 AND SURPLUS LINES TAX OF \$13,336.23, PROCURED THROUGH MARSH USA, INC.; AND AUTHORIZE THE EXECUTIVE DIRECTOR TO BIND THE POLICY-**

#### RECOMMENDED ACTION

— APPROVE A PROPERTY INSURANCE POLICY WITH STARR TECHNICAL RISKS AGENCY, INC. WITH A LIMIT OF \$58,631,848 AND WITH A \$5,000,000 EARTHQUAKE SUBLIMIT AT A TOTAL

PREMIUM NOT TO EXCEED \$419,378.30 AND SURPLUS LINES TAX OF \$13,336.23, PROCURED THROUGH MARSH USA, INC.

— AUTHORIZE the Executive Director of the CRA to bind the policy.

ACTION: Item No. 2 was approved on Consent.

**3. CONSIDER APPROVAL OF CARSON RECLAMATION AUTHORITY CLAIMS & DEMANDS RESOLUTION NO. 24-11-CRJPA-**

RECOMMENDED ACTION

- Approve Resolution No. 24-11-CRJPA

ACTION: Item No. 3 was approved on Consent.

**4. AUTHORIZE EXECUTIVE DIRECTOR TO APPROVE AND BIND COVERAGE ON A COMMERCIAL GENERAL LIABILITY POLICY FROM UNITED SPECIALTY INSURANCE COMPANY (PRIMARY) AND ENDURANCE AMERICAN SPECIALTY INSURANCE COMPANY AND AMBRIDGE (LLOYD'S), EXCESS CARRIERS, PROCURED THROUGH MARSH RISK & INSURANCE SERVICES IN AN AGGREGATE LIMIT OF \$10,000,000 (\$1,000,000 PRIMARY/\$4,000,000 PLUS \$5,000,000 EXCESS) AT A PREMIUM AMOUNT NOT TO EXCEED \$119,683.00. -**

RECOMMENDED ACTION

— AUTHORIZE the Executive Director to bind coverage on behalf of the Carson Reclamation Authority on a Commercial General Liability Policy with United Specialty Insurance Company (primary carrier) on a \$1,000,000 per occurrence/\$2,000,000 general aggregate/ \$2,000,000 products-completed operations basis; Endurance American Specialty Insurance for \$4,000,000 in excess of the first \$1,000,000; and Ambridge (Lloyds) for \$5,000,000 in excess of the first \$5,000,000, for a total of \$10,000,000 in coverage, procured through Marsh Risk & Insurance Services, with a total cost of \$119,683 including excess, and broker commission. This is the annual renewal of the Comprehensive General Liability policy for the CRA. The total increase in premium is slightly less than 5% last year.

ACTION: Item No. 4 was approved on Consent.

**DISCUSSION**

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None.

**ORAL COMMUNICATIONS FOR MATTERS NOT LISTED ON THE AGENDA (MEMBERS OF THE PUBLIC)**

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None.

## **ORAL COMMUNICATIONS (AUTHORITY MEMBERS)**

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Board Member Thomas thanked staff and the volunteers for their help with the Jazz Festival held on October 5, 2024.

Board Member Aldridge, Jr., Board Member Hopson, and Authority Vice Chair Hicks echoed with comments about the success of the Jazz Festival.

Board Member Hopson stated she looks forward to the Women's Health Conference.

Authority Vice Chair Hicks announced the Relay For life event on October 19, 2024 at 9:00 A.M., at Anderson Park.

Authority Chair Davis-Holmes thanked staff and the Carson Citizens Cultural Arts Foundation on a job well done at the Jazz Festival. She recognized Cliff Cannon who handled the entertainment check in at the Jazz Festival in the past. She attended his homegoing celebration and requested his name and photo be added to the event program. She announced the Women's Health Conference on October 18, 2024, at the Carson Event Center.

Executive Director John Raymond announced upcoming project agreements.

## **ADJOURNMENT**

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The meeting was adjourned at 4:28 P.M. by Authority Chair Davis-Holmes.

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Lula Davis-Holmes, Authority Chair

ATTEST:

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Dr. Khaleah K. Bradshaw, Authority Secretary

**MINUTES**  
**CARSON RECLAMATION AUTHORITY**  
**REGULAR MEETING**  
**November 4, 2024**  
**4:00 P.M.**

**CALL TO ORDER: CARSON RECLAMATION AUTHORITY (4:00 PM)**

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The meeting was called to order 4:02 P.M. by Authority Chair Lula Davis-Holmes in the Helen Kawagoe Council Chambers, Carson City Hall, located at 701 E. Carson Street, Carson, California 90745.

**ROLL CALL (AUTHORITY SECRETARY)**

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Deputy Authority Secretary Joy Simarago noted the roll.

Authority Board Members present:

Authority Chair Lula Davis-Holmes, Authority Vice Chair Cedric Hicks, Board Member Ray Aldridge, Jr., and Board Member Dianne Thomas

Authority Board Members Absent:

Board Member Lillian Hopson (Excused)

Also Present:

John Raymond, Executive Director; and Danny Aleshire, Assistant Authority Counsel

**FLAG SALUTE**

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Board Member Aldridge, Jr. led the Pledge of Allegiance.

**INVOCATION**

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Board Member Thomas gave the invocation.

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

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None.

## **CONSENT (ITEM )**

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It was moved to approve the Consent item on motion of Hicks, seconded by Thomas and unanimously carried by the following vote:

Ayes: Authority Chair Davis-Holmes, Authority Vice Chair Hicks, Board Member Aldridge, Jr., and Board Member Thomas

Noes: None

Abstain: None

Absent: Board Member Lillian Hopson

### **2. CONSIDER APPROVAL OF CARSON RECLAMATION AUTHORITY CLAIMS & DEMANDS RESOLUTION NO. 24-12-CRJPA- 4:06 PM**

RECOMMENDED ACTION

- TO APPROVE RESOLUTION NO. 24-12-CRJPA

ACTION: Item No. 2 was approved on Consent.

## **DISCUSSION (ITEM )**

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### **3. CONSIDER A CONTRACT WITH SOUTHERN CALIFORNIA GAS COMPANY ("SOCAL GAS") FOR THE INSTALLATION OF 3,300 LINEAR FEET OF 6" GAS MAIN INTO THE PROJECT SITE LOCATED AT 20400 MAIN STREET, THE FORMER CAL COMACT LANDFILL- 4:08 PM**

Executive Director John Raymond gave a report.

RECOMMENDED ACTION

— APPROVE THE AGREEMENT WITH SOUTHERN CALIFORNIA GAS COMPANY FOR THE  
INSTALLATION OF A GAS LINE AT 20400 MAIN STREET, CARSON, IN THE AMOUNT OF  
\$253,710.14

— AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT AND SUBMIT THE  
CONTRACT FOR PAYMENT THROUGH THE CITY'S CAPITAL IMPROVEMENT PROGRAM (CIP) LINE  
ITEM FOR PROJECT NO. 1617, LENARDO DRIVE CONSTRUCTION

ACTION: It was moved to approve staff recommendations on motion of Hicks, seconded by Thomas and unanimously carried by the following vote:

Ayes: Authority Chair Davis-Holmes, Authority Vice Chair Hicks, Board Member Aldridge, Jr., and Board Member Thomas

Noes: None

Abstain: None

Absent: Board Member Lillian Hopson

#### **4. SUMMARY OF THE CARSON RECLAMATION AUTHORITY'S PROGRESS ON THE CONSTRUCTION OF LENARDO DRIVE- 4:13 PM**

Executive Director John Raymond gave a report.

Authority Chair Davis-Holmes asked if there is a notebook of agenda items to review. Executive Director Raymond responded to her question.

Board Member Thomas thanked staff for a good job.

#### **RECOMMENDED ACTION**

- RECEIVE AND FILE

ACTION: Authority Chair Davis-Holmes ordered this item Received and Filed with no objection heard.

Authority Vice Chair Hicks thanked staff for a good job and requested a larger size of the charts for legibility.

Executive Director Raymond responded he would include a larger fold up chart.

#### **ORAL COMMUNICATIONS FOR MATTERS NOT LISTED ON THE AGENDA (MEMBERS OF THE PUBLIC)**

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None.

#### **ORAL COMMUNICATIONS (AUTHORITY MEMBERS)**

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Board Member Thomas encouraged everyone to vote on November 5, 2024.

Board Member Aldridge, Jr. thanked Authority Vice Chair Hicks for hosting the Town Hall meeting at the local park that was held last week and pleased to receive updated information.

Authority Chair Davis-Holmes noted it was a good Town Hall meeting.

Authority Vice Chair Hicks noted the State of the City Address was shown at the Town Hall meeting which was well received.

Authority Chair Davis-Holmes thanked staff for their assistance at the Town Hall Meeting that was held at Del Amo Park.

Authority Vice Chair Hicks encouraged everyone to vote on November 5, 2024. He thanked the residents for attending the Town Hall meeting and for their support.

## **ADJOURNMENT**

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The meeting was adjourned at 4:29 P.M. by Authority Chair Davis-Holmes.

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Lula Davis-Holmes, Authority Chair

ATTEST:

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Dr. Khaleah K. Bradshaw, Authority Secretary



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File #:

Version:

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## Report to Carson Reclamation Authority

Monday, December 9, 2024, 10:30 AM

CONSENT 2.

To: Carson Reclamation Authority

From:

Subject: CONSIDER APPROVAL OF CARSON RECLAMATION AUTHORITY CLAIMS & DEMANDS  
RESOLUTION NO. 24-13-CRJPA

### I. SUMMARY

RESOLUTION NO. 24-13-CRJPA, A RESOLUTION OF THE CARSON RECLAMATION AUTHORITY RATIFYING CLAIMS AND DEMANDS IN THE AMOUNT OF **\$483,497.57**.

### II. RECOMMENDATION

**APPROVE** RESOLUTION NO. 24-13-CRJPA.

### III. ALTERNATIVES

NONE.

### IV. BACKGROUND

THE CARSON RECLAMATION AUTHORITY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The claims and demands listed in this Resolution have been reviewed for accuracy and compliance with the budget and applicable agreements and are hereby ratified in the amount hereinafter set forth:

Section 2. On December 9, 2024, the Carson Reclamation Authority ratified the said claims and demands and authorization was given to the Authority Treasurer to pay, out of the Authority funds, to each of the claimants listed above, the amount of claims appearing opposite their respective names, for the purpose stated on the respective demands, making a total of **\$483,497.57**.

Section 3. That the Authority Secretary shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

PASSED, APPROVED and ADOPTED this 9th DAY OF DECEMBER, 2024.

CARSON RECLAMATION AUTHORITY, a public body

By:

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AUTHORITY CHAIRMAN, LULA DAVIS-HOLMES

ATTEST:

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AUTHORITY SECRETARY, DR. KHALEAH BRADSHAW

APPROVED AS TO FORM:

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AUTHORITY COUNSEL, SUNNY SOLTANI

**V. FISCAL IMPACT**

CERTIFICATION

In accordance with §37202 of the California Government Code, I hereby certify that the above demands are accurate and that funds are available for payment thereof. I certify under penalty of perjury that the foregoing is true and correct.

STATE OF CALIFORNIA )  
COUNTY OF LOS ANGELES )  
CITY OF CARSON )

I, Dr. Khaleah K. Bradshaw, City Clerk of the City of Carson, California, hereby attest to and certify that the foregoing resolution, being Resolution No. 24-13 CRJPA, adopted by the City of Carson City Council at its meeting held on December 9, 2024, by the following vote:

AYES: AUTHORITY BOARD MEMBERS:

NOES: AUTHORITY BOARD MEMBERS:

ABSTAIN: AUTHORITY BOARD MEMBERS:

ABSENT: AUTHORITY BOARD MEMBERS:

EXECUTED THE 9th DAY OF DECEMBER, 2024  
AT CARSON, CALIFORNIA:

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EXECUTIVE DIRECTOR, JOHN RAYMOND

**VI. EXHIBITS**

1. DEMAND RESOLUTION #24-13-CRJPA

**Attachments**

[EXHIBIT NO.1 - DEMAND RESOLUTION #24-13-CRJPA.pdf](#)

**AP CHECK RECONCILIATION REGISTER**

FOR CASH ACCOUNT: 578-99-999-999-1031-

FOR: All Except Voids

CHECK #	CHECK DATE	TYPE	VENDOR NAME	UNCLEARED	CLEARED	BATCH	CLEAR DATE
218	10/29/2024	WIRE	005525 GREENBERG TRAURIG LLP	35,143.00			Sep '24 legal fees
1737	11/07/2024	PRINTED	000797 ALESHIRE AND WYNDER LLP	51.30			Sep '24 legal fees
1738	11/07/2024	PRINTED	000079 CALIFORNIA WATER SERVICE	2,226.27			Oct '24 water utility
1739	11/07/2024	PRINTED	006831 MARSH USA INC.	431,682.42			Property Insurance premium
1740	11/18/2024	PRINTED	000797 ALESHIRE AND WYNDER LLP	1,252.70			Oct '24 legal fees
1741	11/21/2024	PRINTED	004417 SOCIALGAS	7,213.23			Nov '24 gas utility
1742	11/21/2024	PRINTED	000129 SOUTHERN CALIFORNIA EDISO	5,928.65			Nov '24 electric utility
7 CHECKS							
CASH ACCOUNT TOTAL				483,497.57			.00

AP CHECK RECONCILIATION REGISTER

		UNCLEARED	CLEARED
7 CHECKS	FINAL TOTAL	483,497.57	.00

\*\* END OF REPORT - Generated by BRAULIO ALATORRE \*\*



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## Report to Carson Reclamation Authority

Monday, December 9, 2024, 10:30 AM

CONSENT 3.

To: Carson Reclamation Authority

From:

Subject: CONSIDER RENEWAL OF SPECIAL COUNSEL ENGAGEMENT LETTER WITH GREENBERG-TRAURIG, LLP FOR ENVIRONMENTAL AND RISK MANAGEMENT LEGAL SERVICES, FOR A TWO YEAR-YEAR PERIOD ENDING DECEMBER 31, 2026

### I. SUMMARY

A Special Counsel engagement letter (Primary Contract) was originally entered into in 2016 between the Carson Reclamation Authority (CRA) and Greenberg Traurig, LLP (GT) to access their specialized legal services at a not-to-exceed dollar amount, for a defined scope of work. An engagement letter between the CRA and GT (Engagement Agreement) has been the contract mechanism.

In October 2020 the Board approved a simpler On-Call Special Counsel Engagement Agreement that merely specifies the term of the contract, through December 31, 2022, which was extended again in 2022 until December 31, 2024. The Engagement Agreement included the scope as well as the billing rate for the Shareholder and Associates and other billing terms. The amount of the contract was dependent on the amount of work the CRA requests during the term of the contract. Currently GT is still the lead on the processing of all insurance claims made by the CRA, the recent renewal of the Public Officials Liability policy, the current renewal of the Contractor Pollution Liability policy on this agenda, and the renewals of the Property Insurance and the Comprehensive General Liability insurance policies. GT also takes the lead on the environmental, risk management and insurance administration terms of the Agreements negotiated between the CRA and Carson Goose Owner, LLC (CGO) and last year's renegotiation of the same provisions with CAM-Carson, LLC on Cell 2.

There will be additional future work related to the amendments of the Enterprise Fund Administration Agreement with DTSC, the negotiation with developers on Cell 1 on the same environmental and risk management issues and the drafting of future regulatory agreements. In addition, GT took the lead on drafting the environmental Land Use Covenant, negotiating the provisions with the developers (the affected parties) and seeking DTSC's approval. The Covenant was approved and recorded at the end of 2023.

The term of this engagement is two years, until December 31, 2026. GT has also requested an increase in their billing rate, which holds the percentage discount from their standard rates (22%) constant. Because a lot of their work is transactional, a significant amount of GT's work is paid through Reimbursement Agreements with the developers on the site and not ultimately from the CRA's own funds.

### II. RECOMMENDATION

1. **APPROVE ON-CALL SPECIAL COUNSEL ENGAGEMENT AGREEMENT WITH GREENBERG TRAURIG, LLP FOR LEGAL SERVICES RELATED TO PLACEMENT, REPLACEMENT AND RESTRUCTURING OF INSURANCE, DEVELOPMENT OF REGULATORY AGREEMENTS, TRANSACTION SUPPORT FOR ENVIRONMENTAL, RISK MANAGEMENT AND OTHER RELATED MATTERS WITH RESPECT TO THE 157 ACRE SITE THROUGH DECEMBER 31, 2026**

## 2. AUTHORIZE THE CHAIR AND THE EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT

### III. ALTERNATIVES

TAKE another action the Board deems appropriate.

### IV. BACKGROUND

The CRA contracted in May, 2016 with Greenberg Traurig, LLP to provide it and the CRA's legal counsel specific legal assistance in the procurement of a new Pollution Legal Liability Policy, and associated negotiations on the Environmental Protection Program Policy (the "EPP Policy") that Carson Marketplace had purchased from American International Special Lines Insurance Company ("Insurer" or "AIG"), and with Tetra Tech, the then-environmental contractor. The Primary Contract was amended to complete the work on the AIG EPP, the DTSC Financial Assurance obligations, and the work transitioning the CRA from the Tetra Tech contract into a new time-and-materials contract with another vendor for the installation of the remedial systems under the RAP as well as the future OM&M of those systems.

There have been a number of amendments to the GT Contract over the past eight years. In October 2020 the Board approved a simpler On-Call Special Counsel Engagement Agreement that merely specifies the term of the contract and the most recent amendments. The Engagement Agreement covers the negotiation of terms and underwriting of various policies to cover the environmental work and allocation of costs for various master developer programs; negotiation and structuring of the CRA surety program for contract implementation during development period and integration with pollution and contractors' (or wrap) insurance programs; and support for contracting with RES' vendors regarding insurance, risk mitigation, surety programs and contract administration, especially related to the construction of Lenardo Drive.

In some ways, the major environmental liability legal work on the 157 Acre Site is largely done with the procurement of the original PLL policy in 2017 and the Bridge PLL to extend it six more years, obtained in 2024. Currently GT is still the lead on the processing of all insurance claims made by the CRA, the recent renewal of the Public Officials Liability policy, the current renewal of the Contractor Pollution Liability policy, the replacement of the previous Builder's Risk policy with Property Insurance (and renewal this year) and the replacement of the OCIP wrap program with a comprehensive general liability policy. They also participate in the negotiation of the environmental, risk management and insurance administration terms of the Agreements between the CRA and Carson Goose Owner, LLC (CGO) and the previous renegotiation of the same with CAM-Carson, LLC on Cell 2, as well as the insurance provisions with the key subcontractors, RES and Snyder Langston.

As the development project moves toward completion and the Community Facilities Districts are restructured to manage the O&M cost for the on-site remedial systems, there will be additional future work related to the amendments of the Enterprise Fund Agreement; there will also be a need during the negotiations on Cell 1 on the same environmental and risk management issues and the drafting of future regulatory agreements.

### V. FISCAL IMPACT

Greenberg Traurig, LLP contract expenditures are already included in the Carson Reclamation Authority budget. The CRA had budgeted \$200,000 in this account for the current fiscal year, much of which is reimbursed from developer deposits. So far this year approximately \$120,120.50 has been spent, so this change would not have any significant fiscal impact on the CRA budget.

### VI. EXHIBITS

1. Carson Engagement Letter

### Attachments

[Carson Engagement Letter.pdf](#)

November 21, 2024

**VIA EMAIL**

John S. Raymond  
Executive Director  
Carson Reclamation Authority  
701 E. Carson Street  
Carson, CA 90745

Re: Special Counsel Engagement.

Dear JR:

Thank you for agreeing to engage Greenberg Traurig, LLP (“GT” “we” or “us”) as your attorneys. This letter supersedes and replaces our special counsel engagement letter; Amendment No. 12 dated December 22, 2022. We appreciate the opportunity to provide legal services to Carson Reclamation Authority (“you” or “Client(s)”).

**1. Our Agreement.** This letter sets forth the terms and conditions by which our firm will represent you. It, together with our attached Billing Policies, constitutes the retainer and engagement agreement (the “Agreement”) between you and GT. This is our only agreement for this engagement.

If this Agreement is acceptable, please sign and return a copy to me at your earliest convenience; the original is for your files. While we request a signed copy of this Agreement for our records, this Agreement will constitute and state the contract between us if and when we begin rendering any services and such services are accepted.

**2. Scope of Engagement:**

a. **The engagement and matter.** Our representation of Client will include only advice and counsel to Client with respect to those matters set forth on Exhibit A attached hereto (the “Scope of Work”). You and we may agree to limit or expand the scope of the Scope of Work, but that will occur and be effective only if agreed in writing by both of us, with a specific mutual understanding as to the nature and scope of any such further services. Further, we or another affiliate of GT and you or one of your affiliates may also agree upon other or further representations by GT. If that occurs, unless otherwise agreed in writing, this Agreement will also apply to and govern such other or further representations.

b. **The client.** The client for this engagement is Client. Because of the proliferation of entities partially or wholly owned or owning other entities, and the confusion and problems this creates vis-à-vis potential ethical and business conflicts of interest, GT does not and will not regard an affiliate of a client entity (i.e., parent, subsidiary or other entity or other entity partially or wholly owned by or owning it) or a person owing or connected with the client (e.g. officers, director, member, partner, shareholder, owner, employee, etc.) other than the City of Carson, Carson Redevelopment Agency, Carson Finance Authority, Carson Financing Districts Nos. 2012-1 and 2012-2 and Carson Housing Authority as a client of GT for any purpose unless a client-lawyer relationship has been established by an express written understanding as to that matter and that specific entity or person. Similarly, GT will not regard a representation that is adverse to such an affiliate or person as adverse to the client being represented by GT under this Agreement (or any other matter to which it applies). Accordingly, if there is such an affiliate or person that you wish GT to regard as a client for conflict purposes, please specify it or him/her before you and we sign this Agreement; if such entity or person is not expressly accepted by us in writing as a client, it or she will be a client.

c. **Nature of services.** We will provide only legal services in connection with this engagement. We are not providing, and you will not look to GT or rely on GT for, business, investment, insurance, accounting or other such non-legal services, including without limitation advice, decisions, investigation (e.g. as to the character or credit of persons with whom you may be dealing) or other such non-legal services. Further, our acceptance of this engagement and representation of you is not an undertaking or acknowledgement that GT is or will be your general counsel or advisor, or that GT is representing you or will represent you or your interest in any matter other than the Scope of Work or as otherwise described above.

3. **Conflicts.** With the exception to the provisions related to our existing representations with various clients set forth in Section 4 below, this Agreement confirms:

GT has no present or contemplated employment which is adverse to the Client. GT agrees that it shall not represent clients in matters either litigation or non-litigation against the Client. GT will disclose the undertaking of this representation to such parties as required by the Rules of Professional Responsibility.

Subject to the terms of Section 4 below with respect to the prior representation of Carson Holdings, LLC, GT may have past and present clients or may have future clients, which, from time to time, may have interests adverse to Client, and GT shall have the right to represent such clients in matters not connected with its representation of Client. If, however, a conflict of interest arises in GT's representation of another client and GT's representation of Client in the Scope of Work, GT shall seek waivers from each client with regards to such representation or shall withdraw from representing either client in the matter adverse to Client.

It is understood and agreed to that GT's representation is for the Scope of Work and the specific purposes set forth in Section 2 above. The parties are informed and believe that no actual conflict(s) of interests exists as of the time of executing this Agreement. The parties have thereby waived any conflict(s) of interests. If actual conflict(s) of interest later arise, including without limitation, in connection with GT's engagement for Carson Holdings, LLC, this Agreement shall be terminated and GT and Client agree that GT may continue to represent its existing clients other than Client.

**4. Representation of Carson Holdings.** Tetra Tech, Inc. and Carson Holdings, LLC. We were previously retained to represent Carson Holdings, LLC ("Carson Holdings") with respect to insurance matters, including the Scope of Work.

a. **No conflict.** Based on the facts currently known to us, we see no actual conflict between you and Carson Holdings with respect to the Scope of Work and have determined that we can adequately represent the interests of each client provided that, as we have been advised, each client has knowingly consented.

[i] While we see no current conflict in your respective positions, your interest may diverge in the course of the representation or facts may come to light suggesting an actual or potential conflict between you with respect to the matters in controversy. If that occurs, we will bring the actual or potential conflict to your attention; and we ask that you do the same if you become aware of facts or circumstances that suggest that to you. If such occurs, we will discuss the conflict or potential conflict with you as well as whether a waiver of the conflict may be possible to allow us to continue the representation. If the circumstances do not permit such a waiver or if you are unwilling to give such a waiver, we will be compelled to terminate the representation of Client.

[ii] You previously consented to GT's prior representation of Carson Holdings with respect to the Scope of Work. GT no longer represents Carson Holdings with respect to the Scope of Work and Carson Holdings has consented to our ongoing representation of Client in this regard.

[iii] During the course of our representation, we will send invoices for our fees and expenses to Client. Client shall be responsible for payment for any fees or expenses associated with work that is the subject of this Agreement. GT will provide task budgets and periodic updates of the same to Client upon request.

[iv] GT has in the past and continues to represent Tetra Tech, Inc. ("Tetra Tech") in matters unrelated to the Scope of Work. GT will not be adverse to Tetra Tech in any dispute resolution proceeding or litigation between the Client, Carson Holdings or the, JPA, respectively, and Tetra Tech. In the event such a dispute arises, GT will continue to represent Client with respect to the Scope of Work.

[v] GT has in the past represented Carson Marketplace, LLC (“Carson Marketplace”) in connection with the Scope of Work. GT retains the right to represent Carson Marketplace in the future with respect to the AIG Policy and other pollution liability policies on which Carson Marketplace is a Named Insured and Client hereby consents to such representation.

5. **Staffing.** I will be the attorney principally responsible in and for this engagement. At present, we expect to include and enlist the assistance of other lawyers, generally associates and paralegals. Giuliano Apadula, Paul de Vastey and Julie Dostal will continue to support me in the representation of CRA. That may change and additional or different attorneys and paralegals may participate or replace others in this engagement, depending on the circumstances during the engagement, as to the Scope of Work.

If there are changes in staffing, you will be advised; and, of course, if you wish different persons to be involved, we will discuss that with you to attempt to assure that you are satisfied with the staffing.

6. **Fees and Expenses.** The compensation schedule is included in Exhibit A, Scope of Work.

7. **Termination of Representation.** Subject to any limitations imposed by court or the applicable Ethics Rules, GT or you may terminate this engagement and our representation at will. That includes without limitation termination pursuant to and in accordance with the attached Billing Policies.

Otherwise, our engagement and attorney client relationship will terminate automatically upon the completion of our services for the Scope of Work.

8. **Miscellaneous:**

a. **Binding effect.** This Agreement is personal to us and is not assignable by either of us without the written consent of the other.

b. **Modification.** This Agreement may not be changed, amended, or otherwise modified, in whole or in part, except by a writing executed by all parties to this Agreement. No unilaterally proposed or announced change, supplementation, interpretation, guideline or other statement or pronouncement (by either GT, you or anyone else), whether inconsistent with any provision of the Agreement or otherwise, will be effective or binding or will otherwise suffice to modify or add to this Agreement unless accepted in writing by the other of us and/or, as applicable, any other person or entity sought to be bound by or otherwise affected by it.

c. **No waiver.** No waiver of any of the provisions of this Agreement (including without limitation the Billing Policies) will be effective or binding unless made in writing and signed by whoever is claimed to have given the waiver.

d. **Partial invalidity.** If any provision of this Agreement is found to be unenforceable, invalid, or illegal, it shall be interpreted in such manner as to be enforceable, valid and legal to the maximum extent possible to fulfill the intent of such provision. The validity or enforceability of the remainder of the Agreement shall not be affected by the invalidity or unenforceability of any provision.

e. **Entire agreement, etc.** This Agreement contains and sets forth the entire agreement between us, and supersedes any and all prior or other agreements or understandings (written and oral) that may exist or have existed as to this engagement and the Scope of Work. Neither of us has relied on any representation, warranty or other statement or promise concerning this engagement and the Scope of Work which is not stated in this writing.

f. **Governing law, etc.** This Agreement shall be construed and interpreted both as to validity and performance of the parties in accordance with the laws of the State of California. In the event of any dispute hereunder, forum shall be the Superior Court, Los Angeles County.

g. **Headings.** The headings on paragraphs and subparagraphs of this Agreement are for convenience only, and shall have no effect other for convenience of reference.

h. **Effectiveness and execution.** Except for those provisions expressly calling for execution or as may be required by law or ethical rules, this Agreement will become effective and govern this engagement and our relationship as to it and the Scope of Work, whether or not it is executed, upon our rendering of any services for you as to the Scope of Work.

Nevertheless, we do ask that you execute and return this Agreement for our records, and that you also keep it in and for your records. In that regard, this Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute together one and the same instrument. Electronic, PDF and facsimile signatures shall be as effective as original ink signatures.

i. **Errors and Omissions Insurance.** The California Business & Professions Code requires us to inform you whether we maintain errors and omissions insurance coverage applicable to the services to be rendered to you. We hereby confirm that GT does maintain such insurance coverage.

j. **Indemnification.** GT agrees to indemnify Client, its officers, employees and agents against, and will hold and save each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of the work, operations or activities of GT, its agents or employees, which claims arise from the acts or omissions of GT in the performance of or failure to perform any term, provision, covenant or condition of this Agreement, except to the extent such claims or liabilities arises from the negligence or willful misconduct of Client, its officers, agents or employees.

If the foregoing accurately states our Agreement, please countersign and return a copy of this letter with your retainer payment to so indicate and confirm your assent to its terms. For your convenience, we have enclosed a self-addressed, stamped envelope.

Very truly yours,

GREENBERG TRAURIG, LLP



By: \_\_\_\_\_  
Curtis B. Toll

**ACCEPTED AND AGREED WITH  
CONSENTS AND WAIVERS GRANTED:**

CARSON RECLAMATION AUTHORITY

By: \_\_\_\_\_  
Lula Davis-Holmes, Chair

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
John Raymond, Executive Director

Dated: \_\_\_\_\_

**REVIEWED AND APPROVED BY:**

ALESHIRE & WYNDER, LLP

By: \_\_\_\_\_  
Sunny Soltani, Esq.

Dated: \_\_\_\_\_

## **BILLING POLICIES**

### **Introduction**

We look forward to doing business with you. This document outlines our standard billing practices.

### **Fees**

Our fees are based on the time required to handle the matter at our normal individual lawyer/paralegal hourly rates. The rates of our lawyers and paralegals are subject to change. Any new rates would be implemented immediately after they are adopted and would apply to services rendered after the effective date thereof.

Whenever appropriate and consistent with the proper representation of our clients, we may use paralegals, junior attorneys, contract attorneys and staff members in order to minimize the impact of the hourly rates of the more senior attorneys. We believe the utilization of junior attorneys, paralegals or staff members, in consultation with and under supervision of more experienced attorneys in the Firm as appropriate, may enable us to maintain economically and efficiently the high quality of our legal representation, while permitting us to both avoid sacrificing the quality of our work for lower fees and to avoid assigning senior attorneys tasks which can be performed efficiently by junior attorneys, paralegals or other staff members.

We will charge for all time spent representing your interests, including, by way of example, telephone and office conferences with you or your representatives, co-counsel, opposing counsel, fact witnesses, consultants (if any), and others; conferences among our legal and paralegal personnel; participation in discovery; factual investigation; legal research; responding to your requests for us to provide you or your representatives with additional information; responding to clients' requests to provide information to auditors in connection with reviews or audits of financial statements; preparation of letters, pleadings, and other documents; and attendance at depositions, hearings, mediations, closings, trials, or other proceedings; and travel (both local and out of town). Hourly charges will not be applied to time spent on out-of-town travel.

### **Costs and Expenses**

We have established prevailing rates for all charges that will be incurred during the course of this representation. We believe that rates charged are competitive with charges established by comparable law firms. You will be responsible for all reasonable charges that we incur in the course of this representation and will be responsible for reimbursing us for any actual costs advanced on your behalf. Greenberg is committed to remaining at the cutting edge of modern computer and communications technology so as to provide our clients with optimum competitive advantage and technological efficiencies. Our charges include, but are not limited to reasonable travel (not first-class), copying, facsimile charges, messenger services, long distance phone calls, computer research services, secretarial overtime and filing fees. These charges may also include any sales or service tax that may be applicable.

## **Expenses of Outside Contractors**

Generally, expenses of outside contractors, such as court reporters, surveyors, title companies, will be directly billed or directed to the client pursuant to retainers in which payment and indemnification terms remain strictly between the client and the vendor. Greenberg Traurig will not be responsible for payment of such services. It is important to note that the prompt payment of these charges to outside contractors is essential to be able to provide timely and efficient service to you in the future, with the assistance of such contractors. If desired, with sufficient expense deposits in advance, we will directly pay the outside contractors. The amount of the retainer and deposit may be increased as circumstances require (for example, at the time of trial), but in any event will be applied to the payment of our final bill or refunded, as applicable.

## **Type of Invoice**

Unless otherwise agreed, we will send you a monthly invoice which reflects the amount of our fees and expenses attributable to the matter. At your option, the invoice will be either generalized or detailed. The generalized invoice will indicate total fees due for legal work accomplished and the total costs charged to the file. In the alternative, the invoice will have a detailed backup sheet showing the attorney that worked on the matter; the work performed; the time spent on the task; and, the total fee amount due.

## **Payment of Invoices**

We will bill our time charges on a monthly basis. Each invoice is payable upon receipt. Any unpaid balance not paid within forty-five (45) days of the billing date may be cause for postponement by GT of ongoing services. In the event we receive a payment from a client at a time when more than one invoice is outstanding on any one or more matters for that client, we will apply that payment to any such invoice(s), unless the payment is accompanied by the remittance copy of the invoice(s) being paid or by some other written indication from the client directing how the payment is to be applied. It is the policy of the Firm to discontinue representation, in a manner in accordance with applicable Rules of Professional Responsibility, for any client whose account is more than ninety (90) days in arrears, unless special arrangements in writing are approved by Greenberg's Chief Executive Officer. Individual attorneys are not authorized to make such arrangements or to waive this policy.

## **Retainers**

For certain types of matters, our policy is to require that our clients provide us with an initial fee retainer and expense deposit. The exact amount of this retainer and deposit will be agreed to by the client and the billing attorney. Unless other arrangements are made, the retainer for legal fees and expenses will be held throughout the engagement and will be applied against payment of the last invoice on the matter or refunded if the account is up to date. The cost and expense deposit will be retained in our trust account, with interest on that account to be paid in accordance with governing law or, if this matter is subject to special requirements of another State, those requirements.

### **Different Billing Arrangements**

Individual billing arrangements that differ from these general policies will be discussed and agreed to between the client and the billing attorney and will be set forth in a retention letter.

### **Mutual Right to Terminate Relationship**

Of course, every client has the right to terminate our representation at any time for any reason. We have the same right upon giving the client reasonable notice so that suitable arrangements can be made by the client to obtain alternative representation, in accordance with the applicable Rules of Professional Responsibility. Among the reasons for which we may terminate representation are: (1) nonpayment of our fees, charges or costs; (2) the client's failure or refusal to be forthright, cooperative or supportive of our efforts; (3) the client's misrepresentation of, or failure or refusal to disclose material facts; (4) the client's failure or refusal to accept our advice; (5) discovery of a conflict with another client of Greenberg, or (6) any other reason permitted or required under applicable Rules of Professional Responsibility.

Subject to any limitations imposed by a court, Greenberg or you may terminate Greenberg's representation upon ten (10) days' written notice. Following termination, we will continue to provide representation in the matter for a reasonable time, at your request, until arrangements can be made for alternate representation. However, our services will consist of only those necessary to protect your interests and prevent prejudice. Moreover, if substitute counsel have not been located within ten (10) days of the termination of the representation, you nonetheless agree that appropriate papers allowing Greenberg to withdraw may be filed. We will be entitled to be paid for all services rendered and other charges accrued on your behalf to the date of our withdrawal.

### **Official Inquiries**

It is possible that because we have been appointed in a matter, or because we have received documents or information in the course of, or in connection with, a matter, we may be required in the future to participate in an inquiry, commission or proceedings arising out of, or in connection with, the matter. This may, for example, involve us producing documents, seeking to claim or defend your privilege to resist inspection or disclosure of certain documents or information or giving evidence at an inquiry. We will seek your instructions if these circumstances arise, but you agree to reimburse us for out-of-pocket expenses and for the time we spend at hourly rates then current.

### **Questions Regarding Billings**

Any questions regarding billing should be immediately directed to the billing attorney or to our Accounting Department.

**GREENBERG TRAUIG, LLP**

Scope of Work for Carson Reclamation Authority  
January 1, 2024 through December 31, 2026

Currently GT is the lead on the processing of all insurance claims made by the CRA, the recent renewal of the Public Officials Liability policy, the current renewal of the Builder's Risk policy, and the negotiation of the environmental, risk management and insurance administration terms of the Option Agreement with FBD Carson, LLC. There will be additional future work related to the amendments of the Enterprise Fund Agreement, the negotiation of the same environmental and risk management issues for Cells 1, 3, 4 and 5 and the drafting of future regulatory agreements. GT will also support the CRA in connection with the extension, modification and renewal of the CPL/PLI program, the placement of new joint insurance programs with Carson Goose Owner, LLC and on behalf of CRA to support site redevelopment and roadway construction (CGL, Builder's Risk, OPPI, Property and CPL) and in the processing of endorsements to the existing pollution legal liability policy for the entire project. All work will be conducted under the express direction of CRA's Executive Director and/or the City Attorney.

- No travel time will be billed and all travel will be "coach" and will occur only upon request of the CRA Executive Director or the City Attorney.
- Curt Toll's 2025 hourly rate will be \$925 (rack rate for 2025 is \$1,175; 22% discount) and Giuliano Apadula will bill at \$800 per hour (rack rate for 2025 is \$995; 21% discount). We will cap all rates for our associates at \$590 per hour and will bill CRA the lesser of their rack rate or this rate.
- All other GT timekeepers, if any, will bill at a 10% discount from rack rates. Rates will remain constant through December 31, 2026 (2 years).



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File #:

Version:

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## Report to Carson Reclamation Authority

Monday, December 9, 2024, 10:30 AM

CONSENT 4.

To: Carson Reclamation Authority

From: John S. Raymond, Executive Director

Subject: CONSIDER A CONTRACTOR POLLUTION LIABILITY POLICY WITH ALLIANZ WITH A LIMIT OF \$5,000,000 AT A PREMIUM NOT TO EXCEED \$58,850 PLUS SURPLUS LINES TAXES AND STAMPING FEES ESTIMATED AT \$1,883.20, PROCURED THROUGH MARSH USA, INC.; AND AUTHORIZE THE EXECUTIVE DIRECTOR TO BIND THE POLICY

### I. SUMMARY

When the Tokio Marine Contractors Pollution/Professional Liability (“CPL/PLI”) program expired on December 21, 2022, the CRA obtained narrower but dedicated coverage for conditions that are created or exacerbated as a result of the O&M then being performed by WSP (the O&M contractor) onsite. The 2016 Tokio Marine policy was unable to be extended and the CRA wouldn’t have wanted to continue the policy under its then-current terms. The original multi-year policy cost more than \$3,000,000, though 40% was paid for by CAM-Carson, LLC. This new program was designed to respond in excess of valid and collectible insurance afforded by WSP’s CPL program.

This bridge-period coverage was structured for one year, with the intention that the developer(s) will take over this obligation and coverage when development work begins as they obtain CPL coverage as required under their Insurance Administration Agreements with the CRA. That period has passed and the CRA is still in the position of needing a bridge policy until at least Carson Goose Owner, LLC is ready to close on their insurance programs in Q1 2025.

The CPL program quoted complements the robust Pollution Legal Liability (“PLL”) program tower lead by Beazley by providing affirmative coverage for the activities/operation of the systems and the exacerbation of existing conditions. Marsh recommends the quoted Allianz program (as shown in the proposal in Exhibit 1), as this option is afforded on an Occurrence form, eliminating the need for Extended Reporting Period (“ERP”) coverage to be purchased upon expiration. Allianz also agreed to affirmatively manuscript their program for the exacerbation coverage the CRA requested.

Limits of liability are quoted with \$5,000,000 each incident and a \$5,000,000 policy aggregate, in excess of a \$50,000 self-insured retention. The renewal is with current carrier Allianz and the premium is \$58,850, which includes the broker commission. The policy is being offered through Allianz’ Surplus Lines Carrier, Fireman’s Fund Indemnity Corporation (AM Best: “A+ XV” rating). There is also an estimated additional cost of \$1,883.20 for Surplus Lines Taxes and Stamping Fees (3.2%).

### II. RECOMMENDATION

1. **APPROVE** A CONTRACTOR’S POLLUTION LIABILITY INSURANCE POLICY WITH ALLIANZ WITH A LIMIT OF \$5,000,000 AT A PREMIUM NOT TO EXCEED \$58,850 PLUS SURPLUS LINES TAXES AND STAMPING FEES ESTIMATED IN THE AMOUNT OF \$1,883.20, PROCURED AND PAYABLE THROUGH MARSH USA, INC.
2. **AUTHORIZE** the Executive Director of the CRA to bind the Policy.

### **III. ALTERNATIVES**

**TAKE** another action the Board deems appropriate.

### **IV. BACKGROUND**

CPL is a contractor-based policy, typically offered on a claims-made basis, that provides third-party coverage for bodily injury, property damage, defense, and first party coverage for cleanup as a result of pollution conditions (sudden/accidental and gradual) arising from contracting operations performed by or on behalf of a contractor party. Professional Liability Insurance ("PLI") covers contractors' and subcontractors' professional work (i.e. design work).

In December 2017 the CRA approved the renewal of its CPL/PLI Policy with Tokio Marine for a period of four years and with an increased aggregate limit of liability of \$50,000,000 per incident and in the aggregate for pollution conditions resulting from contracting operations of CPL and \$25,000,000 of PLI for professional services contracted directly with RE|Solutions, LLC ("RES") or CRA, with both coverages subject to a self-insured retention of \$500,000 per incident and a policy term through December 21, 2022. The 2017 CPL/PLI program had a retroactive date of December 31, 2007 for all coverages (the date Tetra Tech first began design work on the site). The CPL/PLI also contained at least 10 years of "completed operations" coverage.

All contractors and subcontractors performing construction (including installation of remedial systems, building protection systems, foundation systems, sub-foundation systems, performance of site grading, infrastructure improvements and construction of vertical improvements) on the Project were listed as an insured on the CPL/PLI program with respect to the CPL/PLI and had the unrestricted ability to make a claim under the CPL/PLI program. The City was also named as an insured under the Development CPL/PLI. Coverage also included new designers and contractors that performed work on both the CAM and Carson Goose Owner ("CGO") projects through the life of the policy (until December 2022).

This 2017 Tokio Marine policy was for a total term of six years (commencing at the inception in 2016), or until December 21, 2022, at a Net Premium Total for the \$50/\$25 million priced at \$2,660,043 for the entire term, plus an estimated Surplus Lines Tax and Stamping Fee of 3.2% (\$85,121) and brokerage fees an additional \$300,000, for a grand total of \$3,045,164. In 2018 CAM Carson, LLC paid for 40% of the cost of the program. Once that policy expired in 2022, the replacement CPL first approved in 2022 (with no PLI) was substantially less in terms of limit and premium, with a recommended limit of \$5,000,000 and a premium of \$52,250. Since the CRA is no longer performing construction work on the site and is only doing O&M activities, the coverage was intended to sit as excess CPL coverage above the environmental contractor's (until this year, WSP) coverage.

The policy was renewed in 2023 at the same premium as 2022's, \$52,250. In May, 2024 the site's development manager, RE|Solutions, LLC, replaced WSP as the environmental contractor and began self-performing the environmental work of managing the landfill gas collection and groundwater extraction systems. The change in the overall contract and increased O&M scope required the CRA to amend its CPL policy at an additional cost of about \$6,000, bringing the policy premium to \$58,850. This renewal quote from Allianz arrives at the same premium as 2023 even though an additional \$1,223,000 in contract work was added mid-term. The renewal rate per \$1,000 of contract value was reduced from 0.0375 to 0.0225 to achieve the flat premium.

This program is still a "bridge program" intended to be replaced when CGO commences intrusive work on the site (e.g. grading, drilling, or construction), as they will be required to cover the CRA under their own (separate or joint) CPL policies for their cells under the terms of the Insurance Administration Agreement approved by the CRA. These policies will be at higher limits than the current \$5,000,000. If the CRA commences intrusive work on the construction of Lenardo Drive before CGO closes on the acquisition of Cells 3, 4, and 5 and places its master CPL policy, the CRA may have to further amend this CPL policy at additional cost to capture the additional pollution risk of the road construction. That cost could be considerably higher than the existing policy based on the contract value of the road improvements vs. the O&M work, though it would also be subject to cancellation and return of premium provisions to allow the CRA to be refunded the additional premium.

### **V. FISCAL IMPACT**

The premium for the CPL is \$58,850 plus \$1,883.20 for Surplus Lines Taxes and Stamping Fees (3.2%). This is carried in the CRA's FY 2024-2025 budget.

### **VI. EXHIBITS**

1. CPL Insurance Renewal Executive Summary from Marsh

**Attachments**

[CRA CPL Proposal 2024.pdf](#)



LEADERSHIP, KNOWLEDGE, SOLUTIONS...WORLDWIDE.

# Carson Reclamation Authority

## Contractors Pollution Liability Insurance Proposal

December 2, 2024

**Prepared by:**  
James Halpin  
Kimberly Mann  
Environmental Practice  
Marsh Risk & Insurance Services

# Carson Reclamation Authority

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*This document and any recommendations, analysis, or advice provided by Marsh (collectively, the “Marsh Analysis”) are intended solely for the entity identified as the recipient herein (“you”). This document contains proprietary, confidential information of Marsh and may not be shared with any third party, including other insurance producers, without Marsh’s prior written consent. Any statements concerning actuarial, tax, accounting, or legal matters are based solely on our experience as insurance brokers and risk consultants and are not to be relied upon as actuarial, accounting, tax, or legal advice, for which you should consult your own professional advisors. Any modeling, analytics, or projections are subject to inherent uncertainty, and the Marsh Analysis could be materially affected if any underlying assumptions, conditions, information, or factors are inaccurate or incomplete or should change. The information contained herein is based on sources we believe reliable, but we make no representation or warranty as to its accuracy. Except as may be set forth in an agreement between you and Marsh, Marsh shall have no obligation to update the Marsh Analysis and shall have no liability to you or any other party with regard to the Marsh Analysis or to any services provided by a third party to you or Marsh. Marsh makes no representation or warranty concerning the application of policy wordings or the financial condition or solvency of insurers or reinsurers. Marsh makes no assurances regarding the availability, cost, or terms of insurance coverage.*

# Carson Reclamation Authority

## Executive Summary

The Bridge-CPL program was designed and procured to afford dedicated coverage for CRA for conditions that are created or exacerbated as a result of the O&M being performed by RES (formerly WSP) onsite. This bridge-period coverage renewal is available for one year, with the intention that when the project commences, the developer(s) will take over this obligation and coverage.

The Contractors Pollution program quoted complements the robust Pollution Legal Liability program tower lead by Beazley by providing affirmative coverage for the activities/operation of the systems and the exacerbation of existing conditions.

Limits of liability are quoted with \$5,000,000 each incident and a \$5,000,000 policy aggregate, in excess of a \$50,000 self-insured retention.

## Premium Summary

Limits Each Incident / Aggregate	Policy Term	Self-Insured Retention	Allianz Expiring (Tasks 1-6 only)	Allianz Mid-term addition of scope items	Allianz Renewal Quote
\$5,000,000 / \$5,000,000	1 Year	\$50,000	\$52,250	\$5,000	\$58,850
Exposure Basis			\$1,395,000	\$1,223,000	\$2,618,000
Rate / \$1,000			0.0375	Flat premium negotiated for mid-term additions	0.0225

**Please Note:**

- 1) Defense is within the Limits of Liability unless otherwise noted below;
- 2) Multi year policies apply with a single aggregate limit that is not re-instated annually;
- 3) Surplus lines taxes and fees will be **in addition** to the above stated premium;
- 4) See individual specimen forms for standard exclusions, terms, and conditions;
- 5) Quoted premiums above include commission at 17.5%;
- 6) Premium is due within 30 days of binding;
- 7) *All carriers are non-admitted in the State of California and other jurisdictions. As such, they are not licensed/supervised by the State(s), and in the event of insolvency, they are not covered by any State Insurance Guaranty Fund*

## Coverage Summary

Features	Allianz <i>Expiring</i>	Allianz <i>Renewal Quote</i>
<b>Form</b>	Contractor's Pollution Liability Environment Protect Projects Occurrence AGRL-PO 2110 (01-17)	Contractor's Pollution Liability Environment Protect Projects Occurrence AGRL-PO 2110 (01-17)
<b>First Named Insured</b>	Carson Reclamation Authority 701 E Carson St Carson, CA 90745	Carson Reclamation Authority 701 E Carson St Carson, CA 90745
<b>Additional Named Insured(s)</b>	<ol style="list-style-type: none"> <li>1. Carson Housing Authority</li> <li>2. Carson Community Facilities District 2012-1</li> <li>3. Carson Community Facilities District 2012-2</li> <li>4. City Of Carson, CA</li> </ol>	<ol style="list-style-type: none"> <li>1. Carson Housing Authority</li> <li>2. Carson Community Facilities District 2012-1</li> <li>3. Carson Community Facilities District 2012-2</li> <li>4. City Of Carson, CA</li> <li>5. RE Solutions, LLC</li> </ol>
<b>Additional Insured(s)</b>	<i>See Appendix A</i> Manuscript Definition of Insured Amendatory Endorsement with Acquired Entities Provision	<i>As Expiring</i>
<b>Coverage</b>	Occurrence-Based Coverage	<i>As Expiring</i>
	Non-Admitted * Surplus lines taxes and fees will apply	<i>As Expiring</i>
<b>Revenue Basis</b>	\$1,395,000	<i>As Expiring</i>
<b>Minimum Earned</b>	0%; short rate cancellation	25% earned at inception; pro-rata cancellation on on-earned premium
<b>Rate</b>	\$0.0375 / \$1,000	<i>As Expiring</i>
<b>Self-Insured Retention</b>	\$50,000 per incident SIR \$150,000 Aggregate SIR \$25,000 Maintenance SIR thereafter	<i>As Expiring</i>
<b>Covered Operations</b>	<b>Covered operation</b> means Tasks 1 thru 6 (as described in full on "Tasks 1 thru 6.pdf" provided with the submission and on file with the Company) Exhibit B – Contractor's Cost Estimate, prepared by WSP-Golder performed on behalf of the <b>insured</b> at a job site. <b>Covered operation</b> includes <b>completed operations</b> and <b>transportation</b> . A job site shall include real property rented or leased by the <b>insured</b> for storage of equipment or materials in conjunction with any <b>covered operation</b>	<i>Covered operation means</i> <ol style="list-style-type: none"> <li>1. Tasks 1 thru 7 (as described in full on "Tasks 1 thru 6.pdf" provided with the submission and on file with the Company) Exhibit B – Contractor's Cost Estimate, prepared by WSP-Golder performed on behalf of the insured at a job site.</li> <li>2. Ancillary vendor contracts/pre-construction services</li> <li>3. MBI Contract</li> <li>4. Mayfield Contract</li> <li>5. Oakridge Contract</li> <li>6. Securitas Contract</li> </ol>

Features	Allianz <i>Expiring</i>	Allianz <i>Renewal Quote</i>
<b>Completed Operations</b>	Included	<i>As Expiring</i>
<b>Clean-Up Costs</b>	Yes, if legally obligated to pay (includes restoration costs)	<i>As Expiring</i>
<b>3<sup>rd</sup> Party Bodily Injury</b>	Yes, definition includes medical monitoring costs	<i>As Expiring</i>
<b>3<sup>rd</sup> Party Property Damage</b>	Yes	<i>As Expiring</i>
<i>Diminution in Value</i>	Yes	<i>As Expiring</i>
<i>Natural Resource Damage</i>	Yes	<i>As Expiring</i>
<b>Definition of Pollutant</b>	<b>Pollutant</b> means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapor, odors, soot, fumes, acids, alkalis, toxic chemicals, hazard substances, <b>microbial matter</b> , electromagnetic fields, silt and sedimentation, medical waste including infectious and pathological waste and waste materials, at levels in excess of those naturally occurring.	<i>As Expiring</i>
<b>Legal Defense</b>	25% Supplemental Defense Then, erodes the Limit	<i>As Expiring</i>
<b>Transportation</b>	Included <i>Transportation includes the carrier's loading and unloading of cargo</i>	<i>As Expiring</i>
<b>Mold Coverage</b>	Included	<i>As Expiring</i>
<b>Owned Property</b>	Coverage for real property rented or leased by the insured for storage of equipment or materials in conjunction with any <b>covered operation</b> .	<i>As Expiring</i>
<b>Asbestos and Lead</b>	Not Excluded	<i>As Expiring</i>
<b>Professional Liability</b>	Coverage for any improper means, methods, techniques, or supervisory services provided by the Insured in the performance of <b>covered operations</b> .	<i>As Expiring</i>

Features	Allianz <i>Expiring</i>	Allianz <i>Renewal Quote</i>
<b>Responsible Insured Definition</b>	<ol style="list-style-type: none"> <li>the manager or supervisor of the <b>named insured</b> responsible for environmental affairs, control or compliance during <b>covered operations</b>; or</li> <li>any officer, director, partner, or member of the <b>named insured</b>.</li> </ol>	<i>As Expiring</i>
<b>Waiver of Subrogation</b>	Where required for any designated persons and/or organizations where required by written contract prior to a claim or emergency response cost	<i>As Expiring</i>
<b>Other Insurance</b>	Primary, Non-Contributory; Except Excess of Scheduled Insurance Steadfast Insurance Company 8619731	<i>As Expiring</i>
<b>Choice of Law/Venue</b>	Silent	<i>As Expiring</i>
<b>Non-Owned Disposal Sites</b>	Included for waste generated from Covered Operations Claims must be reported within 3 years of policy expiration	<i>As Expiring</i>
<b>Other Notable Enhancements / Restrictions</b>	<ul style="list-style-type: none"> <li>Prior Knowledge/Non-Disclosure Exclusion Amendment – giveback for exacerbation of existing pollution conditions where they are the subject of covered operations</li> <li>Emergency Response Coverage Endorsement – coverage expanded to 168 hours and reporting requirement extended to 14 days</li> <li>Environmental Law Definition Endorsement – to include voluntary cleanup programs</li> <li>Virus/Communicable Disease Exclusion</li> </ul>	<i>As Expiring</i>

**Allianz requires the following subjectivities prior to binding:**

1. Completed and signed AGCS CPL application, or equivalent (signature pending)
2. TRIA Disclosure Statement

## Appendix A – Definition of Insured Amendatory Endorsement with Acquired Entities

### K. Insured means:

- a. The **Named insured**;
- b. Any past or present director, officer, partner, member, manager, or employee, including any temporary or leased employee, while acting with the scope of his or her duties as such;
- c. Joint ventures in which the **insured** is named as a co-venturer but only with respect to the liability arising out of the **insured's covered operations**;
- d. The client for whom the **insured** performs or performs **covered operations**, provided that a written contract or agreement is in effect between the **insured** and the client. However, such clients are covered under this Policy solely with respect to **loss** arising from **covered operations** and are not covered for any **loss** arising from the client's own liability. Clients of the **insured** are covered under this Policy only for limits of liability up to and not exceeding the amount required by the written contract with the **insured** and subject to the limits of liability of this Policy;
- e. A limited liability company in which the **insured** is a member and all members but only with respect to the liability arising out of the **insured's covered operations**;
- f. Any and all corporations, partnerships, companies or other entities as have existed at any time and in which the **named insured** did or does have more than a 50% ownership interest;
- g. Any and all corporations, partnerships, companies or other entities first acquired during the **period of insurance** by an **insured** that performs **covered operations** as defined by endorsement to this policy, provided:
  - i. The **insured** shall notify the Company of such entity within ninety (90) calendar days from the execution date of the purchase agreement, and provides the underwriter with a completed application along with any other supporting documentation requested. Underwriting information as requested must be submitted and approved by the Company;
  - ii. Such entity shall be considered an **insured** for a period of 90 days following the acquisition date. Coverage for such **insured** shall only apply to **bodily injury, property damage or environmental damage** that first occurred on or after the date such entity is acquired;
  - iii. When the **insured** complies with paragraph i. above, the Company will, within thirty (30) calendar days of the underwriter's receipt of all requested documentation:
    - a. Inform the **named insured** in writing that the entity will be scheduled onto the Policy as an **insured** subject to an additional premium; or
    - b. Inform the **named insured** in writing that the entity is not approved and will not be scheduled onto the Policy; and

No coverage will be provided after the 120th day unless the entity is specifically endorsed onto the Policy as an **insured**. Additional premiums and/or other terms and conditions may be required in order to endorse the acquired entity on to the Policy as an **insured**.
  - iv. The additional premium to add such entity to the policy shall be computed on a pro-rata basis at a rate of \$0.28 / \$1,000 in annual revenue.