



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: A 22-529, **Version:** 1

- a. Approve and authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute Amendment No. 2 to the Operation and Management Agreement with RRM-CLM Services, LLC, Agreement A-15648, to update insurance and indemnification language related to underground fuel storage tanks; and
- b. Approve the recommendation of the Director of Public Works, Facilities and Parks to accept all nonstandard provisions in the Amendment No. 2, including indemnification and insurance.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute Amendment No. 2 to the Operation and Management Agreement with RRM-CLM Services, LLC. Agreement A-15648, to update insurance and indemnification language related to underground fuel storage tanks; and
- b. Approve the recommendation of the Director of Public Works, Facilities and Parks to accept all nonstandard provisions in the Amendment No. 2, including indemnification and insurance.

SUMMARY/DISCUSSION:

The resort facilities at Lake Nacimiento include two underground storage tanks (USTs) that are over thirty (30) years old. Currently, the County has a management agreement with RRM-CLM LLC [Vista Recreation or Vista (previously Basecamp)] to manage the resort (Attachment A-Agreement A-15648). The tanks are inspected regularly in accordance with regulations and are in good working order; however, due to their age, Vista's insurance will no longer cover the tanks and associated equipment. The County has maintained its own insurance coverage for the tanks, and both USTs remain under County coverage as in previous years. Staff coordinated with the Office of County Counsel-Risk Manager to negotiate insurance and indemnification language that reflects the current insurance coverage for USTs at Lake Nacimiento in the proposed Amendment No. 2. All other terms and conditions of Agreement A-15648 remain unchanged. Should the County replace the USTs at some point, terms would be renegotiated to include the new tanks in Vista's coverage.

Staff recommends the Board of Supervisors approve and authorize the execution of the proposed Amendment No. 2 (Attachment B) to Agreement A-15648 with RRM-CLM LLC. (Vista Recreation/Vista) to update insurance and indemnification language related to the USTs at Lake Nacimiento and accept all nonstandard provisions in Amendment No. 2, including indemnification and insurance.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel-Risk Manager and Auditor-Controller's Office reviewed and approved the Amendment as to form and liability provisions and fiscal provisions, respectively.

FINANCING:

This report has no impact on the General Fund. Revenue and expenses for Lake Nacimiento are managed within Fund 452. The Office of County Counsel-Risk Manager maintains insurance coverages for all County-owned USTs. Insurance costs are related to market fluctuations and are not related to the Vista agreement itself. Costs for County UST insurance are incorporated into the Countywide Cost Allocation Plan (COWCAP)

overhead. There is no change to the County's insurance costs as a result of proposed Amendment No. 2.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This recommendation is consistent with the Board of Supervisors' Administration, Health & Human Services, and Infrastructure Strategic Initiatives. Efficient, cost-effective management of County Parks' facilities enhances the County's ability to offer public recreational facilities at Lake Nacimiento. The availability of County parks and open spaces provides the public opportunities for healthy living activities.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

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Reviewed by: Bryan Flores, Chief of Parks
Tom Bonigut, PE, Assistant Director of Public Works, Facilities and Parks

Approved by: Randy Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

Attachments:

- Attachment A-Agreement A-15648
 - Attachment B-Proposed Amendment No. 2 to A-15648
 - Attachment C-Amendment No. 1 to A-15648
- (Attachments are on file with the Clerk of the Board)