

WHEREAS, on March 27, 2013, City Council authorized a service contract to conduct a waste composition analysis and technology review of the Department of Sanitation by Resolution No. 13-0510; and,

WHEREAS, on June 25, 2014, City Council authorized Supplemental Agreement No. 3 for additional professional services for resource recovery planning and implementation services by Resolution No. 14-1031; and,

WHEREAS, the City of Dallas seeks to obtain a materials recovery facility at McCommas Bluff Landfill to process the City's Single-Stream Recyclable Materials; and,

WHEREAS, Fomento de Construcciones y Contratas, S.A. dba FCC, S.A. was the most advantageous proposer for the development, construction, operation and management of a materials recovery facility to process single-stream recycling material at McCommas Bluff Landfill;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That upon approval as to form by the City Attorney, the City Manager is hereby authorized to enter into a contract to develop, construct, operate and manage a materials recovery facility at McCommas Bluff Landfill with Fomento de Construcciones y Contratas, S.A. dba FCC, S.A., total estimated revenue amount of \$22,793,487.00. The term of the contract will be 15 years with conditional renewal options from one to ten years, not to exceed a total of ten years.

Section 2. That upon approval as to form by the City Attorney, the City Manager is hereby authorized to execute a Lease Agreement to ground lease approximately 15 acres of land located at the McCommas Bluff Landfill to Fomento de Construcciones y Contratas, S.A. dba FCC, S.A., for the construction of the materials recovery facility subject of the contract referenced in Section 1 hereinabove.

Section 3. The salient terms of the Lease are:

- The Lease is for a term ("Primary Term") commencing on the Effective Date (the "Commencement Date"), as said term is defined in the Contract, and ending fifteen (15) Lease Years after the Date of Beneficial Occupancy (as defined below), unless terminated at an earlier date in accordance with the terms of the Lease or the Contract. In no event shall the term of the Lease extend beyond the term of the Contract in the event the Contract is terminated.

Section 3. (Continued)

For purposes of the Lease, the "Date of Beneficial Occupancy" shall be defined as the date a certificate of occupancy and all required regulatory permits enabling the Tenant to occupy and operate at the Leased Premises are issued after the construction of the Improvements, as said term is defined in the Lease, are completed. A Lease Year shall be the 12 month period commencing on the first day of the first full calendar month of the Term and ending on the last day of the twelfth full calendar month thereafter. The first Lease Year shall include the partial month (if any) preceding the first full calendar month of the Term.

- The fixed annual rent for the primary term shall be \$10 per year.
- The fixed annual rent for the option term shall be \$10 per year.
- The City of Dallas reserves full ingress and egress rights, subject to the terms of the Contract.
- The Ground Lease shall be subject to termination in accordance with the terms of the Contract.
- Tenant shall be responsible, at its sole cost and expense, for the maintenance and operation of all constructed improvements on the Leased Premises including but not limited to obtaining all necessary permits, complying with all applicable laws, obtaining and paying for all utilities, maintaining insurance, maintaining the common facilities including the common drives and parking areas, and complying with all performance and operational requirements set forth in the contract during the primary term and the option term of the lease.
- Tenant shall pay all taxes levied or assessed against the leased premises, during the primary term and the option term of the lease.
- Ownership of all the constructed improvements shall remain in Tenant during the term of the lease and shall vest in the City upon the expiration or termination of the lease. Tenant may, at its election and subject to delivery of closing documents approved as to form by the City Attorney, vest ownership in the City prior to the expiration of the lease term; provided however Tenant shall continue to be responsible for taxes if said transfer of ownership shall result in tax exemption of the improvements.

Section 4. That the Chief Financial Officer is hereby authorized to deposit all revenues received from the contractor as follows:

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Revenue Code</u>
0440	SAN	3581	7438

Section 5. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED BY
CITY COUNCIL

SEP 09 2015

Lucas A. Pineda
City Secretary