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**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

RESOLUTION NO. 18-36

RESOLUTION AUTHORIZING THE RENEWAL OF THE PORT OF OAKLAND'S INSURANCE POLICIES TO BE PLACED AND PAID THROUGH PRIME BROKERS (WITH PARTICIPATION BY SMALL AND LOCAL BUSINESSES), INCLUDING COVERAGE FOR AIRPORT LIABILITY, AUTOMOBILE LIABILITY, AUTOMOBILE PHYSICAL DAMAGE (AIRPORT SHUTTLES ONLY), CAPA UMBRELLA, CRANE INSURANCE (ALL RISK INCLUDING EARTHQUAKE), CRANE BOILER AND MACHINERY, CRANE TERRORISM, EXCESS WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY, FOREIGN LIABILITY PACKAGE, PUBLIC OFFICIALS ERRORS AND OMISSIONS (INCLUDING EMPLOYMENT PRACTICES LIABILITY), EARTHQUAKE ON 530 WATER STREET (BUILDING AND CONTENTS), ELECTRONIC DATA PROCESSING EQUIPMENT FLOATER, FIDELITY, FIDUCIARY LIABILITY, NON-CRANE PROPERTY INSURANCE (INCLUDING TERRORISM), NON-CRANE BOILER AND MACHINERY, CYBER LIABILITY INSURANCE, AND MOBILE EQUIPMENT (FIRE TRUCKS) PHYSICAL DAMAGE, AT AN AMOUNT NOT TO EXCEED \$4,150,000.

WHEREAS, the Board of Port Commissioners ("Board") has reviewed and evaluated Board Agenda Report Item No. 4.1, dated May 10, 2018, (the "Agenda Report") and related agenda materials, has received the expert testimony of Port of Oakland ("Port") staff, and has provided opportunities for and taken public comment; now, therefore, be it

RESOLVED, that in acting upon this matter, the Board has exercised its independent judgment based on substantial evidence in the record and adopts and relies upon the facts, data, analysis, and findings set forth in the Agenda Report and in related agenda materials and in testimony received; and be it

FURTHER RESOLVED, that the Board hereby authorizes the renewal of the Port's insurance policies including participation in two group insurance programs as follows: 1) California Association of Port Authorities ("CAPA") for Umbrella Excess; and 2) Alliant Property Insurance Program ("APIP"); and be it

FURTHER RESOLVED, that said insurance policies shall be placed and paid through the following prime brokers (with participation by small and local businesses): 1) Alliant Insurance Services in Seattle office (for CAPA Umbrella Excess); 2) Alliant Insurance Services, Inc. in San Francisco office (for APIP); and 3) Marsh Risk & Insurance Services in San Francisco office for all other insurance policies); and be it

FURTHER RESOLVED, that said insurance shall include coverage for Airport Liability, Automobile Liability, Automobile Physical Damage (Airport Shuttles only), CAPA Umbrella, Crane Insurance (All Risk including Earthquake), Crane Boiler and Machinery, Crane Terrorism, Excess Workers' Compensation and Employers' Liability, Foreign Liability Package, Public Officials Errors and Omissions (including Employment Practices Liability), Earthquake on 530 Water Street (Building and Contents), Electronic Data Processing Equipment Floater, Fidelity, Fiduciary Liability, Non-Crane Property Insurance (including Terrorism), Non-Crane Boiler and Machinery, Cyber Liability Insurance, and Mobile Equipment (Fire Trucks) Physical Damage, in accordance with the Agenda Report, provided; however, that said insurances shall be subject to the Port Attorney's review as to form and legality; and be it

FURTHER RESOLVED, that said renewals to insurance policies in said Agenda Report shall not exceed the total amount of \$4,150,000; and be it

FURTHER RESOLVED, that the Board hereby finds and determines that said insurance program is in such amounts and against such risks as are, in the judgment of the Board, prudent and reasonable taking into account, but not being controlled by, the amounts and types of insurance or self-insured programs provided by similar ports; and be it

FURTHER RESOLVED, that the Board finds that the renewal of Port insurance policies as described herein was reviewed in accordance with the requirements of the California Environmental Air Quality Act ("CEQA"), and the Port CEQA Guidelines. The general rule in Section 15061(b)(3) of the CEQA Guidelines states that CEQA applies only to activities that have a potential for causing a significant effect on the environment. It can be seen with certainty that there is no possibility that taking the actions related to the Port's insurance program will result in a physical change in the environment, and, therefore, they are not subject to CEQA and no further environmental review is required; and be it

FURTHER RESOLVED, that this resolution shall become effective immediately upon adoption by the Board.

At the regular meeting held on May 10, 2018

Passed by the following vote:

Ayes: Commissioners Butner, Colbruno, Cluver, Hamlin, Martinez, Yee and

President Story – 7

Excused: 0

Noes: 0

**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

RESOLUTION NO. 18-37

RESOLUTION AUTHORIZING THE PREPAYMENT OF THE PORT'S PROPORTIONATE SHARE OF THE FY 2019 UNFUNDED ACCRUED LIABILITY FOR THE CITY OF OAKLAND MISCELLANEOUS PLAN (CALPERS PENSION PLAN) AND APPROVING A LETTER AGREEMENT WITH THE CITY OF OAKLAND REGARDING PROCEDURES FOR FY 2019 AS A RESULT OF THE CITY PARTICIPATING IN THE CALPERS PRE-PAY PROGRAM.

WHEREAS, the Port of Oakland ("Port") participates in the California Public Employees' Retirement System ("CalPERS") through the City of Oakland ("City") Miscellaneous Plan; and

WHEREAS, the City is the contracting agency with CalPERS; and

WHEREAS, the City staff desires to participate in the CalPERS Pre-Pay Program, which in FY 2019 provides a 3.5% discount on the Unfunded Accrued Liability ("UAL") portion of the annual pension contribution amount if pre-paid in full by July 31, 2018, in lieu of making 12 monthly payments over the course of the fiscal year; and

WHEREAS, in order for the City to participate in the Pre-Pay Program, the City requires the Port to pre-pay its proportionate share of the FY 2019 UAL; and

WHEREAS, the Board has reviewed and evaluated the Agenda Report Item No. 4.2 dated May 10, 2018 ("Agenda Report") and related agenda materials, has received the expert testimony of Port staff, and has provided opportunities for and taken public comment; and

WHEREAS, that in acting upon this matter, the Board has exercised its independent judgment based on substantial evidence in the record and adopts and relies upon the facts, data, analysis, and findings set forth in the Agenda Report and in related agenda materials and in testimony received;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. The Board hereby:

A. Approves a Letter Agreement with the City outlining certain procedures for FY 2019 as a result of the City participating in the CalPERS Pre-Pay Program.

B. Authorizes the Chief Financial Officer to (i) execute such Letter Agreement, subject to approval as to form and legality by the Port Attorney, and (ii) make such additions, modifications, or corrections as necessary to implement the Letter Agreement or to correct errors, provided that any such addition, modification or correction does not materially differ from the terms and conditions set forth herein and in the Agenda Report.

C. Authorizes the transfer of \$15,393,487 to the City, via a book transfer of funds, by July 27, 2018 (or such earlier date as reasonably requested by the City) for the purpose of pre-paying the Port's proportionate share of the FY 2019 UAL of the City Miscellaneous Plan, for which the Port is a participant.

SECTION 2. This resolution is not evidence of and does not create or constitute (a) a contract, or the grant of any right, entitlement or property interest, or (b) any obligation or liability on the part of the Board or any officer or employee of the Board. Unless and until a separate written agreement is duly executed on behalf of the Board as authorized by this resolution, is signed as approved as to form and legality by the Port Attorney, and is delivered to the other contracting party, there shall be no valid or effective agreement.

At the regular meeting held on May 10, 2018

Passed by the following vote:

Ayes: Commissioners Butner, Colbruno, Cluver, Hamlin, Martinez, Yee and

President Story – 7

Excused: 0

Noes: 0