

BOARD OF PORT COMMISSIONERS CITY OF OAKLAND

RESOLUTION: (1) AUTHORIZING THE RENEWAL OF THE PORT OF OAKLAND'S ("PORT") 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 BUSES AND MARITIME ELECTRIC BUS), 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, PROPERTY INSURANCE INCLUDING TERRORISM (INCLUDING ZONE A&V FLOOD INSURANCE BUT EXCLUDING CRANES), BOILER AND MACHINERY (EXCLUDING CRANES), CYBER LIABILITY INSURANCE, AND MOBILE EQUIPMENT (FIRE TRUCKS) PHYSICAL DAMAGE, AT AN AMOUNT NOT TO EXCEED \$4,450,000; AND (2) DELEGATING TO THE PORT'S RISK MANAGER THE AUTHORITY TO APPROVE SUBSTITUTIONS OF INSURERS IN THE GROUP INSURANCE PROGRAMS.

WHEREAS, the Board of Port Commissioners ("Board") has reviewed and evaluated Board Agenda Report Item No. 4.2, dated April 25, 2019, (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 Buses and Maritime Electric Bus), 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, Property Insurance Including Terrorism (Including Zone A&V Flood Insurance but Excluding Cranes), Boiler and Machinery (Excluding Cranes), 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 \$4,450,000; and be it

FURTHER RESOLVED, that the Board delegates to the Port's Risk Manager to approve substitutions of insurers in the CAPA and AIPIP group programs from those that are listed in Exhibit A to Board Agenda Report Item No. 4.2, dated April 25, 2019; 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.