

**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

12/12/19
Item No.: 4.2
MCR/msr

[Handwritten signatures]

**RESOLUTION AUTHORIZING THE RENEWAL OF THE PORT
OF OAKLAND'S OWNER CONTROLLED INSURANCE
PROGRAM ARRANGED AND PAID THROUGH A PRIME
INSURANCE BROKER FOR A THREE (3) YEAR TERM
COMMENCING ON FEBRUARY 1, 2020, IN AN AMOUNT
NOT TO EXCEED \$5,900,000 PLUS POSTING OF
\$38,000 ESCROW AND \$387,166 IN COLLATERAL
SUBJECT TO AUDIT ADJUSTMENT.**

WHEREAS, the Board of Port Commissioners ("Board") has reviewed and evaluated Agenda Report Item No. 4.2, dated December 12, 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 based upon the information contained in the Agenda Report the Board hereby approves and authorizes the renewal of the Port's owner controlled insurance program ("OCIP") for a three-year term commencing on February 1, 2020, with primary insurance carrier Astrus Insurance Solutions, LLC, the managing general underwriter issuing policies on behalf of Federal Insurance Company and Executive Risk Indemnity Incorporated (collectively referred to as "Chubb"), arranged and paid through prime broker Alliant Insurance Services ("Alliant") at an amount not to exceed \$5,900,000 and that may include one or more of the following excess insurance carriers: Allied World Assurance Company, Chubb Indemnity Insurance Company, Axis Insurance Company, Berkshire Insurance Company, Berkley Specialty Insurance Company, Ascot Specialty Insurance Company, SCOR Reinsurance Company, Navigators Insurance Company, Houston Casualty Company (Tokio Marine), Sompo America Insurance Company, Lexington Insurance Company, Liberty Insurance Underwriters Inc., Underwriters at Lloyds of London, Travelers Casualty Company, Allianz Underwriters Insurance Company, Swiss RE International SE, AmTrust International Insurance Ltd, Ategrity Specialty Insurance Company, Everest Indemnity Insurance Company, First Mercury Insurance Company, Great American Casualty Insurance Company, Markel Insurance Company, Nationwide Insurance Company of America, Starr Indemnity and Liability Company, and Westchester Surplus Lines Insurance Company, and any other insurers placed by Alliant; provided however, that said insurances shall be subject to the Port Attorney's review as to form and legality, and as further described in the Agenda Report; and be it

FURTHER RESOLVED, that the Board hereby finds and determines that the OCIP described in the Agenda Report 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 further authorizes and approves expenditure in an amount not to exceed \$5,900,000 to pay for insurance premiums, administrative services, claims, claims handling fees, safety/loss control services and any audit adjustments; and be it

FURTHER RESOLVED, that the Executive Director or his designee is authorized to deposit collateral in the amount not to exceed \$387,166 and escrow in the amount of \$38,000 with Chubb to satisfy the OCIP collateral requirements; and be it

FURTHER RESOLVED, that the Risk Manager of the Port ("Port Risk Manager") is hereby authorized to execute any incidental documents necessary to implement the OCIP renewal and related insurance policies, including making any necessary Port payments to the applicable insurance carrier associated with audits for the Port's current OCIP, subject to approval by the Port Attorney as to form and legality; 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 CEQA Guidelines. CEQA applies only to project that have the potential for causing a significant effect on the environment. Renewing the OCIP for a three-year term will not have a significant effect on the environment and therefore is not a project under CEQA. No further environmental review is required.