

DEPARTMENT: Public Works

By: Thomas J. Starling

Phone: 966-5356

RECOMMENDED ACTION AND JUSTIFICATION: (Policy Item: Yes No)

Resolution approving and authorizing the purchase of a Pollution Liability Insurance Policy from the Robert Driver Co., Inc. and commit funding (\$46,509). Funding is proposed from the General Fund (\$46,000) and is included in the County Administrative Officer's recommended FY 99/00 budget and the Solid Waste Enterprise Regulatory Compliance Fund (\$509). Action is necessary prior to adoption of the final budget to take advantage of this offer.

Title 27, California Code of Regulations (CCR), Division 2, Subdivision 1, Chapter 6, Article 3 requires that \$1,000,000 per occurrence and \$1,000,000 annual aggregate operating liability insurance, including pollution coverage and \$1,000,000 per occurrence and \$1,000,000 annual aggregate general liability insurance be provided for the Mariposa County Landfill. (Attachment #1)

General liability coverage has been provided by the landfill's contract operator, Mariposa County Total Waste Systems, Inc., and has been accepted and approved the State's regulatory agency, the California Integrated Waste Management Board (CIWMB).

The Robert Driver Co., Inc. through its insurance company United Capital Insurance Company, has offered pollution coverage, for landfills only, in the amount of \$2,000,000 per occurrence and \$2,000,000 annual aggregate for a three year premium of \$46,509 (\$15,503/year) including State premium tax and surplus lines fees for maximum term of 15 years. This offer was made to all Regional Council of Rural Counties Environmental Services Joint Powers Authority (RCRC/ESJPA) members. The Robert Driver Co., Inc. informed all RCRC/ESJPA members that if five counties purchased this insurance they would receive \$10,000,000 per occurrence and \$20,000,000 annual aggregate for the same \$46,509 premium. This three-year premium requires payment in full at the time of the policy purchase. Additionally, the larger policy covers all County facilities such as the landfill, airport, wastewater treatment plants, etc.

The Robert Driver Co., Inc. informed staff on August 26, 1999 that four other counties have agreed to purchase this insurance coverage effective September 1, 1999.

The above-cited regulations allow counties to demonstrate the required pollution coverage by using the CIWMB form Certificate of Self-Insurance and Risk Management which would commit Mariposa County to \$1,000,000 per occurrence and \$1,000,000 annual aggregate when needed for third party claims. There is no guarantee that any claim or claims would be limited to \$1,000,000. In the event there was a suit resulting from pollution at the Mariposa County Landfill, it would be against the assets of the County and not that of the Solid Waste Enterprise fund, which has a limited amount of available assets.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

Staff brought this recommendation before the Board on June 8, 1999. The Board directed staff to return with this recommendation when four other counties agreed to purchase this insurance coverage.

LIST ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

- 1) Direct staff to find another insurance provider at a lesser cost. None is known at this time.
- 2) By not purchasing insurance or not self-insuring the County will be in violation of State regulations, the Mariposa County Landfill's operating permit will not be renewed and the County will be subject to fine by the CIWMB.
- 3) Direct that staff prepare the documentation and action for the Board to approve a Certificate of Self-Insurance. This would require budgeting \$1,000,000 for the County's General Reserve.

COSTS: () Not Applicable

A. Budgeted current FY> \$ -0-

B. Total anticipated Costs> \$ 46,000

C. Required additional funding> \$ 509

D. Internal transfers> \$ _____

SOURCE: () 4/5th Vote Required

A. Unanticipated revenues> \$ _____

B. Reserve for contingencies> \$ _____

C. Source description: > General Fund (99/00 Budget)SW
Enterprise Regulatory Compliance Fund

Balance in Reserve Contingencies, if approved:
\$ _____

SPECIAL INSTRUCTIONS:
List the attachments and number the pages consecutively:

1) Attachment #1 (2pgs)

CLERK'S USE ONLY

Res. No.: 99-283 Ord. No.: _____

Vote - Ayes: 5 Noes: _____

Absent: _____ Abstained: _____

Approved Denied

Minute Order Attached No Action Necessary

The foregoing instrument is a correct copy of the original on file in this office

Date: _____

ATTEST: _____

MARGIE WILLIAMS, Clerk of the Board

By: _____

Deputy

ADMINISTRATIVE OFFICER'S RECOMMENDATION:

This item on agenda as:

- Recommended
- Not Recommended
- For Policy Determination
- Submitted With Comment
- Returned for Further Action

Comment: _____

C.A.O. Initials:  _____



COUNTY of MARIPOSA


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MARIPOSA COUNTY BOARD OF SUPERVISORS

MINUTE ORDER

TO: MIKE EDWARDS, Public Works Director
FROM: MARGIE WILLIAMS, Clerk of the Board 
SUBJECT: Purchase of Pollution Liability Insurance from Robert Driver Co., Inc.; Res. 99-283

THE BOARD OF SUPERVISORS OF MARIPOSA COUNTY, CALIFORNIA,

ADOPTED THIS Order on September 14, 1999

ACTION AND VOTE:

B) Resolution Approving and Authorizing the Purchase of a Pollution Liability Insurance Policy from the Robert Driver Co., Inc. and Commit Funding (\$46,509)

BOARD ACTION: Discussion was held. (M)Balmain, (S)Stewart, Res. 99-283 adopted with the source of the funding to be from the General Fund. Further discussion was held, and Supervisor Parker requested that the source of funding be further considered in the future. Ayes: Unanimous.

cc: Ken Hawkins, Auditor
Dr. Mosher, Health Officer/Env. Health
Janet Hogan, County Administrative Officer
Jeffrey G. Green, County Counsel
File