



MARIPOSA COUNTY

Human Resources/Risk Management • (209) 742-1379



RESOLUTION - ACTION REQUESTED 2016-591

MEETING: November 15, 2016

TO: The Board of Supervisors

FROM: Steve Johnson, Human Resources Director - Risk Manager

RE: Adopt the Insurance Requirements in Contracts Procedural Manual from Alliant Insurance

RECOMMENDATION AND JUSTIFICATION:

Adopt the insurance requirements in the Contracts Procedural Manual from Alliant Insurance to guide the County on contractual insurance and indemnity issues.

Staff recommends that the Mariposa County Board of Supervisors adopt the insurance requirements in the Contracts Procedural Manual from Alliant Insurance to guide the County on contractual insurance and indemnity issues. Staff would return to the Board in the future if material changes to the Procedural Manual occur.

The County of Mariposa is a member in good standing of the California State Association of Counties Excess Insurance Authority ("CSAC-EIA"). Alliant Insurance serves as the Broker of Record for CSAC-EIA.

Mariposa County purchases insurance through CSAC-EIA, relies on CSAC-EIA's loss prevention services, and benefits from access to many of the vendors that CSAC-EIA makes available to their insurance pool members. County staff also attends the CSAC-EIA Board of Directors meetings and serves as a member on the CSAC-EIA Benefits Committee.

Alliant Insurance publishes a document known as the Insurance Requirements in Contracts ("IRIC") Procedural Manual (please see attached), and updates this Manual on an on-going basis. This Manual contains information from Alliant setting out their recommendations on insurance and indemnity issues in contracts for, among others, CSAC-EIA pool members.

Human Resources/Risk Management Department staff has conferred with the County Administrative Officer, County Counsel, and staff within Alliant, and has determined that the County would be well served by formally adopting the IRIC Procedural Manual on a going forward basis.

Mariposa County has referred to the IRIC Procedural Manual on many occasions in the past, to guide the County on specific issues ranging from the amount and type of

insurance that is required for goods and services that the County contracts for, to the nature and specificity of indemnity language in contracts, to protect the County in the event of a loss.

To help assist with familiarizing key staff with the provisions of the IRIC Procedural Manual, staff has distributed it to the County Public Works Director, Human Services Director, Sheriff, County Administrative Officer and County Counsel, among others.

Staff has also reached out to Alliant to determine the possibility of conducting training for key County staff on the provisions of the IRIC Procedural Manual, and intends to finalize plans for this training in the near future. Additionally, County Counsel will be revising and including new insurance language in the County's contracts if the Board approves this action.

Staff sees a number of advantages in adopting the IRIC Procedural Manual on a formal basis, including:

- Providing consistency, continuity and flexibility in County insurance and indemnity language;
- Insuring that the County acts as a “good neighbor” to other CSAC-EIA pool members by mitigating contractual risk in the future;
- Encouraging an on-going “risk analysis” of contractual insurance and indemnity issues.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

The County’s Board of Supervisors has not formally adopted contractual insurance or indemnity procedures in the past, although staff has informally relied on the IRIC Procedural Manual.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

- 1) Do not adopt the IRIC Procedural Manual, and continue to rely on a more “informal” method of evaluating insurance and indemnity issues in County contracts.
- 2) Look to utilize a different IRIC Procedural Manual.

**ATTACHMENTS:
IRIC (PDF)**

CAO RECOMMENDATION
Requested Action Recommended


Mary Hodson, CAO 11/9/2016

RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]
MOVER: Rosemarie Smallcombe, District I Supervisor
SECONDER: Merlin Jones, District II Supervisor
AYES: Smallcombe, Jones, Long, Cann, Carrier