

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY  
AND RECORD OF ACTION**

May 21, 2024

**FROM**

**VICTOR TORDESILLAS, Deputy Executive Officer, Department of Risk Management**

**SUBJECT**

Ratify Emergency Purchase for Additional Aircraft Hull & Liability Insurance Premium

**RECOMMENDATION(S)**

Ratify the emergency purchase of additional Aircraft Hull & Liability insurance premium through Starr Indemnity & Liability Company in the amount of \$27,827.24, for the period of April 10, 2024, through June 30, 2024.

(Presenter: Victor Tordesillas, Deputy Executive Officer, 386-8621)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Operate in a Fiscally-Responsible and Business-Like Manner.**

**Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.**

**FINANCIAL IMPACT**

Ratification of the purchase for the additional insurance premium will not result in the use of Discretionary General Funding (Net County Cost). The additional \$27,827.24 will supplement the \$290,597 Aircraft Hull & Liability insurance premium previously approved by the Board of Supervisors (Board) on June 27, 2023 (Item No. 103) and will be funded by the Department of Risk Management's (Risk Management) Aircraft Liability Self-Insurance Fund (4113) using Available Unrestricted Net Position. This fund is sustained by a Board approved rate charged to the Sheriff/Coroner/Public Administrator (Sheriff's Department). In the future, the cost for the additional insurance premium will be included and recovered through the rate charged to the Sheriff's Department. Sufficient appropriation is available in the Risk Management's 2023-24 budget due to cost savings from the purchase of the original Aircraft Hull & Liability insurance premium previously approved by the Board. Risk Management will include sufficient appropriation and revenue in future recommended budgets.

**BACKGROUND INFORMATION**

Risk Management administers the County's self-insurance programs and maintains 30 different lines of insurance policies to provide additional protection for the County. On June 27, 2023 (Item No. 103), the Board approved the renewal of the Aircraft Hull & Liability insurance premium for a total premium of \$290,597, for the period of July 1, 2023, through July 1, 2024.

On December 19, 2023 (Item No. 92), the Board approved a contract with Hangar One Avionics, Inc. for the purchase of one Subaru Bell 412EPX IFR helicopter (Helicopter), in the amount of \$19,003,783, for the Sheriff's Department. On April 10, 2024, the Sheriff's Department notified Risk Management of the delivery of the Helicopter with a request to add the aircraft to Risk Management's Aircraft Liability program (Program).

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On April 12, 2024, Alliant Insurance Services, Inc. (Alliant), one of County's insurance brokers, notified Risk Management of the additional premium amount of \$27,827.24 required to add the Helicopter to the Program. As this amount exceeded the previously Board-approved amount for the original premium, Risk Management sought the Purchasing Department's (Purchasing) approval to pay the additional insurance invoice as an emergency purchase in order to preserve County property and prevent the delay of the Helicopter's deployment date. Following Purchasing's approval, the Helicopter was added to the Program for the period of April 10, 2024, through June 30, 2024. On April 24, 2024, following County Policy 11-04, Purchasing approved an emergency increase to Purchase Order Number 4100309271 for the additional premium to insure the Helicopter, with the understanding that Board approval would be sought to ratify the purchase at the next available Board date.

Risk Management recommends approval of the ratification to maintain insurance coverage for the new Helicopter already in operation. If the additional insurance premium was not paid for the new helicopter, it would have delayed the scheduled pilot training or it would have been uninsured while in use, exposing the County to significant risk.

**PROCUREMENT**

On November 16, 2021 (Item No. 62), the Board approved contracts with four insurance brokers, including Alliant. Risk Management contracts with multiple brokers to leverage the experience each holds in specific markets. For fiscal year 2023-24, Alliant approached new and existing markets for quotes, successfully obtaining a proposal from Starr Indemnity & Liability Company for Aircraft Hull & Liability insurance for the period of July 1, 2023 through June 30, 2024.

Purchasing continues to support this competitive procurement based on Request for Proposals RMG121-RMADM-4216 for broker services released on July 06, 2021, via the County's Electronic Procurement System (ePro).

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Laura Feingold, Chief Assistant County Counsel, 387-5455) on May 1, 2024; Purchasing Department (Ariel Gill, Supervising Buyer, 387-2070) on April 30, 2024; County Administrative Office (Diane Rundles, Assistant Executive Officer, 387-5572) on May 1, 2024; Finance (Ivan Ramirez, Administrative Analyst, 387-4020) on May 2, 2024; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on May 6, 2024.

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Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

Moved: Curt Hagman   Seconded: Joe Baca, Jr.  
Ayes: Col. Paul Cook (Ret.), Dawn Rowe, Curt Hagman, Joe Baca, Jr.  
Absent: Jesse Armendarez

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: May 21, 2024



cc:     File - Risk Management  
JLL    05/23/2024