

**SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION**

**RESOLUTION
TO APPROVE UTILIZATION OF THE ASCIP
OWNER CONTROLLED INSURANCE PROGRAM (OCIP)
FOR THE SAMOHI DISCOVERY BUILDING PROJECT**

WHEREAS, California Government Code Section 4420.5 (c) defines "owner-controlled insurance" as a series of insurance policies issued to cover all of the contractors and subcontractors on a construction or renovation project for purposes of general liability and worker's compensation; and

WHEREAS, Section 4420.5(b) permits a school district to use owner controlled insurance with regard to a construction or renovation project if the district determines that (1) prospective bidders, including contractors and subcontractors, meet minimum occupational safety and health qualifications established to bid on the project, including consideration of serious and willful Labor Code violations, worker's compensation experience modification factor, and the contractor's and subcontractor's injury prevention program; and (2) the use of owner-controlled insurance will minimize the expenditure of public funds on the project in conjunction with the exercise of appropriate risk management; and

WHEREAS, the District desires to participate in the Owner Controlled Construction Insurance Program ("OCIP") offered by the Alliance of Schools for Cooperative Insurance Programs ("ASCIP") for the District's SAMOHI Discovery Building Project ("Project"); and

WHEREAS, ASCIP manages the OCIP which is a single insurance program that covers certain jobsite risks of the District, the general contractor, subcontractors and their employees who provide labor or services to the District's projects by providing workers compensation, general liability, builders risk, owner's protective professional indemnity and pollution liability coverage, subject to the limitations and exclusions therein; and

WHEREAS, cost savings will occur for the Project by the negotiating clout achieved in combining multiple insurance programs into one with the result of the ASCIP OCIP producing the total cost of insurance for the Project at a cost less than that typically provided by the contractor and subcontractors; and

WHEREAS, aggressive risk control and claims management measures will be implemented for the Project, resulting in cost savings based on the prevention and management of losses, reduction of the cost of losses through consolidated claims management, and single insurer legal defense; and

WHEREAS, in addition to achieving cost savings, the ASCIP OCIP will be used to obtain certain insurance coverage and limits otherwise unavailable for the Project, such as 10 years' completed operations coverage; and

WHEREAS, the District's cost of providing insurance for the Project and all contracted parties will be at a rate of 2.85% which includes an estimate of the additional builders risk insurance based on the value of the construction contract, payable as a premium to ASCIP.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Education of the Santa Monica-Malibu Unified School District hereby determines that the use of the ASCIP OCIP for the District's SAMOHI Discovery Building Project will minimize the expenditure of public funds in conjunction with the exercise of appropriate risk management; and

BE IT FURTHER RESOLVED, that the Board of Education authorizes District staff to apply for and participate in the Owner Controlled Insurance Program offered by ASCIP for the SAMOHI Discovery Building Project; and

BE IT FURTHER RESOLVED, that the Board of Education authorizes District staff, in conjunction with ASCIP, to develop minimum occupational safety and health qualifications for prospective bidders (contractors and subcontractors) to bid on the District's SAMOHI Discovery Building Project in accordance with the provisions of Government Code Section 4420.5(b)(1).

APPROVED, PASSED, AND ADOPTED by the Board of Education of the Santa Monica-Malibu Unified School District at its regularly scheduled meeting held on this 13th day of December 2018 by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

President, Board of Education

I, Dr. Ben Drati, Secretary of the Board of Education of the Santa Monica-Malibu Unified School District, do certify that the foregoing Resolution was regularly introduced, passed, and adopted by the Board of Education at its regularly scheduled board meeting held on December 13, 2018.

Superintendent