

Resolution No.

# STOCKTON CITY COUNCIL

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## **ADOPT A RESOLUTION AUTHORIZING THE CITY MANAGER TO PROCURE GENERAL LIABILITY EXCESS COVERAGE FOR THE CITY OF STOCKTON, EXCEEDING THE CITY MANAGER'S STANDARD SIGNING AUTHORITY FOR A MAXIMUM OF \$14,000,000 FOR THE POLICY PERIOD OF THE 2025/2026 FISCAL YEAR**

The City has been expelled from its current risk pool, California Joint Powers Risk Management Authority (CJPRMA), and its General Liability coverage through CJPRMA is expiring on June 30, 2025, with no renewal option; and

The City must ensure there is no lapse in General Liability coverage. Therefore, the City has diligently worked with one of its Joint Power Authorities (JPA) who provides the City with other lines of coverage Public Risk Innovation, Solutions, and Management (PRISM) for General Liability coverage; and

Additionally, as of the date of this council meeting, the City has been approved by PRISM to participate in their General Liability (GL2) program, but PRISM is still out to market on behalf of the City and coverage is not yet secured. Staff anticipates the GL2 coverage will be obtained and secured for a July 1, 2025 date to ensure no lapse in coverage. Staff is also seeking alternative coverage through the market should PRISM not be a coverage option. The City's goal is to ensure there is no lapse in General Liability coverage. Therefore, staff recommend the City Manager be given authority to procure General Liability coverage for the City, exceeding the City Manager's signing authority up to a maximum of \$14,000,000 for the policy period of the 2025/2026 fiscal year; and

Staff will transition the General Liability coverage currently carried by CJPRMA to a new carrier, ensuring there is no gap in the expiring coverage; now, therefore,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:**

1. The City Council authorizes the City Manager to procure General Liability coverage for the City of Stockton in an amount exceeding the City Manager's standard signing authority, for a maximum of \$14,000,000 for the policy period of the 2025/2026 fiscal year.
2. The City Council authorizes the City Manager to execute a Memoranda of Understanding for General Liability coverage with PRISM, or secure comparable coverage with another carrier.
3. The City Council approves the following findings which justify and support an exception to the competitive bidding process pursuant to Stockton Municipal Code 3.68.070(A)(5), for cooperative purchasing agreements

- a. Cooperative agreements qualify as an exception to the City's competitive bidding process as outlined in City Municipal Code § 3.68.070(A)(5) and City Policy 17.05.050, specifically: "Cooperative purchasing agreements authorized by the City Council for purchase of supplies or services through other governmental jurisdictions or public agencies."
- b. A cooperative purchasing agreement enables the City to utilize the terms and conditions of a competitively solicited and negotiated cooperative purchasing agreement.
- c. A cooperative agreement with PRISM will meet the City's procurement and business needs by providing continuity of service in a bigger risk pool.
- d. A JPA is a formal, legal agreement between two (2) or more public agencies that share a common power and want to jointly implement programs, build facilities, or deliver services. Officials from those public agencies formally approve a cooperative arrangement to jointly negotiate these services and other programs.
- e. The use of cooperative contracts improves time, efficiency, and enables the City to acquire products of equal or superior quality, along with value added services, at competitive consortium-negotiated pricing.

4. The City Manager is hereby authorized to take appropriate and necessary actions to carry out the purpose and intent of this Resolution. The City Manager is further directed to report back to the City Council regarding any final actions taken consistent with this delegation authority.

PASSED, APPROVED, and ADOPTED June 24, 2025.

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CHRISTINA FUGAZI  
Mayor of the City of Stockton

ATTEST:

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KATHERINE ROLAND, CMC, CPMC  
City Clerk of the City of Stockton