



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

Department Name: General Services  
Department No.: 063  
For Agenda Of: 4/5/11  
Placement: Administrative  
Estimated Tme:  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

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**TO:** Board of Supervisors  
**FROM:** Department Robert Nisbet, Director, General Services  
Director(s) 560-1011  
Contact Info: Ray Aromatorio, Risk Manager, General Services  
884-6866  
**SUBJECT: Resolution to Terminate the Earthquake Recovery Indemnity Authority (ERIA)**

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: N/A

**Other Concurrence:** N/A

As to form:

**Recommended Actions:** That the Board of Supervisors adopt the attached resolution which terminates the Earthquake Recovery Indemnity Authority (ERIA), Joint Powers Agreement (JPA).

**Summary Text:**

The County of Santa Barbara participates in the ERIA, which was created to handle the seismic risk associated with the transfer of court facilities that have been classified as seismic risk level V (SRL-V). The ERIA was created in November 2008 with the hope of developing a pooled risk program to address unlimited liability arising out of the seismic risk of the county's SRL-V court building(s). Staff participated in the design and development of a program that, if approved by the State, would have limited the county's potential seismic liability. For this program to be feasible, a minimum number of covered buildings were required for critical mass. In March 2010, it was determined that participation in the ERIA would not reach the required critical mass. One last attempt was made to restructure the program without pooling risk with other counties (so critical mass would not be required); however, the State did not grant its approval for this alternative. At its meeting on February 4, 2011, the ERIA Board of Directors passed a resolution (No. 11-001, attached) to terminate the Joint Powers Agreement. There are currently seven ERIA members. Upon approval to terminate the ERIA by six ERIA members, the ERIA will officially be terminated as an entity.

Without the ERIA program in place, County of Santa Barbara will continue to insure this exposure through the CSAC-EIA Property Program maintaining a deductible of 5% of the building value.

**Fiscal and Facilities Impacts:** Budgeted: N/A

**Fiscal Analysis:**

Narrative: There are no additional costs to the County in terminating the ERIA JPA.

**Staffing Impacts:**

N/A

**Special Instructions:**

Copy of signed minute order to: Ray Aromatorio, General Services

**Attachments:**

1. A Resolution of County of Santa Barbara Terminating the Earthquake Recovery Indemnity Authority Joint Powers Agreement
2. A Resolution of the Board of Directors of the Earthquake Recover Indemnity Authority (ERIA) Terminating the Joint Powers Agreement

**Authored by:**

Ray Aromatorio, Risk Manager