



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Mary Ann Mason, County Counsel  
Date: June 21, 2022

Subject: Liability Expenses Associated With Provision of Police Services to Cities

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**RECOMMENDATION(S):**

1. ACCEPT report on the liability expenses incurred by the County associated with contracts between the County and certain cities for the provision of city police services by the Office of the Sheriff;
2. CONSIDER providing direction to staff regarding recovery of litigation expenses for contract cities or other matters related to police services contracts.

**FISCAL IMPACT:**

Acceptance of the report has no fiscal impact.

**BACKGROUND:**

This Office and the County Administrator's Office were asked to review the liability costs associated with the provision of city police services by the Office of the Sheriff. The Office of the Sheriff currently contracts with the Town of Danville and the Cities of Lafayette and Orinda to provide police services within those cities. As a term of the contracts, the County defends and indemnifies the contract cities for claims arising out of incidents involving Sheriff's Office employees working in those cities.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY  
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **06/21/2022** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

Contact: Mary Ann McNett  
Mason, County Counsel, (925)  
655-2200

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: June 21, 2022

Monica Nino, County Administrator and Clerk of the  
Board of Supervisors

By: , Deputy

cc: Mary Ann McNett Mason, County Counsel, Monica Nino, County Administrator

Over the past ten years, with the exception of FY16/17 and the current fiscal year, liability costs were lower than the general liability charges paid by the contract cities. This fiscal year, the County settled two lawsuits concerning the shooting deaths of Laudemer Arboleda and Tyrell Wilson by Officer Hall, a Contra Costa Sheriff's Deputy working as an officer with the Danville Police Department pursuant to a police services contract. The lawsuit concerning Laudemer Arboleda settled for \$4.9 million in November 2021, and the lawsuit regarding Tyrell Wilson settled for \$4.5 million in March 2022. For each case, the County was reimbursed by its excess insurer, Public Risk Innovation, Solutions, and Management ("PRISM"), for all expenses exceeding the County's \$1 million self-insured retention. (The SIR is akin to an insurance deductible.)

## BACKGROUND: (CONT'D)

In addition, the County was reimbursed for its in-house attorneys' fees. The County's actual out-of-pocket litigation expense for the Arboleda case was \$708,376 and for the Wilson case was \$917,113.

<b>Name</b>	<b>Settlement</b>	<b>Expenses</b>	<b>Total Cost Per Case</b>	<b>Total County Cost</b>
Laudemer Arboleda	\$4,900,000	\$94,283	\$4,994,283	\$708,376
Tyrell Wilson	\$4,500,000	\$32,798	\$4,532,798	\$917,113

In recent fiscal years, the premiums for the County's total general liability insurance through PRISM have been steadily increasing. They increased 26% for FY 20/21 and then 21% for FY 21/22. Similar or higher insurance premium rate increases may occur in FY 22/23 and other future years. Past premium increases reflected market conditions in the general liability insurance industry for public entities throughout the State, rather than only the County's individual loss history.

<b>Fiscal Year</b>	<b>Total GL Insurance Premium</b>
2019-2020	\$6,563,791
2020-2021	\$8,291,263
2021-2022	\$10,093,308

The Office of the County Counsel is informed by the County Administrator's Office and Risk Management that the contract cities are contributing towards the cost of general liability coverage. Risk Management annually orders an analysis specifically for liability expenses related to police services for contract cities. Risk Management uses the analysis to inform the following year's general liability coverage cost per contract city sworn officer. The last analysis was completed in May 2021, and the cities currently make monthly general liability coverage payments of \$215.83 per sworn officer. Those charges are deposited into the Risk Management Liability Trust Fund. The resulting liability losses from the recent shooting deaths will be included in a future analysis for purposes of determining liability charges for contract cities for the next charging cycle.

The attached charts summarize the total general liability costs and general liability charges paid for the last ten (10) years by city as of June 13, 2022. The City of Lafayette currently has two pending cases, so the charts only account for the current case expenses. Please also note that the Sheriff's Office provides police services by contract for AC Transit and Diablo Community Services District. These entities pay the same monthly general liability coverage payments of \$215.83 per sworn officer, but Risk Management

has informed us that they have not had any liability expenses within the last ten (10) years. Their data is not included in the attached charts.

Attachment 1: Chart 1 Total Liability Costs by City and Fiscal Year

Chart 2 Actual County Expenses by City and Fiscal Year

Chart 3 General Liability Charges Collected by City and Fiscal Year

CONSEQUENCE OF NEGATIVE ACTION:

Staff would not receive direction on how to proceed.

CLERK'S ADDENDUM

Speakers: Liz Ritchie;

ATTACHMENTS

Attachment 1, Liability Costs and Charges