

CITY COUNCIL MEETING
JUNE 4, 1986

LETTER FROM LODI
AMBULANCE SERVICE
RE INSURANCE LIMITS

RES. NO. 86-87

City Clerk Reimche presented the following letter which had been received from Lodi Ambulance Service:

CC-22.1(a)

Mr. Thomas Peterson,
City Manager, City of Lodi
221 W. Pine Street
Lodi, CA 95240

Dear Mr. Peterson:

As you know, I have spoken with Ron Stein and yourself about the insurance crisis at hand. It is my intent to be honest and communicate with the City Administration about this disastrous situation. Currently, I have requested proposals from, no less than five insurance companies throughout California and other areas of the United States. As of this date, I have received nothing but commitments, such as "We are working on obtaining a market with no luck", "Currently, there is a market for auto and excess liability, but no malpractice", "We can probably piece-meal a market, however, we can only obtain \$500,000 medical malpractice with somewhat of a modest increase this year". These comments are very ambiguous and demoralizing and are causing us to look deeply into this situation.

I have been told by Lou Meyer, Vice-President of All-City Ambulance Company in Stockton, that he has found a market, as of this past Monday, that will insure his company. The auto is assigned risk and his malpractice is a maximum \$500,000. Fees charged him this year, will be that of last year's and, as you can see, his medical malpractice of \$5,000,000 has been reduced to \$500,000. The primary continued problem is that they are running into a situation where they cannot obtain a quote on physical damage for their auto portion.

Currently, the California Ambulance Association is trying to establish a self insurance program. The time factor to implement this is by January 1987. This does not help us for our July 1 renewal date.

The San Joaquin County Emergency Care Committee has issued a change request to the Board of Supervisors pertaining to the current County Ambulance Ordinance. I have enclosed a document dated April 17, 1986 in reference to that request.

I propose that the City of Lodi accept this change in their Ambulance Ordinance, as to assist us and be compatible with the County Ordinance, however, I assure the City of Lodi that it is the intent of this company and it's officers to obtain medical liability to a maximum of \$1,000,000 if it is, both, affordable and available.

Please contact me as soon as possible so that we may establish some type of procedure in changing the City Ordinance or having a meeting with the City Fathers so that we may discuss this situation at hand.

Respectfully,

Michael N. Nilssen

A lengthy discussion followed with questions being directed to Staff and to Mr. Nilssen who was in the audience.

On motion of Council Member Hinchman, Olson second, Council adopted Resolution No. 86-87 rescinding Resolution No. 84-011, thereby reducing the required limits for medical malpractice to \$500,000 and liability insurance to \$500,000/\$500,000, which the City of Lodi requires for ambulance operators authorized within the City. Further a review of this matter is to be conducted and a report provided to the City Council within 60 days.



Lodi Ambulance Service

1709 S. STOCKTON ST • P.O. BOX 597 • LODI, CA 95241 • 209/334-0830

May 9, 1986

Thomas Peterson
City Manager, City of Lodi
221 W. Pine Street
Lodi, Ca. 95240

Dear Mr. Peterson:

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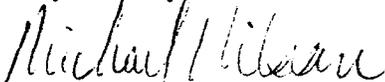
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Please contact me as soon as possible so that we may establish some type of procedure in changing the City Ordinance or having a meeting with the City Fathers so that we may discuss this situation at hand.

Respectfully,



Michael N. Nilssen

MNN/dp

encl



SAN JOAQUIN COUNTY HEALTH CARE SERVICES

POST OFFICE BOX 1020
STOCKTON CALIFORNIA 95201
TELEPHONE 982 1800

April 17, 1986

M E M O R A N D U M

TO: EMERGENCY MEDICAL CARE COMMITTEE

FROM: OFFICER DICK CLARK *DC/cab*

SUBJECT: AMBULANCE LIABILITY INSURANCE RECOMMENDATIONS

At the Transportation Committee meeting on April 1, 1986, the members agreed on the following recommendations for liability insurance to be contained in the proposed Board of Supervisors Resolution setting insurance requirements for ambulance companies.

1. Five Hundred Thousand Dollars (\$500,000) comprehensive automobile liability insurance for combined single limit bodily injury and property damage.
2. Five Hundred Thousand Dollars (\$500,000) professional liability insurance for combined single limit bodily injury and property damage. Explanation: The requirement is presently Five Million Dollars (\$5,000,000).
3. Thirty (30) days notice for cancellation, modification or reduction in limits of insurance policies.
4. All employees of the license holder must be covered by a Workmans Compensation Insurance Policy.
5. A statement that provides that the County and the affected cities are indemnified, defended, and held harmless from and against all costs, expenses, and liability arising out of, or based upon, any and all property damages, or damages for personal injuries, including death, which results or is claimed to have resulted from any act or omission on the part of the ambulance provider or ambulance provider's agents or employees.

DC: cab

RESOLUTION NO. 84-011

RESOLUTION OF THE LODI CITY COUNCIL FIXING FEES
FOR APPLICATION FOR AMBULANCE OPERATORS PERMITS;
AND SETTING REGULATIONS FOR PERMITTEE'S LIABILITY
INSURANCE

WHEREAS, the Lodi City Council at its regular meeting held January 18, 1984 adopted Ordinance No. 1306 repealing Ordinance No. 756 and reenacting a new ordinance regulating the use and operation of ambulances upon the public streets within the City of Lodi; and

WHEREAS, Section 3 of said Ordinance requires that a fee shall be payable to the City of Lodi Finance Director upon the filing of an application for permit for said ambulance operation, said fees to be in an amount as may be fixed and established from time to time by resolution of the Lodi City Council; and

WHEREAS, Section 4 of said Ordinance requires that upon the filing of an application for an owner's permit, the Chief of Police shall require the applicant or any person named in the application to be fingerprinted and photographed, for which a fee is annually set by and payable to the California State Department of Justice; and

WHEREAS, Section 13 of said Ordinance sets the minimum limits and requirements relating to Permittee's liability insurance;

NOW, THEREFORE, BE IT RESOLVED that the following shall be the fees required under the following Sections of Ordinance No. 1306:

Section 3 - Fee for Application for Permit	\$50.00
Section 4 - Fee for Fingerprinting Procedure	\$14.50

NOW, THEREFORE, BE IT FURTHER RESOLVED that each permittee and ambulance operator shall meet all of the requirements as set forth in Section 13 of said ordinance relating to liability insurance and shall covenant and agree to indemnify and save the City of Lodi free and harmless from any and all liability of any kind or character for damage or injury to persons or property that may or might occur within the area covered by permit, and for this purpose, permittee shall furnish to the City Clerk of the City of Lodi a certificate of insurance certifying that the City of Lodi is named as an additional insured on a public liability policy with limits of \$500,000.00/\$1,000,000.00.

Dated: February 1, 1984

I hereby certify that Resolution No. 84-011 was passed and adopted by the City Council of the City of Lodi in a regular meeting held February 1, 1984 by the following vote:

Ayes: Council Members - Murphy, Snider, Reid,
Pinkerton, & Olson (Mayor)

Noes: Council Members - None

Absent: Council Members - None

Alice M. Reimche
Alice M. Reimche
City Clerk

RESOLUTION NO. 86-87

RESOLUTION OF THE LODI CITY COUNCIL RESCINDING RESOLUTION
84-011 FIXING FEES FOR APPLICATION FOR AMBULANCE OPERATORS
PERMITS; AND AMENDING REGULATIONS FOR PERMITTEE'S MEDICAL
MALPRACTICE AND LIABILITY INSURANCE

WHEREAS, the Lodi City Council at its regular meeting held January 18, 1984 adopted Ordinance No. 1306 repealing Ordinance No. 756 and reenacting a new ordinance regulating the use and operation of ambulances upon the public streets within the City of Lodi; and

WHEREAS, Section 3 of said Ordinance requires that a fee shall be payable to the City of Lodi Finance Director upon the filing of an application for permit for said ambulance operation, said fees to be in an amount as may be fixed and established from time to time by resolution of the Lodi City Council; and

WHEREAS, Section 4 of said Ordinance requires that upon the filing of an application for an owner's permit, the Chief of Police shall require the applicant or any person named in the application to be fingerprinted and photographed, for which a fee is annually set by and payable to the California State Department of Justice; and

WHEREAS, Section 13 of said Ordinance sets the minimum limits and requirements relating to Permittee's liability insurance;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Lodi does hereby rescind Resolution No. 84-011 which was adopted by the Lodi City Council on February 1, 1984.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the following shall be the fees required under the following Sections of Ordinance No. 1306:

Section 3 - Fee for Application for Permit	\$50.00
Section 4 - Fee for Fingerprinting Procedure	\$14.50

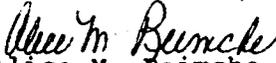
NOW, THEREFORE, BE IT FURTHER RESOLVED that each permittee and ambulance operator shall meet all of the requirements as set forth in Section 13 of said ordinance relating to liability insurance and shall covenant and agree to indemnify and save the City of Lodi free and harmless from any and all liability of any kind or character for damage or injury to persons or property that may or might occur within the area covered by permit, and for this purpose, permittee shall furnish to the City Clerk of the City of Lodi a certificate of insurance certifying that the City of Lodi is named as an additional insured on a public liability policy with limits of \$500,000.00/\$500,000.00 and a medical malpractice policy with the limits of \$500,000.00.

BE IT FURTHER RESOLVED that the Lodi City Council has directed that a review of this matter be conducted and a report be provided to the City Council within 60 days.

Dated: June 4, 1986

I hereby certify that Resolution No. 86-87 was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 4, 1986 by the following vote:

Ayes: Council Members - Hinchman, Pinkerton,
Noes: Council Members - None
Absent: Council Members - Olson


Alice M. Reimche
City Clerk