



Legislation Details (With Text)

File #:	16-0569	Version:	1	Name:	HR - All Risk Property Insurance
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File created:	6/1/2016	In control:		City Council:	City Council
On agenda:	6/21/2016	Final action:		6/21/2016:	6/21/2016
Title:	Recommendation to authorize City Manager to purchase “all risk” property insurance for City buildings, contents, and vehicles through the Alliant Insurance Services’ Public Entity Property Insurance Program, for a total premium not to exceed \$816,791 for the period of July 1, 2016 through July 1, 2017. (Citywide)				
Sponsors:	Human Resources				
Indexes:	Insurance				
Code sections:					
Attachments:	1. 062116-R-24sr&att.pdf				

Date	Ver.	Action By	Action	Result
6/21/2016	1	City Council	approve recommendation	Pass

Recommendation to authorize City Manager to purchase “all risk” property insurance for City buildings, contents, and vehicles through the Alliant Insurance Services’ Public Entity Property Insurance Program, for a total premium not to exceed \$816,791 for the period of July 1, 2016 through July 1, 2017. (Citywide)

The Department of Human Resources requests City Council authorization to renew and extend “all risk” property insurance coverage for City buildings and contents with various insurers (Attachment A).

Through its property insurance broker, Alliant Insurance Services, the City annually purchases “all risk” property insurance to cover perils such as fire, vandalism and wind damage on all City buildings, contents, and vehicles. The proposed “all risk” property insurance policy provides replacement cost coverage with limits of up to \$1 billion, subject to a \$50,000 per occurrence deductible for named perils, and a limit of \$10 million in coverage for flood; it does not include coverage for the peril of earthquake, which is addressed in a separate transmittal. The policy also provides cyber liability coverage, boiler and machinery coverage and some limited pollution coverage for the City. This is consistent with coverage provided in the current year policy. The premium offered is approximately 1 percent lower than the cost of the expiring policy. The property insurance for the Queen Mary makes up approximately 35 percent of the total premium. The premium portion for the Queen Mary is billed directly to the current lessee.

This matter was reviewed by Deputy City Attorney Amy R. Webber on May 25, 2016 and by Assistant Finance Director Lea Eriksen on June 3, 2016.

City Council action is requested on June 21, 2016, to allow the City to officially bind insurance coverage by the renewal date of July 1, 2016.

The total premium will not exceed \$816,791, for the period of July 1, 2016 through July 1, 2017. Funding has been budgeted in the Insurance Fund (IS 390) in the Human Resources Department (HR). Premium costs associated with the Queen Mary will be reimbursed in full. The cost of the property insurance is allocated to all funds based upon total insured value of property, with approximately 16 percent of the premium allocated to the General Fund. There is no local job impact associated with this recommendation.

Approve recommendation.

ALEJANDRINA BASQUEZ
DIRECTOR OF HUMAN RESOURCES

APPROVED:

PATRICK H. WEST
CITY MANAGER