



Legislation Details (With Text)

File #: 18-0508 **Version:** 1 **Name:** HR - Earthquake Insurance
Type: Contract **Status:** CCIS
File created: 5/25/2018 **In control:** City Council
On agenda: 6/19/2018 **Final action:** 6/19/2018
Title: Recommendation to authorize City Manager, or designee, to purchase Earthquake (Difference in Conditions) Insurance with the Insurance Company of the West, covering the Convention Center and City Hall buildings through Alliant Insurance Services, Inc., for a premium not to exceed \$139,500, for the period of July 1, 2018 through July 1, 2019. (Citywide)
Sponsors: Human Resources
Indexes:
Code sections:
Attachments: 1. 061918-C-13sr.pdf

Date	Ver.	Action By	Action	Result
6/19/2018	1	City Council	approve recommendation	Pass

Recommendation to authorize City Manager, or designee, to purchase Earthquake (Difference in Conditions) Insurance with the Insurance Company of the West, covering the Convention Center and City Hall buildings through Alliant Insurance Services, Inc., for a premium not to exceed \$139,500, for the period of July 1, 2018 through July 1, 2019. (Citywide)

The City purchases earthquake coverage on a limited basis for the Convention Center and City Hall. The proposed earthquake insurance policy will provide \$10 million in aggregate coverage, in excess of a \$5 million self-insured retention, covering both the Convention Center and City Hall buildings. The insurance will cover the buildings, personal property within the buildings, and actual loss of income because of a building closure. The cost to insure the Convention Center and City Hall is \$139,500, which is a 3 percent increase from the expiring policy.

In mid-2019, the new City Hall is expected to be completed and occupants will move out of the current City Hall structure and move into the new City Hall building. The owner of the new City Hall will be responsible to provide property insurance on the new City Hall, until the long-term lease expires and the City assumes ownership.

This matter was reviewed by Principal Deputy City Attorney Gary J. Anderson on May 31, 2018 and by Budget Management Officer Rhutu Amin Gharib on May 30, 2018.

City Council action is requested on June 19, 2018, to allow the City to bind insurance coverage by the renewal date of July 1, 2019.

The total premium cost will not exceed \$139,500 for the period of July 1, 2018 through July 1, 2019. Sufficient appropriation has been budgeted in the Insurance Fund (IS 390) in the Human Resources Department (HR). The cost of the earthquake insurance is recouped from all City departmental funds. There is no local job impact associated with this recommendation.

Approve recommendation.

ALEJANDRINA BASQUEZ
DIRECTOR OF HUMAN RESOURCES

APPROVED:

PATRICK H. WEST
CITY MANAGER