



Legislation Details (With Text)

File #: 17-0146 **Version:** 1 **Name:** Windstorm and Hail Insurance 2017
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Title: Consider and take action on a resolution authorizing the purchase of windstorm and hail property insurance from McGriff, Siebels & Williams of Texas, Inc. in an amount not to exceed \$441,001 (Assistant City Manager)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Data Sheet, 2. Proposed Resolution, 3. RWL Recommendation

Date	Ver.	Action By	Action	Result
3/14/2017	1	City Council	Approved	Pass

Consider and take action on a resolution authorizing the purchase of windstorm and hail property insurance from McGriff, Siebels & Williams of Texas, Inc. in an amount not to exceed \$441,001 (Assistant City Manager)

Approval of this item will authorize the City Manager to purchase windstorm and hail insurance for the City's property. The City's current policy was purchased through McGriff, Siebels & Williams (McGriff) for \$535,530 and expires April 6, 2017.

The current policy provides the following levels of coverage:

- \$50,000,000 commercial property coverage
- \$197,550,782 scheduled property
- 1% named storm deductible, capped at \$100,000
- storm surge coverage up to \$5,000,000

In compliance with State bidding law, the City issued a Request for Proposal (RFP) through the City's Consultant, RWL Group. The property schedule was again updated to reflect all city property at a value of \$199,800,782 (1.14% more than the current schedule). The RFP requested coverage of the full value of all City property and options for a \$50 million and a \$60 million limit for a policy beginning April 6, 2017. Initial proposals were received from USI Southwest and the incumbent, McGriff. City staff met with both firms on February 21, 2017 to review their proposals. Best and final offers were received on February 24, 2016 and evaluated by the City's consultant and staff. City staff is recommending the proposal from McGriff for approval. The cost of the policy is \$441,001 and would provide the following levels of coverage:

- \$60,000,000 commercial property coverage
- \$199,800,782 scheduled property
- 1% named storm deductible, capped at \$100,000, with a \$25,000 deductible for all other windstorm damages
- storm surge coverage up to \$10,000,000

The increase in total coverage (from \$50 million to \$60 million) increased the premium for this policy \$10,500. Staff is recommending that additional coverage due to the concentration of property in the Walker Street complex. The total policy is \$94,529 less than the current policy cost and \$121,306 less than was budgeted for this insurance.

Attachments

1. Data Sheet

2. Proposed Resolution
3. RWL Recommendation

FUNDING

{X} Funds are available from Account #0100-1650000-53330 (General Fund non-departmental) in the amount of \$343,007, 1020-10201650-53330 (Utility Operations Fund non-departmental) in the amount of \$151,823 and 2310-2310440-5330 (4B Maintenance and Operations Fund) in the amount of \$67,477 for a total budget appropriation of \$562,307.