



	Approved	Denied
Action taken	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other:		
Date of Council Action:	7/14/03	
Verified by:	J. Nunn, Acting Clerk	

**WASILLA CITY COUNCIL MEMORANDUM**

**CM No. 03-33**

**TITLE: Council Approval Of The Award Of City Of Wasilla's Insurance (Property, Liability, Automobile, And Worker's Compensation) To The Alaska Public Entity Insurance In The Amount Of \$424,390.**

**COUNCIL MEETING DATE: July 14, 2003**

**ADMINISTRATION INITIAL:** *Howard O'Neil*

**REQUESTED BY:** Administration

**PREPARED BY:** Finance

**Date Prepared:** July 01, 2003

**FISCAL IMPACT:**

If yes, amount requested: \$424,390      Account No.: Various

**SUMMARY STATEMENT:** The Finance Director on behalf of the Mayor awarded the renewal of the City of Wasilla's insurance coverage to Alaska Public Entity Insurance (APEI) under WMC 5.08.150 (Emergency Procurement) on June 30th. The City of Wasilla did not receive the final quotes from the Insurance Pools until June 28<sup>th</sup> at 2:00 p.m.. Based on an analysis of the quotes that the City of Wasilla received (see attached backup), Administration and the Finance Department determined that the rates and the insurance program offered by the APEI was the best insurance program for the City of Wasilla.

**STAFF RECOMMENDED ACTION** Council Approval Of The Award Of City Of Wasilla's Insurance (Property, Liability, Automobile, And Worker's Compensation) To The Alaska Public Entity Insurance In The Amount Of \$424,390.

**Attachments:** Special Notice to proceed and quotes from APEI and AML/JIA.

**SPECIAL NOTICE TO PROCEED: Applicable to placements through the Alaska Public Entity Insurance Company**

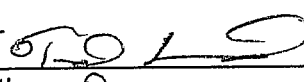
Named Insured: City of Wasilla

Policy Term: 7/01/03 thru 7/01/04

At our direction, please bind our insurance program with the above referenced carrier(s) in accordance with the proposal terms provided by Alaska Public Entity Insurance Company.

We acknowledge our understanding that this insurance program is underwritten in a group pooling arrangement. Portions of this placement are not rated by any rating agency and are not subject to recovery of outstanding claims under the AK Guaranty Association in the event of carrier insolvency.

We further acknowledge that Brady & Company does not consult or otherwise provide services directly to the pooling entity. As such, Brady is reliant on the information provided by the quoting entity to be correct and complete.

Date Signed: 6/30/03  
Signature of Authorized Representative:  on behalf of  
Printed Name of Authorized Representative: Dianne Keller, Mayor

This is a convenient coverage summary, not a legal contract. This proposal is provided to facilitate your understanding of your insurance program. Please refer to actual policies for specific terms, conditions, limitations, and exclusions that will govern in the event of loss.

In evaluating your exposure to loss, we have relied on the information provided by you. Should any of your exposures change after coverage is bound, please let us know immediately so proper coverage(s) can be discussed.

## Ted Leonard

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Subject: RE: Insurance renewal

-----Original Message-----

From: Brandon Allen [mailto:brandon\_allen@bradycompany.com]

Sent: Monday, June 30, 2003 12:57 PM

To: 'Ted Leonard'

Subject: RE: Insurance renewal

I can't answer why property prems are so different. However, the spread you are seeing is consistent with my other muni entities. Unfortunately, both sides are all or nothing. Too bad we can't pick and choose.

Recapping the AML quote...	general liability	\$153,884
	workers comp	156,025
	auto liability	32,220
	auto phys dam	17,729
	property	98,014
	mobile equipment	5,958
	police professional	39,228
	TOTAL	503,058
	APEI TOTAL	424,290
	premium difference	78,768

## Municipality Premium Summary

**POLICY YEAR:** July 1, 2003 - July 1, 2004

**CARRIER:** **AM Best Rating Admitted/Not Admitted**  
 Alaska Public Entity Insurance (Self Insured) *Not Rated\** *Not Admitted\*\**  
 Insurance Co. of the State of Pennsylvania *A++ XV* *Admitted*  
 Insurance Company of the West *A VIII* *Admitted*  
 Clarendon National *A IX* *Admitted*  
 Employers Reinsurance *A++ XV* *Admitted*  
 Lexington Insurance Company *A++ XV* *Not Admitted*

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**INSURED:** City of Wasilla

	Limit/Form	Deductibles	Premium
<b>Part I Property Program</b>			
Property Limit: Blanket	\$17,854,934	\$25,000	\$54,517
Mobile Equipment/EDP/Fine Arts	\$ 789,842	\$5,000	
Boiler & Machinery	\$50,000,000	\$10,000	
<b>Part II Liability Program</b>			
General Liability	\$10,000,000 Per Occurrence	\$5,000	\$243,219
Sewer Backup		\$15,000	
Automobile Liability	\$10,000,000 CSL	\$2,500	
Automobile Physical Damage	Actual Cash Value	\$2,500	
Public Officials Liability	\$10,000,000 Per Occurrence	\$10,000	
EMS Professional Liability	\$10,000,000 Per Occurrence	\$5,000	
Employment Practices Liability	\$10,000,000 Per Occurrence	\$10,000	
Law Enforcement Liability	\$10,000,000 Per Occurrence	\$5,000	
<b>Part III Crime &amp; Fidelity</b>			
Fidelity -(Faithful Performance included)	\$100,000		Included
Forgery or Alternation	\$100,000		
Money & Securities	\$25,000	\$500	
Money Orders & Counterfeit Paper	\$25,000		
Computer Fraud	\$25,000		
<b>Part IV Workers' Compensation</b>			
Limit	\$25,000,000 Per Occurrence		\$126,654
Employers Liability	\$1,000,000		
USL&H	\$1,000,000		
Jones Act	\$1,000,000		
<b>Total Premium 2003-2004</b>			<b>\$ 424,390</b>

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## Alaska Municipal League Joint Insurance Association, Inc. Municipality Premium Summary

**POLICY YEAR:** July 1, 2003 - July 1, 2004  
**CARRIER:** AM Best Rating Admitted/Non Admitted  
 Alaska Municipal League Not Rated\* Not Admitted\*\*  
 Joint Insurance Association  
**INSURED:** City of Wasilla

*Important Notice:  
 \*\*\*Please refer to  
 back of page for  
 Supplemental  
 Carrier  
 Information for  
 Definitions*

	Limit/Form	Deductibles	Premium
<b>Part I Property Program</b>			
Property Limit: Blanket	\$26,865,284	\$5,000	<b>\$95,247.00</b>
Mobile Equipment/EDP/Fine Arts	Per Schedule	\$5,000	<b>\$ 5,958.00</b>
Boiler & Machinery	\$50,000,000	\$10,000	<b>\$ 2,767.00</b>
<b>Part II Liability Program</b>			
General Liability	\$5,000,000 Per Occurrence	\$5,000	<b>\$153,884.00</b>
Sewer Backup		\$25,000	
Automobile Liability	\$1,000,000 CSL	\$5,000	<b>\$32,220.00</b>
Automobile Physical Damage	Actual Cash Value	\$5,000	<b>\$17,729.00</b>
Public Officials Liability	\$10,000,000 Per Occurrence	\$15,000	
EMS Professional Liability	\$10,000,000 Aggregate Per Occurrence	\$10,000	
Employment Practices Liability	\$10,000,000 Aggregate Per Occurrence	\$15,000	
Law Enforcement Liability	\$10,000,000 Aggregate Per Occurrence	\$15,000	
<b>Part III Crime &amp; Fidelity</b>			
Fidelity	\$100,000		Included
(Faithful Performance included)			
Money & Securities	\$25,000	\$500	
<b>Part IV Workers' Compensation</b>			
Limit	Per Occurrence		
Employers Liability	\$1,000,000		<b>\$156,025.00</b>
USL&H	\$1,000,000		
Jones Act	\$1,000,000		
<b>Total Premium 2003-2004</b>			<b>\$463,830.00</b>

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## Airport Owners & Operators Liability

**POLICY YEAR:** July 1, 2003 - July 1, 2004

*Important Notice:  
\*\* Please refer  
To back page for*

<b>CARRIER:</b>	<b>AM Besting Rating Admitted/Non Admitted</b>
ACE Property & Casualty Insurance Company	A XII Admitted

*Supplemental  
Carrier  
Information for  
Definitions*

### ANNUAL PREMIUM

**\$8,849**

<b>LIMITS:</b>	\$10,000,000 Each Occurrence/Offense in Respect of Bodily Injury Personal and Advertising Injury and Property Damage Combined \$10,000,000 Products-Completed Operations Annual Aggregate \$10,000,000 Personal Injury and Advertising Injury Annual Aggregate \$10,000,000 Malpractice Annual Aggregate Not Insured Extended Coverage – War, Hi-Jacking and Other Perils Annual Aggregate \$ 100,000 Fire Damage Limit Any One Fire \$ 5,000 Medical Expense Limit Any One Person \$10,000,000 Hangarkeepers not 'in flight' Limit Any One Occurrence \$10,000,000 Hangarkeepers not 'if flight' Limit Any One Aircraft \$10,000,000 Non-Owned Aircraft Liability
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**DEDUCTIBLE:** -0-

**SUBJECT TO:** 60 Days Notice of Cancellation, Non-Renewal or  
 Reduction in Coverage by Insurer  
 10 Days Notice of Cancellation for Non Payment of Premium

**OPTIONAL**

**COVERAGE:** \$5,000 Extended Coverage-War, Hi-Jacking and Other  
 Perils Endorsement  
 \$5,000 Coverage as Required by the Terrorism Risk  
 Insurance Act of 2002 (TRIA)  
 \$7,500 For Coverage Under Both of Endorsements

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