COUNTY DEPARTMENT AGENDA REQUEST

Department:	Finance / Purchasing	Presenter(s):	Ted L. Burgess
Meeting Date:	Thursday, June 23, 2011	Type of Request:	Consent

Wording for the Agenda:

Approval of staff's recommendation to accept the bid of Public Risk Underwriters to provide property and casualty insurance for Fiscal Year 2012; and authorization for the Chairman to execute any subsequent related contracts and documents upon review of the County Attorney.

Background/History/Details:

The county issued a Request for Proposals (RFP) for property and casualty insurance for Fiscal Year 2012. Of the two proposals received, one responded to the 'scope of work' in the RFP, while the other offered consulting services only, which were not requested. The response that addressed the county's needs as requested was from Public Risk Underwriters, which is the county's current insurance broker. Their proposed price of $425,651 is a 1.2% increase over the Fiscal Year 2011 premium. It should be noted that the final price may vary by a relatively minor amount, because of updates to the county's fixed-asset inventory value or similar adjustments.

What action are you seeking from the Board of Commissioners?

Approval of staff's recommendation to accept the bid of Public Risk Underwriters to provide property and casualty insurance for Fiscal Year 2012; and authorization for the Chairman to execute any subsequent contracts and documents upon review of the County Attorney.

If this item requires funding, please describe:

Funds are included in the Fiscal Year 2012 budget for property and casualty insurance.

Has this issue come before the Commissioners in the past?	No	If so, when?	
Do you need audio-visual for the presentation?	No	Back-up Material Submitted?	Yes

STAFF USE ONLY

Approved by Finance	Yes	Reviewed by Legal	Yes
Approved by Purchasing	Yes	Approved by County Clerk	Yes
Administrator's Approval	Yes		

Staff Notes:

Fayette County GEORGIA

Where Quality Is A Lifestyle

To: Mary S. Holland

From: Ted L. Burgess

Date: June 5, 2011

Subject: Fiscal Year 2012 Property & Casualty Insurance

The county paid $420,578 for its property and casualty insurance policy for Fiscal Year 2011. The one-year agreement included options to renew for two additional one-year periods, with the agreement of both parties. Insurance was provided by Travelers, through Public Risk Underwriters (PRU).

For Fiscal Year 2012, Travelers sent word through PRU that they were interested in renewing only if the premium were increased by 8 ½ percent. As a result, county staff released a Request for Proposals to determine if a better value could be obtained.

Two companies responded to the Request for Proposals. One company, however, proposed to provide the county risk management consulting services, which was not part of the requested service. The other proposal was from PRU, with Travelers providing most of the insurance. This time, their proposal was to provide the requested insurance for $425,651 which is a 1.2% increase from Fiscal Year 2011. It should be noted that the final price could be adjusted by a small amount, depending on the value of existing inventory and similar considerations.

The PRU proposal will meet the insurance needs of the county, and I recommend accepting it for Fiscal Year 2012. The attached spread sheet provides information for the various categories of risk covered by the proposal, and compares Fiscal Year 2011 to Fiscal Year 2012 coverage.

TLB
Attachment

Property & Casualty Insurance
Comparison of FY 2011 to Proposed FY 2012

	Fiscal Year 2011		Fiscal Year 2012	
Coverage	Limits	Deductible	Limits	Deductible
General liability:	2,000,000	25,000	2,000,000	25,000
Products & completed operations	2,000,000	25,000	2,000,000	25,000
Personal & advertising injury	2,000,000	25,000	2,000,000	25,000
Damage to premises rented to you limit	100,000	25,000	100,000	25,000
Georgia bodily injury statutory cap limit	500K / 700K	25,000	500K / 700K	25,000
Ga. property damage statutory cap limit	50,000	25,000	50,000	25,000
Emergency medical technicians	2,000,000	25,000	2,000,000	25,000
Sexual abuse or molestation offense	1M / 2M	25,000	1M / 2M	25,000
Zoning coverage	2,000,000	25,000	2,000,000	25,000
Employee benefits liability	1M / 3M	1,000	1M / 3M	1,000
Type: occurrence or claims made	Claims made		Claims made	
Retro date	Full prior acts		Full prior acts	
Automobile:				
Liability	2,000,000	25,000	2,000,000	25,000
Uninsured / underinsured motorist	75,000		75,000	
Medical payments	5,000		5,000	
Total # of units	377 Units		376 Units	
Physical damage				
Comprehensive / collision	-	25,000	-	25,000
Government Crime				
Employee theft	750,000	1,000	750,000	1,000
Forgery or alteration	100,000	1,000	100,000	1,000
Inside premises / outside premises	100K / 100K	1,000	100K / 100K	1,000
Computer fraud	750,000	1,000	750,000	1,000
Property			-	
Blanket building & personal property	160,083,443	25,000	159,783,441	25,000
Specified location basis (functional RC)	2,427,200	25,000	2,427,200	25,000
Equipment	Included	25,000	Included	25,000
Lights and fencing	Included	25,000	Included	25,000
Flood and earthquake	5M / 5M	25,000	5M / 5M	25,000
Coinsurance	90%	N/A	90%	N/A
Flood coverage	Excluding Zones A,V,B shaded X, D		Excluding Zones A,V,B shaded X, D	
Inland marine				
Radio tower & communications equipment	1,179,101	25,000	877,101	25,000
Valuable papers	3,650,000	25,000	3,650,000	25,000
Contractors equipment	4,532,666	25,000	4,571,495	25,000
Computer equipment	4,090,677	25,000	3,863,836	25,000
Data processing data / media	500,000	25,000	500,000	25,000
Data media extra expense limit	150,000	25,000	150,000	25,000
Misc. scheduled property & equipment	3,387,285	25,000	2,238,286	25,000
Equipment breakdown	160,083,443	25,000	162,210,643	25,000
Expediting expense	250,000		250,000	
Pollution clean-up	250,000		250,000	
Spoilage	250,000		250,000	
Law enforcement libility	2M / 2M	25,000	2M / 2M	25,000
National Sheriff's Assoc - Line of duty death	N/A	N/A	10K / 25K	-

Coverage	Fiscal Year 2011 Limits	Fiscal Year 2011 Deductible	Fiscal Year 2012 Limits	Fiscal Year 2012 Deductible
Public entity mgt. liability	2M / 2M	25,000	2M / 2M	25,000
Type: occurrence or claims made	Claims made		Claims made	
Retro date	7/1/1995		7/1/1995	
Employment practices liability	2M / 2M	25,000	2M / 2M	25,000
Type: occurrence or claims made	Claims made		Claims made	
Retro date	7/1/1995		7/1/1995	
Umbrella liability (leased towers)				
Limit / aggregate	3M / 3M	10,000	3M / 3M	10,000
Option to approve outside attorneys				
Option included?	No		Law Enforcement Liability carrier (Columbia Casualty) will allow consultation. Remainder of the proposal (through Travelers) will not provide this option.	
PREMIUM	420,578		425,651	