



AGENDA MEMORANDUM

Future Item for the City Council Meeting of February 11, 2014
Action Item for the City Council Meeting of February 18, 2014

DATE: February 11, 2014

TO: Ronald L. Olson, City Manager

FROM: Michael Barrera, Assistant Director of Financial Services
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Excess Liability and Excess Workers' Compensation Insurance

CAPTION:

Motion approving an agreement with McGriff, Seibels & Williams, of Texas, Inc. of Addison, Texas for the purchase of Excess Liability and Excess Workers' Compensation Insurance, in accordance with Request for Proposal Number BI-0084-14, for a total one-year expenditure of \$583,598, based on lowest responsible bid. The term of the agreement will be for one year with an option to extend for up to three additional one-year periods, subject to the approval of the service provider and the City Manager or designee. Funds are budgeted in the Liability/Employee Benefit - Liability and Liability/Employee Benefits – Workers' Compensation Funds.

PURPOSE:

The City of Corpus Christi (City) currently purchases coverage for Excess General Liability and Excess Workers' Compensation. Excess General Liability insurance provides the necessary protection above and beyond the limits established by the Texas Tort Claims Act.

BACKGROUND AND FINDINGS:

In order to minimize the financial impact to the City of Corpus Christi's self- insurance fund, excess insurance is purchased, which covers catastrophic losses for both Workers' Compensation and General Liability. The Excess General Liability policy covers claims such as: bodily injury, civil rights and use of force; while the Excess Workers' Compensation policy will cover catastrophic employee injuries.

ALTERNATIVES:

Not applicable.

OTHER CONSIDERATIONS:

Not applicable.

CONFORMITY TO CITY POLICY:

This purchase conforms to the City's purchasing policies and procedures and State statutes regulating procurement.

EMERGENCY / NON-EMERGENCY:

Non-emergency.

DEPARTMENTAL CLEARANCES:

Legal Department

FINANCIAL IMPACT:

X Operating Revenue Capital Not applicable

Fiscal Year: 2013-2014	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		\$583,598.00		
Encumbered / Expended Amount		0		
This item		583,598.00		
BALANCE		0		

Fund(s): Liability/Employee Benefit – Liability Fund and Liability/Employee Benefits – Workers' Compensation Fund

Comments: Not applicable.

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Price Sheet
Service Agreement