

BILL NO. 18-91

AN ORDINANCE APPROVING THE FY2019 PROPERTY AND LIABILITY INSURANCE PROGRAM, AUTHORIZING THE CITY MANAGER TO ENTER INTO AGREEMENTS WITH CNA INSURANCE, ONE BEACON INSURANCE, PHYSICIANS PROFESSIONAL INDEMNITY ASSOCIATION, TRAVELER'S INSURANCE AND THOMAS MCGEE, L.C. FOR THE PROCUREMENT OF PROPERTY AND LIABILITY INSURANCE COVERAGE AND RELATED SERVICES FOR FY2019, AND AUTHORIZING THE CITY ATTORNEY TO APPROVE INDIVIDUAL CLAIM EXPENSES AND/OR SETTLEMENTS IN AMOUNTS NOT TO EXCEED \$20,000.00 PER CLAIM.

WHEREAS, the City of Lee's Summit, Missouri is a constitutional charter City, organized and existing under the laws of the State of Missouri (hereinafter "City"); and,

WHEREAS, the City currently maintains a robust property and liability insurance program, wherein the City manages a self insured retention for claims, handling the majority of matters in-house and enjoys flexibility and autonomy in the claims management process; and,

WHEREAS, the City's current property and liability insurance broker, Lockton Companies, Inc., conducted marketing efforts this spring on behalf of the City for its property and liability insurance; and,

WHEREAS, the City's incumbent insurance carriers for property and liability lines of coverage, CNA Insurance, One Beacon Insurance, Physician's Professional Indemnity Association, and Traveler's Insurance have enjoyed positive working relationships with the City in the past; and,

WHEREAS, said incumbent insurance carriers have provided desirable proposals and quotes for renewal of the City's current property and liability insurance programs for FY2019; and,

WHEREAS, Lockton Companies, Inc. has reviewed the proposed policies from CNA Insurance, One Beacon, Physicians Professional Indemnity Association, and Travelers Insurance and recommends renewals with those carriers for FY2019; and,

WHEREAS, Thomas McGee, L.C. has provided a desirable proposal which offers as needed third party administrator services for the processing of liability claims; and,

WHEREAS, the City has budgeted funds to account for the premium costs, brokerage fees, and anticipated claims expenses and losses for FY2019, which specifically includes budgeted funds to cover various losses to be determined through the claims process; and,

WHEREAS, the City desires to accept the quotes from CNA Insurance, One Beacon Insurance, Physicians Professional Indemnity Association, Traveler's Insurance and Thomas McGee, L.C. and enter into Agreements to procure insurance coverage and related services consistent with the property and liability insurance program presented by City staff for FY2019; and,

WHEREAS, the City desires to convey authority upon the City Attorney to approve individual settlements or claims expenses in amounts not to exceed \$20,000.00 per claim.

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NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LEE'S SUMMIT, MISSOURI, AS FOLLOWS:

SECTION 1. That the FY2019 property and liability insurance program for the City of Lee's Summit be and hereby is accepted and the City Manager is authorized to execute any agreements and other documents necessary to effectuate the procurement of coverage for property and liability insurance and related services with CNA Insurance, One Beacon Insurance, Physician's Professional Indemnity Association, Traveler's Insurance and Thomas McGee, L.C. on behalf of the City of Lee's Summit.

SECTION 2. That the City Attorney is hereby authorized to approve claims expenses, payments or settlements up to \$20,000.00 per claim, subject to the annually budgeted maximum of \$150,000.00 for all claims and expenses for FY2018.

SECTION 3. That this ordinance shall be in full force and effect from and after the date of its passage and adoption, and approval by the Mayor.

SECTION 4. That should any section, sentence, or clause of this ordinance be declared invalid or unconstitutional, such declaration shall not affect the validity of the remaining sections, sentences or clauses.

PASSED by the City Council of Lee's Summit, Missouri this ____ day of _____, 2018.

Mayor *William A. Baird*

ATTEST:

City Clerk *Trisha Fowler Arcuri*

APPROVED by the Mayor of said City this ____ day of _____, 2018.

Mayor *William A. Baird*

ATTEST:

City Clerk *Trisha Fowler Arcuri*

APPROVED AS TO FORM:

City Attorney *Brian W. Head*