

Agenda

Basehor City Council

Work Session

March 4, 2013 7:00 p.m.

Basehor City Hall



1. 2013/14 City of Basehor Property/Liability Insurance Review and Discussion

Per K.S.A. 75-438 the City Council Meeting agenda is available for review at Basehor City Hall, 2620 North 155th



The City of Basehor

Date: February 28, 2013

To: Basehor Mayor & City Council
Lloyd Martley, Interim City Administrator

From: Corey Swisher, City Clerk/Finance Director

Re: 2013-14 Property/Liability Insurance Renewal

Background:

The City's current property insurance will expire on March 31, 2013. The City's current insurance broker, Reilly & Son's through EMC Underwriters have provided a preliminary renewal quote for the time frame of April 1, 2013, through March 31, 2014.

Premium History:	2010/11	2011/12	2012/13	2013/14
	\$50,816	\$44,652	\$47,194	\$55,970

The year over year percentage increase the preliminary quote represents is 18.5%. It is important to note the quote received is preliminary and the City's insurance broker will review the coverages to determine final acceptability. The renewal will need to be approved on the March 18th Regular Meeting.

In 2011, the City engaged Lockton Companies, the world's largest, privately owned, independent insurance broker, to review the City's insurance coverage. Lockton verified the City was receiving thorough and sufficient coverage for a good value. EMC continues to maintain very competitive rates and staff has been very pleased with their customer service.

Staff Recommendation:

Discuss 2013/14 Property/Liability Insurance Renewal.

Attachments:

Preliminary 2013/14 Property/Liability Insurance Quote

**City of Basehor, Kansas
PO Box 406
Basehor, KS 66007**

Policy term

April 1, 2013

to

April 1, 2014

ACCOUNT SERVICING TEAM

No matter how comprehensive or price competitive your insurance program is, it's still people who service it to ensure that the coverage will respond when it's needed. We feel our people are our greatest asset - courteous professionals who know that you expect and deserve the very best.

These are the people who will be handling your account:

J.R. REILLY	AGENT	jr.reilly@reillyinsurance.com
CYNDI FRY	ACCOUNT MANAGER	cyndi.fry@reillyinsurance.com
TAMMY WAGNER	CLAIMS	tammy.wagner@reillyinsurance.com

The Reilly Company
Leavenworth Office: 608 Delaware, Leavenworth, KS 66048
Phone: 913-682-1234; FAX: 913-682-8136
Kansas City Office: 11225 College Blvd., Ste 210, Overland Park KS
Phone: 913-708-8700; FAX: 913-708-8880

This presentation is designed to give you an overview of the insurance coverages we recommend for your company. It is intended only as a general understanding of your insurance needs and should not be construed as a legal interpretation of the insurance policies that will be written for you. Please refer to your specific insurance contracts for details on coverages, conditions and exclusions.

COMMERCIAL PROPERTY COVERAGE

Named Insured: City of Basehor
 Company Name: EMC Underwriters, Inc. (rated A+ by A.M.Best)
 Policy Term: 04/01/2013 to 04/01/2014

Cause of Loss: Special Form including Breakdown & Earthquake
 Deductible: \$5,000/10% on Earthquake
 Valuation: Replacement Cost w/Agreed Value

Blanket Building Limit: \$ 8,645,286
Blanket Personal Property \$ 249,000
Blanket Property in Open \$ 1,258,526
\$ 10,152,812

<u>Location</u>	<u>Coverage</u>	<u>Limits</u>
1) 2620 N. 155 th Street Basehor (City Hall)	Building Contents	\$ 486,081 112,000
2) N.155 th St. & State Ave. Basehor	Welcome-Sign-Metal Property in Open	\$ 3,277
3) N. 142 nd St. & Parallel Basehor	Welcome Sign-Metal Property in Open	\$ 3,277
4) 15940 Leavenworth Rd. Basehor	Gazebo, Environmental Classroom/Playground, Picnic tables & grills Property in Open	\$ 76,431
5) 2300 N. 158 th St. Basehor	Building Contents	\$ 7,939,436 50,000
Wastewater Treatment/Fence, Flood Lights, Control Panels, Holding Tank & Pumps		
6) 2300 N. 158 th , Basehor Smith Loveless #SN16-47292	Lift Station Prop in Open	\$ 121,200

	<u>Location</u>	<u>Coverage</u>	<u>Limits</u>
7)	1512 N. 155 th Basehor # USEMCO5594	Lift Station Property in Open	\$ 12,016
8)	2442 Crestwood St. Basehor #FLYGT93801	Lift Station Property in Open	\$ 12,016
9)	575 N. 155 th St. Basehor #FX-01151-P	Lift Station Property in Open	\$ 36,360
10)	16575 State Ave. Basehor #1608251N	Lift Station Property in Open	\$ 34,954
11)	15940 Leavenworth Basehor	Shelter House Property in Open	\$ 12,016
12)	15940 Leavenworth Basehor	Restrooms Building	\$ 32,769
13)	1312 N. 150 th St. Basehor #FX-01067	Lift Station Property in Open	\$ 18,570
14)	20005 163 rd St Basehor #00-504-SJP	Lift Station Property in Open	\$ 120,155
15)	14310 Donahoo Rd. Basehor #11-07195V	Lift Station Property in Open	\$ 120,155
16)	15120 State Ave. Basehor #FX-01096-V	Lift Station Property In Open	\$ 21,300
17)	22539 141 st Terrace Basehor #FX-01199-P	Lift Station Property in Open	\$ 20,754

<u>Location</u>	<u>Coverage</u>	<u>Limits</u>
18) 18236 153 rd St. Basehor #16-08029-S	Lift Station Property in Open	\$ 16,385
19) 16300 Garden Parking Basehor Fox Ridge Station #16-08187N	Lift Station Property in Open	\$ 20,200
20) 19155 166 th St. Basehor Hidden Ridge, #28-00251K	Lift Station Property in Open	\$ 36,360
21) 2301 N. 158 Basehor Town Center, #16-08601-00F	Lift Station Property in Open	\$ 40,400
22) 14333 Fairmont Road Basehor Field Of Dreams	Building/Office Contents/Office Building/Equipment Garage Contents/Equipment Garage Building/Concession Contents/Concession Building/Ticket Booth Contents/Ticket Booth Building/Parking Booth Contents/Parking Booth Property in Open/Fences Property in Open/Lights Property in Open/Bleachers Property in Open/Water Fountain Property in Open/Scoreboards	\$ 70,000 \$ 50,000 \$ 40,000 \$ 15,000 \$ 70,000 \$ 20,000 \$ 4,000 \$ 1,000 \$ 3,000 \$ 1,000 \$ 232,000 \$ 120,000 \$ 19,200 \$ 8,500 \$ 45,000
23) 2712 N. 158 th St. Hickory Valley Subdivision #16-4729-Z	Lift Station Property in Open	\$ 18,000
24) 15458 Evans Road Sewer Dist #3 #16-08758-P	Lift Station Property in Open	\$ 45,000

<u>Location</u>	<u>Coverage</u>	<u>Limits</u>
25) 15930 Conley Road BL Elementary School #16-08589-00-S	Lift Station Property in Open	\$ 45,000

Key Exclusions: Flood and Losses due to Virus/Bacteria

Automatic Coverage Extensions

Debris Removal 25%+	\$	50,000
Pollutant Clean Up and Removal	\$	25,000
Personal Effects of Others	\$	10,000
Valuable Papers & Records Cost of Research	\$	100,000
Property Off-Premises & In Transit	\$	50,000
Outdoor Property (named Perils only) Tree, Shrub or Plant (\$250)	\$	25,000
Business Income w/Extra Expense	\$	500,000
Water Damage (sewer back-up)	\$	100,000
Accounts Receivable	\$	100,000
Fine Arts	\$	50,000
Money & Securities – Each Occurrence	\$	10,000
Ordinance or Law included in Building Limit		Included
Equipment Breakdown Protection		Included

Special Property Exclusion Endorsement:

In consideration for premium charged, it is hereby understood and agreed that unless property or locations are scheduled, coverage is excluded for transmission lines, traffic control lights, street lights and poles, street signs, fire hydrants, parking meters, recreational area lighting and equipment, picnic tables, park restrooms and shelter houses, and stadium or bleachers.

EQUIPMENT FLOATER

Named Insured: City of Basehor
 Company Name: EMC Underwriters, Inc. (rated A+ by A.M.Best)
 Policy Term: 04/01/2013 to 04/01/2014

Cause of Loss: Special Form subject to policy exclusions
 Valuation: Actual Cash Value with 80% Coinsurance
 Deductibles: \$ 500 Scheduled Equipment – Per Occurrence
 \$ 500 Unscheduled Equipment - Per Occurrence
 \$ 500 Employee Tools
 \$ 500 Leased or Rented from Others
 \$ 250 Radios
 \$ 500/1000 Computer Coverage

Limits

Coverage Description

\$ 122,781	Scheduled Equipment
\$ 80,100	Scheduled Handheld/Mobile Radios
\$ 50,000	Unscheduled Equipment (Maximum any one item \$2,500)
\$ 5,000	Employee Tools
\$ 80,000	Leased or Rented from Others (Maximum any one item \$1,000)
\$ 50,000	Computer Hardware – Replacement Cost
\$ 50,000	Computer Software – Replacement Cost
\$ 7,500	Computer – Extra Expense
\$ 5,000	Off-Site Computers

SCHEDULED EQUIPMENT

Item #	Equipment Description	ID/Serial Number	Value
001	1997 Case Uniloader & Attachments	Mod. #1845C	\$ 17,500
002	1006 Generator Model 20DS60	TO FOLLOW	\$ 16,000
003	11 Ft. Lawton Snow Plow	M-RO-1044	\$ 3,500
004	10 Ft. Henderson Salt/Sand Spreader	5P262	\$ 3,500
005	John Deere 997 72inch N 997 ZTRAK	DM9975C020420	\$ 7,000
006	9 Ft. Henderson Salt/Sand Spreader	FSP 9MS HYD	\$ 3,495
007	9 Ft. Western Pro Plus Ultra Mount Snow Plow	1UTPP90	\$ 3,468
008	2003 John Deere 6320 & Attachments	12G168504	\$ 38,000
009	John Deere Tractor	W0300XX005991	\$ 14,000
010	Kubota ZD21F-60P Mower	63217 & 42140	\$ 4,000
011	Kubota (added 2-27-13)	RTV900XTW-H	\$ 12,318

SCHEDULED HANDHELD/MOBILE RADIOS

Item #	Equipment Description/Radios	ID/Serial Number	Value
001	Hand Held Radio XTS2500	205CJM5858	\$ 3,300
002	Hand Held Radio XTS2500	205CJM5859	\$ 3,300
003	Hand Held Radio XTS2500	205CJM5860	\$ 3,300
004	Hand Held Radio XTS2500	205CJM5861	\$ 3,300
005	Hand Held Radio XTS2500	205CJM5862	\$ 3,300
006	Hand Held Radio XTS2500	205CJM5863	\$ 3,300
007	Hand Held Radio XTS2500	205CJM5864	\$ 3,300
008	Hand Held Radio XTS2500	205CJM5865	\$ 3,300
009	Hand Held Radio XTS2500	205CJM5866	\$ 3,300
010	Hand Held Radio XTS2500	205CJM5867	\$ 3,300
011	Hand Held Radio XTS2500	205CJM5868	\$ 3,300
012	Hand Held Radio XTS2500	205CJM5869	\$ 3,300
013	Hand Held Radio XTS2500	205CJM5870	\$ 3,300
014	Hand Held Radio XTS2500	205CJM5871	\$ 3,300
015	Hand Held Radio XTS2500	205CJM5872	\$ 3,300
016	Mobile Radio XLT2500	514CJM4232	\$ 3,060
017	Mobile Radio XLT2500	514CJM4233	\$ 3,060
018	Mobile Radio XLT2500	514CJM4234	\$ 3,060
019	Mobile Radio XLT2500	514CJM4235	\$ 3,060
020	Mobile Radio XLT2500	514CJM4236	\$ 3,060
021	Mobile Radio XLT2500	514CJM4237	\$ 3,060
022	Mobile Radio XLT2500	514CJM4238	\$ 3,060
023	Mobile Radio XLT2500	514CJM4239	\$ 3,060
024	Mobile Radio XLT2500	514CJM4240	\$ 3,060
025	Mobile Radio XLT2500	514CMR2525	\$ 3,060

COMMERCIAL GENERAL LIABILITY COVERAGE

Named Insured: City of Basehor
Company Name: EMC Underwriters, Inc. (rated A+ by A.M.Best)
Policy Term: 04/01/2013 to 04/01/2014

Coverage Written On: Occurrence Form

<u>Limits</u>	<u>Coverage Description</u>
\$ 1,000,000	Each Occurrence - Bodily Injury and Property Damage
\$ 2,000,000	General Aggregate
\$ 2,000,000	Products and Completed Operations Aggregate
\$ 1,000,000	Personal and Advertising Injury
\$ 100,000	Fire Damage (any one fire)
\$ 5,000	Medical Expense (any one person)
\$ 500,000	Employee Benefits Liability Each Employee/Claims Made Form
\$ 1,000,000	Employee Benefits Liability Aggregate
\$ 500	Employee Benefits Liability Deductible

Includes:

- Premises and Operations
- Products and Completed Operations
- Owners and Contractors Liability
- Contractual Liability
- Employees as Additional Insureds
- Broad Form Property Damage Liability
- Host Liquor Liability
- Incidental Medical Malpractice
- Non-Owned Watercraft Liability (under 26 feet)
- Limited Worldwide Products

Additional Coverage:

Pesticide/Herbicide Applicator Coverage
Kansas Tort Liability Endorsement \$500,000 Limit
Additional Insured: Good Samaritans Endorsement CG7129

COMMERCIAL GENERAL LIABILITY SCHEDULE OF EXPOSURES

(S) GROSS SALES - PER \$1,000/SALES (A) AREA - PER 1,000/SQ. FT. (M) ADMISSIONS - PER 1,000/ADM
(P) PAYROLL - PER \$1,000 PAY (C) TOTAL COST - PER \$1,000/COST (U) UNIT - PER UNIT (T) OTHER

Classification	Class Code	Premium Basis
Town Liability – Prem/Ops in progress. Includes work subcontracted to others Exposure: Populations Deductible: \$ 500	87523	4,600 T
Street or Roads	48727	Included
Pesticide or Herbicide Applicator	87718	1 T
Parades (Deductible \$3,000 PD)	46590	2 T

Refer to policy for all conditions and exclusions

Key Exclusion: Employment Related Practices (see Linebackers coverage)

LINEBACKER COVERAGE

Named Insured: City of Basehor
Company Name: EMC Underwriters, Inc. (rated A+ by A.M.Best)
Policy Term: 04/01/2013 to 04/01/2014

Coverage Written On: Claims-Made Form
Retroactive Date: 2-15-92

Available Extended Reporting Period: (unlimited)

<u>Limits</u>	<u>Coverage Description</u>
\$ 1,000,000	Each Loss
\$ 2,000,000	Aggregate for Each Policy Term
\$ 2,000	Deductible per Loss

Who is an Insured:

- The "Organization" named in the Declarations
- The "Organization's" past, present or future lawfully elected, appointed or employed officials.
- Lawfully appointed members of the commissions
- Boards or other units operated under your jurisdictions and within an allocation of your total operating budget provided, however, that none of the above are insured's with respects to operations involving schools, airports, transit authorities, hospitals, nursing homes, housing, or port authorities, gas or utilities unless specifically endorsed onto this policy.
- "Volunteers" past, present or future while conducting the business of the "organization".
- "Employees" past, present or future of the "organization" while acting within the course and scope of their employment for the "organization".
- "Insured" **does not include** any person working on retainer and/or as an independent contractor.

Linebacker Form: CL7001

Coverage A Public Officials Liability
Coverage B Employment Practices Liability

Note: Refer to policy and forms for all terms and conditions.

LAW ENFORCEMENT OCCURRENCE

Named Insured: City of Basehor
Company Name: EMC Underwriters, Inc. (rated A+ by A.M.Best)
Policy Term: 04/01/2013 to 04/01/2014

Coverage Written On: Occurrence Form

<u>Limits</u>	<u>Coverage Description</u>
\$ 1,000,000	Each Occurrence
\$ 2,000,000	Aggregate Limit
\$ 5,000	Medical Expense (any one person)
\$ 2,500	Deductible each wrongful act

Who is an insured:

- The insured named in the Declarations
- Your employees, but only for acts within the scope of their employment by you.
- Volunteers or auxiliary while performing law enforcement activities for you at your request.
- Any elective or appointive officer or a member of any board or commissioner or agency of yours while acting within the scope of their duties as such.

Coverage and Forms:

Law Enforcement Liability
Prior Acts Endorsement Retro Date 2/15/92

Full Time Peace Officers	12
Part Time Peace Officers	0

Exclusion: Mold, Other Fungi, or Bacteria Exclusion Endorsement

COMMERCIAL CRIME COVERAGE

Named Insured: City of Basehor
Company Name: EMC Underwriters, Inc. (rated A+ by A.M.Best)
Policy Term: 04/01/2013 to 04/01/2014

<u>Limits</u>	<u>Deductible</u>	<u>Coverage Description</u>
\$ 250,000	\$ 2,500	Employee Dishonesty per Loss
\$ 50,000	\$ 2,500	Forgery or Alteration

Includes: Faithful Performance of Duty Coverage form #CRf25 19
Government Crime Coverage form (loss sustained form)
Include Specified Non-Compensated Officers as Employees
Form #CR25 08
Government Crime Coverage form #CR7002

COMMERCIAL AUTOMOBILE COVERAGE

Named Insured: City of Basehor
 Company Name: EMC Underwriters, Inc. (rated A+ by A.M.Best)
 Policy Term: 04/01/2013 to 04/01/2014

<u>Limits</u>	<u>Coverage Description</u>
\$ 500,000	Combined Single Limit - Bodily Injury & Property Damage
\$ 500,000	Uninsured Motorists
\$ 500,000	Underinsured Motorists
\$ 2,000	Medical Payments

Includes: Non-Owned Auto Liability
 Hired Auto Liability

Additional Conditions and Endorsements

Hired Auto Physical Damage \$ 30,000
 Comprehensive \$ 500 Ded.
 Collision \$ 1000 Ded.

Commercial Automobile Schedule

Veh #	Year	Vehicle Make Vehicle Model Serial Number	Premium	Liab	Med Pay	UM	Comp Deductible	Collision Deductible
001	1999	FORD EXPLORER - Police 1FMZU34E7XUCO2044	\$	X	X	X	\$ 500	\$ 1,000
002	1999	FORD F350 TRUCK - Pub. Wks 1FDWF373XEE77292	\$	X	X	X	\$ 500	\$ 1,000
003	1999	TRAILER 16 FT. - Pub Wks. FSL14HDE102	\$	X	X	X		
004	2000	FORD TAURUS - City Admin. 1FAFP5327YA237970	\$	X	X	X	\$ 500	\$ 1,000
005	2000	FORD F250 TRUCK - Pub Works 3FTNF21F7YM59915	\$	X	X	X	\$ 500	\$ 1,000
006	2001	FORD F350 DUMP TRUCK - Pub Works 1FDX37F91ED33556	\$	X	X	X	\$ 500	\$ 1,000
007	2002	FORD RANGER PU - Pub. Works 1FTXR15E02PB11021	\$	X	X	X	\$ 500	\$ 1,000

Commercial Automobile Schedule

Veh #	Year	Vehicle Make Vehicle Model Serial Number	Premium	Liab	Med Pay	UM	Comp Deductible	Collision Deductible
008	2003	KENWORTH DUMP TRUCK – Pub. Works 2NKMHY8X03M899037	\$	X	X	X	\$ 500	\$ 1,000
009	2007	FORD CROWN VIC - Police 2FAFP71W97X107745	\$	X	X	X	\$ 500	\$ 1,000
010	1999	READY BILT 17' DOVE TAIL TRLR – Pub. Works 47SS142T7X1015526	\$	X	X	X		
011	2007	FORD CROWN VIC – Police 2FAFP71WX7X128801	\$	X	X	X	\$ 500	\$ 1,000
012	2008	Ford F475 1 ½ Ton Truck – Pub. Wks 1FDXF47R58EC53401	\$	X	X	X	\$ 500	\$ 1,000
013	2008	Ford Crown Victoria– Police 2FAFP71V78X135083	\$	X	X	X	\$ 500	\$ 1,000
014	2008	Ford Interceptors 4Dr. - Police 2FAHP71V98X141199	\$	X	X	X	\$ 500	\$ 1,000
015	2008	Ford Ranger w/Equipment - Police 1FTZR15E78PA03195	\$	X	X	X	\$ 500	\$ 1,000
016	2009	Ford Crown Victoria 2FAHP71V89X126760	\$	X	X	X	\$ 500	\$ 1,000
017	2009	Ford Crown Victoria 2FAHP71V19X126762	\$	X	X	X	\$ 500	\$ 1,000
018	2011	Chevrolet Silverado 1GCNKPEX0BZ422203	\$	X	X	X	\$ 500	\$ 1,000
019	2011	Craftco Supershot 125D Paving Trailer 1C9SY1012B1418227	\$	X	X	X	\$ 500	\$ 1,000
020	2011	Chevrolet Impala -- Police 2G1WD5E33C1160809	\$	X	X	X	\$ 500	\$ 1,000
021	2013	Ford Taurus -- Police 1FAHP2M84DG104133	\$	X	X	X	\$ 500	\$ 1,000
022	2013	Ford Taurus -- Police 1FAFP2M88DG104135	\$	X	X	X	\$ 500	\$ 1,000
023	2013	Ford Taurus -- Police 1FAFP2M8XDG104136	\$	X	X	X	\$ 500	\$ 1,000

PREMIUM COMPARISON

DESCRIPTION OF COVERAGE	PREMIUM 2012/13	PREMIUM 2013/14
Property, Equipment Breakdown & Earthquake	\$ 22,661	\$ 26,107
Commercial Inland Marine Equipment & Computers	\$ 2,521	\$ 2,708
Commercial General Liability Employee Benefit Liability	\$ 5,679	\$ 7,622
Linebacker Coverage	\$ 2,236	\$ 3,336
Law Enforcement	\$ 3,635	\$ 3,635
Crime Coverage	\$ 446	\$ 439
Commercial Auto	\$ 10,016	\$ 12,123
Total Estimated Premium	\$ 47,194	\$ 55,970

2011/12 Premium: 44,652
 2010/11 Premium: 50,816
 2009/10 Premium: 42,785
 2008/09 Premium: 42,380
 2007/08 Premium: 41,523

RECOMMENDED/OPTIONAL COVERAGE:

- 1) Commercial Umbrella Policy/\$1,000,000 Limit \$3,500 per year
In order to issue the umbrella they require that we increase the Auto Liability (per quote above) as well as increase the Employee Benefits Liability to \$1,000,000 per employee for an additional \$39 per year