

COUNCIL AGENDA – APRIL 16, 2013

SUBJECT: CITY-FUNDED SUPPLEMENTAL INSURANCE FOR HISTORICAL PARADES

SOURCE: ADMINISTRATIVE SERVICES DEPT. / RISK MANAGEMENT

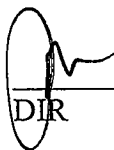
COMMENT: For the last several years, the Council has approved supplemental liability coverage for the City's three historical parades: Cinco de Mayo, Veterans', and Children's Christmas. The concept of city-funded supplemental coverage arose due to the recommendation of the City's Risk Management Authority for increased liability coverage for special events such as parades, and concerns raised by parade organizers with regard to increased costs for said coverage.


Staff has obtained a quote in the amount of \$2,346.57 to provide coverage for calendar year 2013 consisting of \$1,000,000 per occurrence (\$2,000,000 aggregate); \$1,000,000 personal/advertising injury; \$100,000 fire damage; and \$1,000 to \$5,000 medical expense. The quote was submitted by incumbent carrier Burlington Insurance Company (AM Best Rating "A" IX (Excellent)), and represents a 0% increase from the prior year. This short term coverage policy would cover all three 2013 historical parades, and is proposed to be paid out of Risk Management Account No. 50-1116-54.

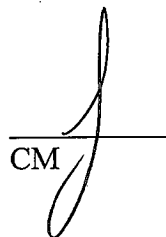
RECOMMENDATION: That the City Council:

1. Accept the quote submitted by Burlington Insurance Company in the amount of \$2,346.57; and
2. Authorize the Risk Manager to purchase said policy for supplemental insurance coverage for the three historical City parades for calendar year 2013.

ATTACHMENT: Insurance Quote Detail

  
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DIR

  
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Appro./  
Funded

  
\_\_\_\_\_  
CM

Item No. 8



**Burns & Wilcox**  
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7575 N. Palm Ave, #200, Fresno, CA 93711  
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**TO:** Walter Mortensen Insurance Attn: JACQUELINE MADRIGAL  
**RE:** City of Porterville  
**S/L NUMBER:**

**DATE:** 11/6/2012  
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**WE ARE PLEASED TO OFFER THE FOLLOWING QUOTATION:**

**LOCATION(S) OF RISK:**

- 1. Downtown Porterville Area, Porterville, CA 93257-3737

**PROPOSED EFFECTIVE PERIOD:** 11/30/2012 AT 12:01 AM TO 05/05/2013 AT 12:01 AM STD TIME AT RISK LOCATION.

**FORM OF COVERAGE:** COMMERCIAL GENERAL LIABILITY OCCURRENCE

**APPLICATION NO:** 327B000901 (Renewal of Policy# 327B000901)

**INSURER(S):**

Line Of Business	Supplier(s)	Participation
Commercial General Liability	Burlington Insurance Company	100.00 %

**LIMITS / DEDUCTIBLES:**

Loc	Sub Coverage	Limit(s)	Deductible(s)	Co Ins
1	General Aggregate	\$2,000,000		
1	Products and Completed Operations-Aggregate	Included w/Limits		
1	Each Occurrence	\$1,000,000		
1	Personal and Advertising Injury	\$1,000,000		
1	Fire Damage / Any One Fire	\$100,000		
1	Medical Expense / Any One Person	\$5,000		

**TOTAL CHARGES:**

Premium:	\$ 2,079.00	Commercial General Liability (Fully Earned)
Fee:	\$ 200.00	Brokerage Fee (Fully Earned)
Tax:	\$ 5.20	Stamping Tax
Tax:	\$ 62.37	Surplus Lines Tax - GenLiab
<b>TOTAL:</b>	<b>\$ 2,346.57</b>	

**100% MINIMUM & DEPOSIT**

**TERM MINIMUM PREMIUM:**  
 100.00 % EARNED (Except When Fully Earned)  
 MINIMUM PREMIUM = \$2,079.00

Terrorism coverage available for an additional premium of \$100.00, plus applicable taxes. Acceptance or rejection of this coverage must be made in writing.

**COMMISSION:** 10.00 % OF PREMIUM

**EXCLUSIONS:**

SEE "ENDORSEMENTS" SECTION BELOW / NEXT PAGE

**ENDORSEMENTS:**