

AN ORDINANCE **98597**

AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO PURCHASE A LAYERED INSURANCE PROGRAM FOR COMMERCIAL PROPERTY INSURANCE, INCLUDING BOILER AND MACHINERY COVERAGE, FOR CITY-OWNED AND LEASED BUILDINGS, CONTENTS, AND EQUIPMENT WITH ALLIANZ INSURANCE COMPANY AND RSUI INDEMNITY COMPANY THROUGH MCGRIFF, SEIBELS & WILLIAMS OF TEXAS, INC., THE CITY'S BROKER OF RECORD, FOR THE PERIOD DECEMBER 31, 2003 THROUGH DECEMBER 31, 2004, AT A TOTAL COMBINED COST OF \$1,373,413.00.

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WHEREAS, Commercial Property Insurance provides coverage to the City for physical damage and business interruption to the City's real and personal property; and

WHEREAS, Boiler & Machinery Insurance provides coverage to the City for direct and indirect damage to City property arising from a sudden and accidental breakdown to any of our boiler or machinery equipment and provides business interruption coverage for losses caused by boiler and machinery claims; and

WHEREAS, the City Council previously authorized the purchase of Property Insurance through Ordinance No. 96934, passed and approved December 19, 2002, and this Ordinance will approve continuance of this type of insurance protection for the City of San Antonio; and

WHEREAS, through McGriff, Seibels & Williams of Texas, Inc., the City's Broker of Record, a competitive process, as well as marketing activities, were used to secure providers of said insurance through a layered insurance program to obtain the desired per-loss coverage limit of \$300,000,000.00; and

WHEREAS, the Risk Management Division and the City's Broker of Record evaluated the proposals solicited for this type of coverage and recommend placing the City's property coverage with Allianz Insurance Company and purchasing the excess layer of insurance coverage from RSUI Indemnity Company, at a total combined cost of \$1,373,413.00; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager, or her designee, is hereby authorized to purchase Commercial Property Insurance, including Boiler and Machinery coverage, from Allianz Insurance Company and RSUI Indemnity Company, through McGriff, Seibels &

Williams of Texas, Inc., the City's Broker of Record, for a one-year period beginning December 31, 2003, and ending December 31, 2004, at a cost of \$1,373,413.00.

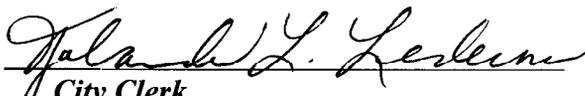
SECTION 2. The amount of \$1,373,413.00 is authorized to be encumbered in Fund 75-001000, Insurance Reserve Fund, in Index Code 500546, entitled Ins Prem-Excess Liab 100,000, and is to be made payable to McGriff, Seibels and Williams of Texas, Inc., the City's Broker of Record, for the purchase of Property Insurance from Allianz Insurance Company and RSUI Indemnity Company for a coverage period from December 31, 2003 to December 31, 2004.

SECTION 3. The financial allocations in this Ordinance are subject to approval by the Director of Finance. The Director may, subject to concurrence by the City Manager, or her designee, correct allocation to specific Index Code and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 4. This ordinance shall take effect on December 31, 2003.

PASSED AND APPROVED this 18th day of December, 2003.


M A Y O R
EDWARD D. GARZA

ATTEST: 
City Clerk

APPROVED AS TO FORM: 
for City Attorney