

AN ORDINANCE 2007-03 29-0308

APPROVING THE PURCHASE OF AIRCRAFT HULL AND LIABILITY INSURANCE FOR CITY-OWNED HELICOPTERS FROM ACE PROPERTY AND CASUALTY INSURANCE COMPANY FOR A ONE-YEAR PERIOD BEGINNING MARCH 31, 2007 FOR AN ANNUAL PREMIUM COST OF \$252,670.00.

WHEREAS, it is necessary to provide liability and property insurance coverage for helicopters operated by the San Antonio Police Department ("SAPD") to provide protection from liability exposure arising from the operation of the helicopters and insure against physical damage exposure; and

WHEREAS, SAPD currently operates five helicopters; and

WHEREAS, McGriff, Seibels & Williams of Texas, Inc. ("McGriff"), the City of San Antonio's ("City") broker of record, evaluated the proposal received pursuant to a Request for Proposals soliciting aircraft hull and liability insurance; and

WHEREAS, the proposed policy provides property damage coverage and liability coverage from the operation of the helicopters; and

WHEREAS, the policy has a single limit of \$10,000,00.00 per occurrence for bodily injury or property damage, a sublimit of \$5,000.00 per person, per seat in each aircraft for medical payments to passengers; and

WHEREAS, the deductibles under the proposed coverage differ depending on two factors: whether the rotors are in motion or in-flight, or not in motion or in-flight, and on the value of the helicopters; and

WHEREAS, for accidents occurring not in motion or not in-flight, a \$500 deductible applies to the three older aircraft, and a \$1,000 deductible applies to the two 2007 aircrafts; and

WHEREAS, for accidents occurring while in motion or in flight, the deductible is priced not to exceed 5% of the aircraft's insured value; and

WHEREAS, the annual premium for this policy is \$252,670.00 for all five helicopters; and

WHEREAS, the City's Broker of Record, McGriff, Seibels & Williams of Texas, Inc., recommends placing the aircraft hull and liability insurance coverage with ACE Property and Casualty Insurance Company; and

WHEREAS, it is necessary to authorize the purchase of the policy through the City's Broker of Record, for the period beginning March 31, 2007 and ending March 31, 2008;
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 aircraft hull and liability insurance from ACE Property and Casualty Insurance Company through the City's broker of record, McGriff, Seibels & Williams of Texas, Inc., for a one-year period beginning March 31, 2007 and ending March 31, 2008 at an annual premium of \$252,670.00 for five helicopters. The City Manager, or her designee, is hereby authorized to execute any documents necessary and incidental to the purchase of the insurance authorized herein.

SECTION 2. The amount of \$252,670.00 is authorized to be paid from Fund 75-001000, Insurance Reserve Fund, GL 5402600, entitled Insurance Premium-Excess Liability, Cost Center 1009020001, and made payable to McGriff Seibels & Williams, for the purchase of Aircraft Hull and Liability Insurance for City-owned helicopters. Coverage will commence on March 31, 2007 and terminate on March 31, 2008.

SECTION 3: The financial allocations in this ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific accounts, cost centers, or fund numbers as necessary to carry out the purpose of this ordinance

SECTION 4. Upon the affirmative vote of at least eight members of the City Council, this ordinance shall become effective immediately; otherwise, it will become effective on April 8, 2007.

PASSED AND APPROVED this 29th day of March, 2007.



M A Y O R

PHIL HARDBERGER

ATTEST:


City Clerk

APPROVED AS TO FORM:


for City Attorney