

AN ORDINANCE **100105**

AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO PURCHASE EXCESS GENERAL LIABILITY AND WORKERS' COMPENSATION INSURANCE, AS A PACKAGE POLICY, FOR THE CITY OF SAN ANTONIO FROM STATE NATIONAL INSURANCE COMPANY, THROUGH MCGRUFF, SEIBELS & WILLIAMS OF TEXAS, INC., THE CITY'S BROKER OF RECORD, FOR A ONE-YEAR PERIOD BEGINNING DECEMBER 31, 2004 AND ENDING DECEMBER 31 2005, AT A COST OF \$661,500; WITH AN OPTION TO EXTEND THE COVERAGE FOR TWO ADDITIONAL ONE YEAR PERIODS AT A GUARANTEED RATE OF \$00.0557 PER \$100 OF PAYROLL EXPENSES, SUBJECT TO AND CONTINGENT UPON FUNDING BY THE CITY COUNCIL.

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WHEREAS, Excess Liability Insurance provides coverage to the City of San Antonio ("City") for covered claims involving commercial general liability, automobile liability, incidental medical malpractice, personal injury, policy and professional liability, and employee benefits liability insurance; and

WHEREAS, Excess Worker's Compensation Insurance provides protection to the City from catastrophic claims resulting from occupational injuries, illnesses, or diseases; and

WHEREAS, the previous policies authorized by Ordinance No. 98598 will expire on December 31, 2004, so new policies are needed to continue this kind of coverage; and

WHEREAS, the City's Risk Management Division and McGriff, Seibels & Williams of Texas, Inc. ("McGriff"), the City's broker of record, evaluated proposals received pursuant to a Request for Proposals soliciting these types of coverage, and recommends purchasing the coverage from State National Insurance Company; and

WHEREAS, the cost of this coverage will be \$661,500.00 for the first year, with options to extend the coverage at a set rate per \$100 of payroll expense for two additional one year periods, subject to funding; **NOW THEREFORE:**

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

SECTION 1. The City Manager, or his designee, is hereby authorized to purchase Excess Liability and Excess Worker's Compensation Insurance, as a package policy, from State National Insurance Company, through McGriff, Seibels & Williams of Texas, Inc., the City's broker of record, at a cost of \$661,500.00 for a one year period beginning on December 31, 2004, and ending on December 31, 2005. The City Manager, his designee, or the Director of Human Resources is hereby authorized to renew this policy for two additional one year periods, subject to and contingent upon appropriation of funds, without further action by the City Council, at the premium rate of \$00.0557 per \$100 of payroll expenses as is provided for in the policy being approved herein.

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SECTION 2. The amount of \$406,800.00 is authorized to be encumbered in Fund 75-001000, Insurance Reserve Fund, in Fund Center 1009010000, Cost Center 1009010001, G/L Account 5402600 and is to be made payable to McGriff, Seibels & Williams of Texas, Inc., the City's Broker of Record. The policy coverage is for a one (1) year period beginning December 31, 2004 through December 31, 2005.

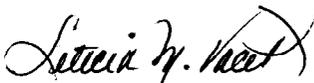
SECTION 3. The amount of \$254,700.00 is authorized to be encumbered in Fund 75-003000, Workers Compensation Program, in Fund Center 1009030000, Cost Center 1009030001, G/L Account 5402520 and is to be made payable to McGriff, Seibels & Williams of Texas, Inc., the City's Broker of Record. The policy coverage is for a one (1) year period beginning December 31, 2004 through December 31, 2005.

SECTION 4. 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 Cost Centers and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 5. This ordinance shall take effect on December 19, 2004.

PASSED AND APPROVED this 9th day of December, 2004.


M A Y O R
EDWARD D. GARZA

ATTEST: 
City Clerk

APPROVED AS TO FORM: 
City Attorney