



cityofnovi.org

CITY of NOVI CITY COUNCIL

Agenda Item 4
June 6, 2016

SUBJECT: Approval to renew the City's 2016-17 Property and Liability Insurance coverage with the Stevenson Company in the amount of \$317,444.

SUBMITTING DEPARTMENT: City Clerk *[Signature]*

CITY MANAGER APPROVAL: *[Signature]*

EXPENDITURE REQUIRED	\$317,444
AMOUNT BUDGETED	\$317,444
	101-210.00-910.000 \$258,418
	268-000.00-910.000 \$13,216
	590-000.00-910.000 \$10,148
	592-592.00-910.000 \$14,014
	594-000.00-910.000 \$21,648
APPROPRIATION REQUIRED	NONE
LINE ITEM NUMBER	N/A

BACKGROUND INFORMATION:

The Stevenson Company has provided the City with Property and Liability Insurance coverage since 2003. The coverage period is July 1 through June 30th. This coverage includes City owned property, buildings and equipment (large equipment including DPS and Fire equipment), its employees, elected officials and volunteers, regulatory takings/Inverse condemnation coverage and Sewer Backup Liability coverage. This year's premium is a decrease of \$9,280 in addition to a reduction of \$25,000 from the current \$50,000 deductible for Law enforcement Liability, Wrongful Acts (E & O) and Zoning Liability.

The coverage includes the Library, Ice Arena, Meadowbrook Commons and the Water Fund. Each of these entities, by way of separate line item numbers, reimburse the General Fund in the appropriate premium amounts. The underwriters use the following to provide rates: (a) claims experience (b) budget (c) number of total staff (d) number of police staff and number of firefighters and (f) property valuations (land, building, equipment, vehicles, gasoline storage tanks, etc.). The premium this fiscal year increased from last year's premium due to claims for sewer backup incidents and litigation settlement.

RECOMMENDED ACTION: Approval to renew the City's 2016-17 Property and Liability Insurance coverage with the Stevenson Company in the amount of \$317,444.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Burke				
Council Member Casey				

	1	2	Y	N
Council Member Markham				
Council Member Mutch				
Council Member Wrobel				