

AN ORDINANCE 2014 - 02 - 20 - 0096

AUTHORIZING THE PURCHASE OF PROPERTY INSURANCE FROM FM GLOBAL FOR A PREMIUM OF \$1,235,546.00 FOR THE FIRST YEAR OF A TWO-YEAR TERM, BEGINNING FEBRUARY 28, 2014 AND ENDING FEBRUARY 28, 2016, WITH A COVERAGE LIMIT OF \$1 BILLION, FUNDED BY THE FY 2014 BUDGET.

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WHEREAS, the City desires to place property insurance coverage with FM Global for a term beginning February 28, 2014 and ending February 28, 2016, for a premium of \$1,235,546.00 for the first year, and a premium adjustment during the second year based on reported values of City property; and

WHEREAS, staff ranked the proposal from FM Global as the best of two responsive proposals received for this coverage, after a request for competitive sealed proposals issued by City's Broker of Record, Marsh USA; and

WHEREAS, the proposed coverage by FM Global would have an aggregate limit of \$1,000,000,000.00 and a generally applicable deductible amount of \$100,000.00, and would provide earthquake and flood damage coverage up to \$50,000,000.00 annually subject to policy terms and conditions; **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 place primary property insurance coverage with FM Global, through Marsh USA, the City's broker of record, for a term beginning February 28, 2014 and ending February 28, 2016, for a premium of \$1,235,546.00 for the first year, with a premium adjustment based on reported values of City property for the second year of the policy, subject to and contingent upon appropriate of funds for the second year of the policy.

SECTION 2. Payment not to exceed the amount of \$1,235,546.00 is authorized to FM Global from Fund 75001000, General Ledger 1180110 and should be encumbered with a purchase order.

SECTION 3. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager, or her designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 4. This ordinance is effective immediately upon passage by eight affirmative votes; otherwise it is effective on the tenth day after passage hereof.

PASSED AND APPROVED this 20th day of February, 2014.

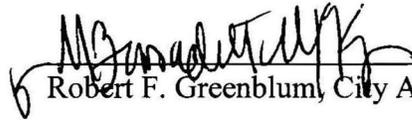

M A Y O R
Julián Castro

ATTEST:



Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:



Robert F. Greenblum, City Attorney

Agenda Item:	8 (in consent vote: 4, 5, 7, 8, 9, 11, 12, 12A, 12B, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26)
Date:	02/20/2014
Time:	09 23 29 AM
Vote Type:	Motion to Approve
Description:	An Ordinance authorizing the purchase of property insurance from FM Global for a premium of \$1,235,546 00 for the first year of a two-year term, beginning February 28, 2014 and ending February 28, 2016, with a coverage limit of \$1 billion, funded by the FY 2014 budget [Ben Gorzell, Chief Financial Officer, Troy Elliott, Director, Finance]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Juhán Castro	Mayor		x				
Diego Bernal	District 1		x				
Ivy R Taylor	District 2		x				x
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x			x	
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				