



**Metropolitan Domestic Water Improvement District
Board of Directors Meeting**

October 16, 2013

Ratification of Liability Insurance

Synopsis

This report is to request Board ratification to award the Liability Insurance to Gladfelter Public Practice for a policy period of October 1, 2013 to September 30, 2014.

Issues

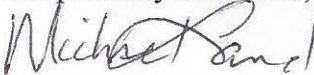
At the September 9, 2013 meeting the Board of Directors approved the selection of the Crest Insurance Group as the broker to represent the District in choosing a provider for Liability Insurance coverage on Property, Plant & Equipment. Needing to have the new policy in effect by October 1, 2013, the Board also authorized Mark Stratton to sign a insurance binder prior to October 1st.

With a limited number of providers serving a Water Utility, Crest gathered proposals from Gladfelter Public Practice who had been the District's insurance carrier for several years and Cincinnati Insurance Company. Crest worked with staff to clear up and correct a number of issues on the real and personal property and they also utilized some components of the proposal from Cincinnati to negotiate a very favorable annual premium cost from Gladfelter.

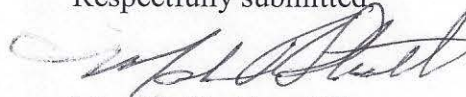
The renewal premium for October 1, 2013 through September 30, 2014 will be \$153,121, an increase of only \$995 over the previous policy year. A cost for each coverage category is attached. The anticipated budgeted amount for Liability Insurance through the remainder of 2013-14 and three months into 2014-15 comes to \$167,621 so the Gladfelter quote is \$14,500 under budget.

Recommendation

It is recommended that the Board of Directors ratify the Liability Insurance policy with Gladfelter Public Practice for the period of October 1, 2013 through September 30, 2014 at an annual premium cost of \$153,121.

Respectfully submitted,

Michael Land
Chief Financial Officer

I concur with the above-noted recommendation

Respectfully submitted,

Mark R. Stratton, P.E.
General Manager