



Legislation Text

File #: 1539-2016, **Version:** 1

Background: This ordinance authorizes the Finance and Management Director to renew a contract with Wells Fargo Insurance Services USA in the amount of \$546,700.00 for insurance policy premiums, risk engineering services for certain city assets, and insurance brokerage. Pursuant to a Request for Proposals solicitation SA005700 issued by the Department of Finance and Management, Real Estate Management Office (REMO), for the provision of insurance brokerage and risk management services for the City's property (casualty), boiler and machinery, aviation insurance, general liability, and excess liability insurance programs, the City entered into a contract with Wells Fargo Insurance Services USA, Inc. for a five year period, consisting of an initial one-year term and four automatic consecutive one-year terms. Each of the automatic one year renewals are subject to appropriation of necessary funds by City Council and certification of availability of funds by the City Auditor. This original contract was authorized by Ordinance No. 0885-2015, passed on 04/22/2015. The current agreement is in effect through July 31, 2016.

This ordinance authorizes the Director of Finance and Management to pay the cost of the first of four (4) automatic one-year renewal terms of the insurance brokerage and engineering services contract with Wells Fargo Insurance Services USA, Inc. The renewal also binds coverage for the City 2016-2017 insurance programs and expends up to \$395,000.00 from the Department of Finance and Management 2016 Budget and expends up to \$151,700.00 from the Department of Public Safety 2016 General Fund Budget for payment of policy premiums. This ordinance also authorizes the Director of Finance and Management to approve any necessary changes in the City's insurance programs, such as additions of buildings, aircraft, vehicles, modify coverage limits, and additions to type or lines of coverage during the 2016-2017 policy term.

The Contract Compliance Number for Wells Fargo Insurance Services USA, Inc. is 56-1882208 and the expiration date is 3/23/2017.

Fiscal Impact: The funding for this contract renewal and all insurance policy premiums is budgeted and the funds are available within the Department of Finance and Management 2016 Budget and the Department of Public Safety 2016 General Fund Budget. This ordinance authorizes the expenditure of up to \$546,700.00 for premiums and brokerage fees associated with insurance coverage necessary to protect the City's assets.

Emergency action is requested to allow for uninterrupted insurance brokerage services, the binding of property, boiler and machinery, general and excess liability, and aviation insurance coverage, and the payment of all premiums for the insurance year 2016-2017 to ensure that appropriate insurance coverage is in place protect the City's assets.

To authorize the Director of Finance and Management to renew the first of four (4) automatic one (1) year renewals with Wells Fargo Insurance Services USA, Inc., for insurance brokerage, risk engineering services for certain city assets, and insurance premiums, to authorize the expenditure of up to \$151,700.00 from the General Fund and \$395,000.00 from the Employee Benefits fund; and to declare an emergency. (\$546,700.00)

WHEREAS, pursuant to Ordinance No. 0885-2015, the City of Columbus entered into an insurance brokerage and risk engineering services contract with Wells Fargo Insurance Services USA, Inc. for a five year period of an initial one (1) year term and four (4) automatic consecutive one-year renewal terms, each subject to appropriation of necessary funds by the Columbus City Council and certification of availability of funds by the City Auditor; and

WHEREAS, it is necessary to authorize the expenditure of funds for the insurance brokerage and risk engineering services contract with Wells Fargo Insurance Services USA, Inc. for the first of four (4) consecutive one (1) year terms commencing May 1, 2016 and terminating April 30, 2017 and for the cost of premiums of the City's selected insurance policies for the insurance year commencing August 1, 2016 and terminating July 31, 2017; and

WHEREAS, it may be necessary for the Director of Finance and Management to make changes in the City's insurance program to modify coverage limits, insure additional buildings, aircraft, vehicles, add types or lines of coverage that may result in additional premium costs during the 2016-2017 policy term; and

WHEREAS, an emergency exists in the usual daily operations of the Department of Finance and Management in that it is immediately necessary to authorize the expenditure of funds for insurance brokerage and risk engineering services contract to ensure that insurance coverage continues without interruption thereby preserving the public health, peace, property, safety and welfare; now, therefore:

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Director of Finance and Management be and is hereby authorized and directed to pay the cost for the renewal of the contract with Wells Fargo Insurance Services USA, Inc. for provision of insurance brokerage and risk engineering services, the cost of all insurance premiums for property (casualty), boiler and machinery, general liability, excess liability, and aviation policies, and to make any necessary changes in the City's insurance program required during the 2016-2017 term and pay the associated costs of any additional insurance premiums incurred.

SECTION 2. That the expenditure of \$546,700.00, or so much thereof that may be necessary in regard to the action authorized in Section 1, be and is hereby authorized and approved as follows:

See Attached File: Ord 1539-2016 Funding Attachment.xls

SECTION 3. That the City Auditor is authorized to make any accounting changes necessary to ensure that this contract is properly accounted for and recorded accurately on the City's financial record. That the City Auditor is authorized to make any changes to revise the funding source for any contract or contract modification associated with this ordinance.

SECTION 4. That for reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.