

Meeting Date
10/21/14



AGENDA	
Section	Consent
Item No.	II.D.3

**AGENDA REPORT**  
**BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS**

SUBJECT:	APPROVAL OF POLLUTION LIABILITY INSURANCE PROGRAM FOR FISCAL YEAR 2014-2015
DEPT/OFFICE:	Office of Human Resources / Risk Management

Requested Action:

It is requested that the Board of County Commissioners approve placement of the County's Pollution Liability insurance coverage at a cost not to exceed \$103,907, and authorize the Insurance Director to bind coverage effective 10/31/14.

Summary Explanation & Background:

The County's authorized casualty insurance broker, PRIA (Public Risk Insurance Agency), has provided quotes and market analysis for Pollution Liability insurance coverage, and has proposed the renewal of coverage effective 10/31/14. Total premium cost in the expiring program, which was written as a three-year policy, is \$101,269.

The Pollution Liability coverage quote obtained combines pollution remediation and storage tank liability coverage in a single policy offered by Indian Harbor Insurance Company. This combined coverage is offered again as a three-year program at a cost of \$103,907 (or an annual average premium of \$34,636), and represents a modest premium increase over the expiring 3-year program of \$2,639. Competing renewal options were solicited from XL Insurance (Indian Harbor, the incumbent carrier), Chubb Group, ACE Insurance and AIG. The coverage offered by Indian Harbor Insurance Company in their renewal proposal will provide the County with its best premium option and is being recommended by both PRIA and Risk Management.

Total premium cost in the expiring program was \$101,269. Renewal of the expiring three-year program with Indian Harbor would allow us to preserve the limits of liability for the ensuing 3-year period with only a slight increase in premium of \$2,639 (a 2.6% increase). Negotiations with underwriters will continue up to the 10/31/14 renewal date in an effort to negotiate further premium reductions. When combined with Actuary recommended funding budgeted for FY 14/15, these premiums will not require changes to budgeted revenue requested in FY14/15.

Based on current commercial market conditions, Risk Management requests that the Board authorize the Insurance Director to execute Insurance Binders and contracts as necessary to renew insurance coverage as outlined above.

Fiscal Impact:

FY 14/15 – Premiums not to exceed \$103,907: Funds are budgeted in Business Area 5050 / Cost Center 389610.

Clerk to the Board instruction:

Exhibits Attached:

Contract /Agreement (If attached):		Reviewed by County Attorney	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	PR	<input type="checkbox"/>
County Manager		Deputy County Manager				Department Director / Extension Gerard Visco, Insurance Director / 5-5446		
Stockton Whitten		Assistant County Manager						



Tammy Etheridge, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001  
Fax: (321) 264-6972

October 22, 2014

**M E M O R A N D U M**

TO: Gerard Visco, Insurance Director

RE: Item II.D.3., Placement of Pollution Liability Insurance Program for Fiscal Year 2014-2015

The Board of County Commissioners, in regular session on October 21, 2014, approved placement of the County's Pollution Liability Insurance coverage at a cost not to exceed \$103,907; and authorized you to bind coverage effective October 31, 2014.

Your continued cooperation is greatly appreciated.

Sincerely yours,

BOARD OF COUNTY COMMISSIONERS  
SCOTT ELLIS, CLERK

Tammy Etheridge, Deputy Clerk

cc: Finance  
Budget