



County of El Dorado

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Legislation Text

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Human Resources Department, Risk Management Division, recommending Sr. Risk Management Analyst be authorized to complete and sign all necessary documents for the renewal premium with Ace USA in the amount of \$15,860 for the period February 5, 2009 through February 5, 2010 for Airport Liability Insurance for the Placerville and Georgetown Airports.

RECOMMENDED ACTION: Approve.

BUDGET SUMMARY:		
Total Estimated Cost		\$15860
Funding		
Budgeted	\$15860	
New Funding	\$	
Savings	\$	
Other	\$	
Total Funding Available	\$	
Change To Net County Cost		\$0

Fiscal Impact/Change to Net County Cost:

There is no net county cost as the program is a non-general fund program. Amounts are budgeted and payable from the Airport Enterprise Fund.

Reason for Recommendation:

The renewal proposal, by ACE USA, is identical to the current coverage for \$15 million dollars in per occurrence coverage, with no deductible, covering both the Placerville and Georgetown Airports for a broad range of liability exposures. ACE USA has a Standard and Poor rating of A+.

In addition to the basic insurance, which continues our current coverage, Ace USA offers extended coverage for war, hi-jacking, terrorist attacks, etc. Discussions with our Broker, Don Erickson of Atwood Insurance, reveal that most rural airports do not purchase this coverage because these types of exposures exist at the large metropolitan airports almost exclusively. These kinds of perils are therefore highly unlikely at either the Georgetown or Placerville Airports and Risk Management does not recommend its purchase. The Airport program will monitor the issue through their professional organizations and contacts. If later information suggests that the County should purchase this coverage, Risk Management will work with our Broker to procure it.

In staff's view, this represents an acceptable premium to coverage ratio, and an excellent overall financial risk transfer for our airport operations.

Action to be taken following Board approval:

The Sr. Risk Management Analyst will work with Atwood Insurance Agency to bind coverage. The Airport Manager will pay the annual premium when invoiced.

Contact: Larry Costello, x6625

Concurrences: DOT, CAO