

The Corporation of the City of Kawartha Lakes

Council Report

Report Number PUR2017-24

Date: March 21, 2017

Time: 2:00 p.m.

Place: Council Chambers

Ward Community Identifier:

Subject: 2015-95-OP Insurance and Risk Management Renewal

Author/Title: Launa Lewis, Buyer

Signature: 

Recommendation(s):

RESOLVED THAT Report PUR2017-24 2015-95-OP Insurance and Risk Management Renewal, be received; and

THAT the Renewal for the General Insurance Program for the term January 1, 2017 to January 1, 2018 be awarded to Frank Cowan Company at a cost of \$2,412,104 (including applicable taxes) and the annual premium be funded through the 2017 Operating Budget; and




THAT annual renewals with Frank Cowan Company be contingent on satisfactory negotiations with regards to pricing and service performance for a further three, one year terms, in accordance with the Purchasing Policy; and

THAT the Mayor and Clerk be authorized and directed to execute all associated documents related to the renewal of the General Insurance Program.

Department Head:

Corporate Services Director / Other:

Chief Administrative Officer:

Background:

At the Council Meeting of October 13, 2015, Council adopted the following resolution:

RESOLVED THAT Report PUR2015-045, **General Insurance and Risk Management Program 2015-95-OP**, be received;

THAT the General Insurance Program for the term January 1, 2016 to January 1, 2017 be awarded to Frank Cowan Company at the cost of \$2,234,748.00 (excluding applicable taxes) and the annual premium be funded through the 2016 Operating Budget;

THAT the Director of Corporate Services be authorized and directed to provide written notice to OMEX prior to October 31, 2015 advising of the City's desire to terminate its subscription with the Reciprocal;

THAT annual renewals with Frank Cowan Company be contingent on satisfactory negotiations with regards to pricing and service performance for a further four, one year terms, in accordance with the Purchasing Policy's Table of Authority; and

THAT the Mayor and Clerk be authorized and directed to execute all associated documents related to the renewal of the General Insurance Program for the term of January 1, 2016 to January 1, 2017 through Frank Cowan Company on behalf of the City.

CARRIED CR2015-1056

This renewal is in accordance with Frank Cowan's commitment to a 3 year Price Stability submitted in their original RFP submission. The premium increase over the 2016 expiring term is \$36,417.00 or 1.639%.

Frank Cowan Company has provided excellent service during the 2016 term and the transition from insurance carriers was seamless. In 2016 representatives from Frank Cowan Company provided two educational seminars as well as provided a municipal liability presentation at the 2016 CKL Leadership Forum. Boiler and Machinery inspections were completed at 30 City facilities as well, a further 19 facilities were inspected for asset valuations and risk inspection purposes. The City has also entered into an agreement for access to a GPS/Telematics system which will be trialed by the City in spring 2017. Frank Cowan Company has also assisted with claims and loss history reviews, contract reviews, risk management advice and report building.

Rationale:

Staff recommends that the Renewal for the General Insurance Program for the term January 1, 2017 to January 1, 2018 be awarded to Frank Cowan Company at a cost of \$2,412,104 (including applicable taxes) and the annual premium be funded through the 2017 Operating Budget.

Other Alternatives Considered:

No other alternative is being considered as the price given for this renewal term is in keeping with the price stability agreement.

Financial Considerations:

Funds for insurance are allocated as approved in the 2017 Operating Budget and are monitored by staff.

Relationship of Recommendation(s) To The 2016-2019 Strategic Plan:

Tender 2015-95-OP – General Insurance and Risk Management Program does not directly impact or align with a specific Strategy Map topic.

Review of Accessibility Implications of Any Development or Policy:

N/A

Servicing Comments:

N/A

Consultations:

Jolene Ramsay, Insurance Risk Management Coordinator

Attachments:

N/A

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Department File: 2015-95-OP
