

PURCHASING & LICENSING COMMITTEE

09-0152R

RESOLUTION AUTHORIZING CITY OFFICIALS TO CONTRACT WITH LISCOMB-HOOD-MASON COMPANY FOR PROPERTY INSURANCE COVERING CITY-OWNED BUILDINGS, EQUIPMENT AND BUSINESS PERSONAL PROPERTY DURING YEAR 2009 IN THE AMOUNT OF \$79,581.72.

CITY PROPOSAL:

RESOLVED, that city officials are hereby authorized to contract with Liscomb-Hood-Mason Company for property insurance from February 16, 2009, through February 15, 2010, the second of four one-year renewal options, covering 40 city-owned structures, miscellaneous equipment and business personal property in accordance with its quote of \$79,581.72, terms net 30, payable as follows:

(a) \$8,492.57 from the Duluth Economic Development Authority Fund 866, Agency 860, Object 5360;

(b) \$71,089.15 from the Self-Insurance Fund 610, Agency 036, Organization 1650, Object 5360.

Approved:

City Attorney
Purchasing Agent ____

Approved as to form:

Attorney

ATTY/PRCH DS:le 2/26/2009

Approved for presentation to council:

Chief Administrative Officer

Approved:

Auditor

STATEMENT OF PURPOSE: This resolution will renew a contract with Liscomb-Hood-Mason Company for property insurance to cover 40 city-owned structures, miscellaneous equipment and business property in 2009 for \$79,581.72, payable from the Duluth economic development authority and self insurance funds. Last year's total was \$87,886.99, so the city has realized a savings of \$8,305.27.

In relation to last year (2008):

- (a) The rate has decreased;
- (b) The new blanket limit is \$139,472,278 (\$100,000 deductible).

The new contract period runs from February 16, 2009, through February 15, 2010. This is the second of four one-year renewal options.

The city published the original request for proposals in February 2007. The three vendors listed below responded with proposals. Liscomb-Hood-Mason Company, located in Duluth, offered the best proposal.

Property Insurance Bid No. 07-0125; Requisition 09-0187 February 2, 2007
Liscomb-Hood-Mason Company, Duluth, MN
Otis-Magie Insurance Agency, Inc., Duluth, MN
Henry A. Anderson Agency, Inc., Duluth, MN