

PURCHASING & LICENSING COMMITTEE

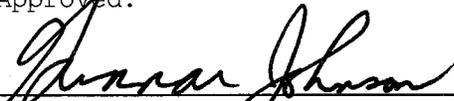
12-0049R

RESOLUTION AUTHORIZING A ONE-YEAR EXTENSION OF THE ANNUAL CONTRACT WITH LISCOMB HOOD MASON COMPANY FOR PROPERTY INSURANCE IN THE AMOUNT OF \$91,260.00.

CITY PROPOSAL:

RESOLVED, that city officials are hereby authorized to implement a one-year extension of the city's annual contract with Liscomb Hood Mason Company for property insurance from February 16, 2012, through February 16, 2013, covering 51 city-owned structures, miscellaneous equipment and business personal property in accordance with its quote of \$91,260.00, terms due upon receipt, payable from Fund 610 - Self Insurance Liabilities Fund.

Approved:


Department Director

Purchasing Agent ADH, CFO

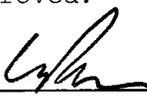
Approved for presentation to council:


Chief Administrative Officer

Approved as to form:


Attorney

Approved:


Auditor

ATTY/PRCH DD:DS:le 01/23/2012

STATEMENT OF PURPOSE: This resolution authorizes a one-year extension of the current contract with Liscomb Hood Mason Company for property insurance to cover 51 city-owned structures, miscellaneous equipment and business personal property for \$91,260.00, payable from the self-insurance fund.

In relation to last year:

- (a) The rate has increased from \$.503 to \$.511 per thousand.
- (b) The new blanket limit has increased to \$172,729.659.00 (\$100,000.00 deductible). The blanket limit last year began at \$156,218,309.00 and increased to \$169,218,345.00 with the addition of the new police station and tree farm toolhouse.

The Duluth Economic Development Authority (DEDA) will reimburse the city for its portion of the cost (\$15,254.00).

The renewal options for this contract will expire February 16, 2012. However, the city administration recommends an extension for one more year through February 16, 2013. The purchasing division intends to begin a new RFP (request for proposals) process sometime during 2012.

The city published the original request for proposals in February 2007. Three local Duluth vendors responded with proposals: Liscomb Hood Mason Company, Otis-Magie Insurance Agency, Inc., and Henry A. Anderson Agency, Inc. Liscomb Hood Mason Company offered the best proposal for the price.

Requisition pending