

Business Item

Metropolitan Council



Committee Meeting Date: July 26, 2023

For the Metropolitan Council: July 26, 2023

Business Item: 2023-167 SW

Council Property Insurance Renewal

District(s), Member(s):	All
Policy/Legal Reference:	Council Policy RF 3-1, Risk Management
Staff Prepared/Presented:	Phil Walljasper, Interim Regional Administrator, 651-602-1787
Division/Department:	Regional Administration / Risk Management

Proposed Action

That the Metropolitan Council authorizes to bind coverage of its property insurance effective 8/1/23-8/1/24, in an amount not to exceed \$4,300,000.

Background

The Metropolitan Council's Property Insurance provides coverage for physical damage to Council property (e.g. buildings, equipment, vehicles, trains), as well as expenses incurred while continuing operations after a physical loss.

Given the Council's operations and locations, a strong partnership with an insurance company is critical for proper insurance coverage and loss prevention. Last year, after an extensive marketing effort, the Council switched insurance companies and partnered with FM Global. In that time, staff has worked closely with FM, and their loss prevention engineers, to continue to strengthen the Council's ability to manage property risk.

Rationale

With the help of the Council's insurance broker, FM Global's renewal quote was benchmarked against the overall insurance market. FM is not only very competitive from a rate perspective, but also provided the appropriate terms and conditions for the Council's operations.

Thrive Lens Analysis

Authorization of binding property insurance following a marketing effort supports the Thrive principles of Stewardship and Livability, by not only securing the insurance in the most cost-effective manner, but also partnering with our insurance carrier to minimize a losses.

Funding

The premiums are allocated to the operating divisions, based upon the amount of respective values. This premium amount is budgeted as a part of the applicable operating budget within each division.

Small Business Inclusion

There are no certified small businesses that provide the level of service required.

