



REPORT TO: SUA

MEETING DATE: JUNE 22, 2020

Agenda Item:	3a. SUA-20-20
Background / Issue:	<ul style="list-style-type: none"> • Stillwater Energy Center (SEC) property insurance expires on June 30, 2020. The p • Premium for FY20 was \$118,141 from Zurich. • USI engaged the marketplace on behalf of the Stillwater Utilities Authority for property, casualty, and terrorism coverage. • As with the property coverage for the City, procuring coverage for SUA has proved to be difficult. Zurich made the decision to reduce its capacity on the energy center from 100% capacity to 50% capacity. • This required USI to find a way to fill the remaining 50% capacity. As it currently stands: <ul style="list-style-type: none"> ✓ Zurich has quoted full values at 50% capacity, ✓ Munich-Re has quoted full values at 25% capacity, ✓ the remaining 25% is to be filled prior to July 1, 2020. • The situation has also caused a considerable increase in the anticipated premiums. As of this report, USI is still working to finalize the coverage.
Proposal/Solution:	<ul style="list-style-type: none"> • Approve purchase of FY21 City of Stillwater Energy Center property insurance once coverage is finalized in an amount not to exceed \$400,000.
Financial Impact/Funding Source(s):	<ul style="list-style-type: none"> • No additional budget appropriation is required at this time.
Related Strategic Priority:	<p>#1 Effective Services & Accountable Government: To provide effective services and accountable government for all citizens by practicing fiscal responsibility, transparency and outstanding customer service.</p>

Recommended Action/Motion:

Motion to approve purchase of FY21 City of Stillwater Energy Center property insurance once coverage is finalized in an amount not to exceed \$400,000.

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Attachment(s):

None