

**REPORT/ RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF
ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY AND
RECORD OF ACTION**

October 14, 2021

FROM: Luke Skaflen, Business Support Specialist

SUBJECT: ACPAA Insurance Program Renewals for Year 2021-2022

RECOMMENDATION: Motion to approve the Airport Insurance Program for the renewal period from 11/1/2021 through 10/31/2022 in the amount of \$167,523 and authorize the Executive Director or Director of Administration to sign all necessary documents.

BACKGROUND: The Authority staff received the renewal quotes from Marsh and McLennan Agency (the "Broker"), on 9/22/2021. The Insurance Proposal is enclosed. There will be a 6.9% increase from the previous plan year's coverage, excluding the cost of property coverage for Parcel 50-5. The total premium due is \$166,863 including surplus line taxes & fees estimated \$500.

Overall the quotes the Broker received back were very competitive. There were no major changes from prior year renewals.

See attached premium summary for a specific breakdown of insurance lines and the premiums.

Commercial Property – Recommend we maintain coverage with Chubb and due to increased insurable values, the annual premiums will increase from \$23,031 to **\$23,873**. Property coverage for Parcel 50-5 can be added or removed at any time without penalty. Estimated cost of coverage for Parcel 50-5 is \$23 per day.

Inland Marine (Equipment) – Annual premiums have increased from \$33,899 to **\$39,570** (16.73% increase).

Automobile – Recommend keeping coverage with Chubb. Annual premiums will increase from \$39,056 to **\$40,947** (4.84% increase).

Aviation Liability – Coverage remains the same with an increase to the annual premium from \$34,800 to **\$37,700** (8.3% increase).

Public Officials E&O - Recommend that we maintain coverage with XL Allied World which is known as Indian Harbor. The annual premium will increase from \$9,658 to **\$10,429** plus surplus lines tax & fees (7.98% increase).

Privacy and Security (Cyber) – Recommend that we maintain coverage with Beazley and the premium have increased due an increasing number of claims from \$3,603 to **\$4,400** plus surplus lines taxes and fees.

Crime and Fiduciary Liability – Recommend that we maintain coverage with the Travelers for both policies. The annual premium for the Fiduciary Liability policy remain flat at **\$1,646**; and the annual premium for the Crime remains flat at **\$1,915**.

Pollution – The 3 year policy we had with Great American ends this year and the premiums have decreased subject to another 3 year term. Annual premium for the new 3 year period is **\$5,883** (-4.9% decrease). Total cost of the 3 year policy is \$17,648

Please note: *The Insurance Proposal also includes quotes and coverage comparisons for the Centennial Airport Foundation (CAF) policies. The annual premiums for the General Liability with The Hartford and Directors and Officers with the Travelers will remain the same with no increases or changes in coverage. The total annual premium for both policies will be \$1,223. CAF will ratify these renewals at its next meeting.*

FINANCIAL DATA: Total Renewal Costs for the 11/1/21 through 10/31/22 insurance plan year is \$166,863 (including estimated taxes and fees).

REVIEW BY OTHERS: Robert Olislagers, Gwen Balk

PRESENTERS: Luke Skaflen & Gwen Balk

Action of the Board of Commissioners

	1 st	2 nd	YES	NO	ABSTAIN
Bagnato	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Baker	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Doubek	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Holen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sharpe	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Preliminary Web Documents