

November 23, 2010

Mayor and Common Council
City of West Allis

RE: Insurance Issues

Dear Mayor Devine and Alderpersons:

On two occasions over the last several years the City Engineer and I have approached the Common Council to make changes with regard to the requirements for City contracts. In the ever-changing world of the insurance industry, the changes seem to be accelerating. Cities and Villages Mutual Insurance Company, CVMIC, recommends that, in addition to the requirements that we have, that the City impose on all contractors that they carry an umbrella policy of \$5,000,000. In addition, the type of notification that insurance companies are willing to give on the Certificate of Liability Insurance is changing.

These are just two of the most recent examples of changes with regard to insurance. The City Engineer and I would like the Common Council's approval to institute the \$5,000,000 Umbrella Policy requirement and also to give the City Engineer and City Attorney (perhaps in concert with the City Administrative Officer) the authority to vary the terms and conditions of the insurance requirements to fit the particular needs of a contract. This authority would provide much greater flexibility to award contracts while still providing the City with adequate insurance coverage. If the concept is acceptable, we will prepare a proposed draft policy for your consideration.

Please feel free to contact Mike Lewis or me if you have any questions or concerns regarding this matter.

Sincerely,

Scott E. Post
City Attorney

SEP:da

H/Scott/Corr/Mayor&Aldp-Insur Changes-Contracts

cc: Mike Lewis
Paul Ziehler