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# City of West Allis Matter Summary

7525 W. Greenfield Ave.  
West Allis, WI 53214

File Number	Title	Status
R-2010-0283	Resolution	Introduced
	Resolution Relative to Revising Risk Management Policy for Inclusion in the City of West Allis Policies & Procedures Manual.	
	Introduced: 12/21/2010	Controlling Body: Common Council
		Sponsor(s): Administration & Finance Committee

## COMMITTEE RECOMMENDATION *adopt*

ACTION DATE:	MOVER	SECONDER		AYE	NO	PRESENT	EXCUSED
DEC 21 2010			Barczak				
			Czaplewski				
			Kopplin	✓			
		X	Lajsic	✓			
	X		Narlock	✓			
			Reinke	✓			
			Roadt				
			Sengstock				
			Vitale	✓			
			Weigel				
			TOTAL	5			

## SIGNATURE OF COMMITTEE MEMBER

*Kurt Kopyso*  
 Chair Vice-Chair Member

## COMMON COUNCIL ACTION **ADOPT**

ACTION DATE:	MOVER	SECONDER		AYE	NO	PRESENT	EXCUSED
DEC 21 2010		✓	Barczak	✓			
			Czaplewski	✓			
	✓		Kopplin	✓			
			Lajsic	✓			
			Narlock	✓			
			Reinke	✓			
			Roadt	✓			
			Sengstock	✓			
			Vitale	✓			
			Weigel	✓			
			TOTAL	10			



# City of West Allis

7525 W. Greenfield Ave.  
West Allis, WI 53214

## Resolution

**File Number: R-2010-0283**

**Final Action:**

**DEC 21 2010**

**Sponsor(s):** Administration & Finance Committee

Resolution Relative to Revising Risk Management Policy for Inclusion in the City of West Allis Policies & Procedures Manual.

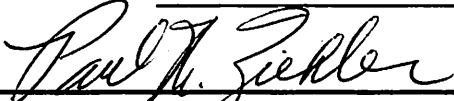
WHEREAS, Policy No. 1102, Risk Management Policy, was originally included in the City of West Allis Policies & Procedures Manual on January 1st, 1982, and revised on January 1st, 1998; and,


WHEREAS, it is necessary to revise and update said policy at this time regarding insurance requirements for contractors and the waiver thereof.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of West Allis that Policy No. 1102, Risk Management Policy, be approved as presented in the attached restatement.

BE IT FURTHER RESOLVED that the City Administrative Officer, Clerk/Treasurer is authorized and directed to include Policy No. 1102 in the City of West Allis Policies & Procedures Manual and distribute said policy to all departments, divisions and offices.

ATTR-Revise Policy No 1102 P&P Manual-Risk Management

**ADOPTED** DEC 21 2010  
  
Paul M. Ziehler, City Admin. Officer, Clerk/Treas.

**APPROVED** 12/23/10  
  
Dan Devine, Mayor

1.0 PURPOSE:

To describe the liability claims management, insurance, administrative and risk management guidelines and policies of the City of West Allis.

2.0 ORGANIZATIONS AFFECTED:

This policy applies to all City of West Allis departments, divisions, boards, commissions, and the general public.

3.0 POLICY:

It is the policy of the Department of Administration & Finance to have a risk management program, including (1) City internal administrative guidelines, (2) City claims management guidelines, and (3) the Cities & Villages Mutual Insurance Company guidelines on liability risk management and liability claims quality control.

4.0 REFERENCES:

Section 2.69, City of West Allis Revised Municipal Code.

5.0 PROCEDURES:

5.1 RESPONSIBILITY

The Department of Administration & Finance shall be responsible for City risk management program, to minimize the costs to the City of all activities related to the control of accident loss. The Department shall develop and recommend loss prevention, loss control, and loss transfer methods, procedures and programs for all City departments. The Department shall arrange appropriate insurance contracts, subject to approval by the Common Council, to the extent any risk of loss cannot reasonably be assumed by the City. The placement of insurance may be by private negotiation rather than competitive bid. The City retains an insurance/risk management consultant to advise the City on such matters.

5.2 GENERAL POLICIES

5.2.1 Worker's Compensation. It is the policy of the City to be self-insured in regard to workmen's compensation coverage up to the first \$250,000. The City also carries excess worker's compensation coverage up to a \$1,000,000 limit. The City retains a claims administrator to assist in processing and settling claims.

- 5.2.2 Liability. It is the policy of the City to carry excess general liability and auto liability (personal injury and property damage) and errors and omissions insurance coverage, with a self-insured retention of \$150,000 per occurrence, \$600,000 aggregate including defense costs. The City excess liability coverage is \$5,000,000 through the Cities & Villages Mutual Insurance Company. The City retains a claims administrator to assist in processing and settling claims. The City may also carry an additional \$5,000,000 depending on market conditions.
- 5.2.3 Property Insurance. Blanket coverage is provided through the Local Governmental Property Insurance Fund.
- 5.2.4 Paramedics/EMT Liability Insurance. It is the policy of the City to carry malpractice insurance on City paramedics on the first \$150,000 per occurrence, \$600,000 aggregate, which is self-insured for all other liability purposes.
- 5.2.5 ENERGY SYSTEMS (Boiler and Machinery) Insurance. The City carries boiler and machinery insurance coverage for direct damages (example = breakdowns), and indirect damages (costs caused by a breakdown).
- 5.2.6 Public Employee Bond. A \$100,000 blanket bond is carried on all City employees. In addition, the City Treasurer and selected other employees are bonded for \$400,000.
- 5.2.7 Health Insurance. It is the policy of the City to be self-insured in regard to health insurance and also to provide at least one clinic and one physician health maintenance organization. The City retains a third party administrator to handle self-insured claims.
- 5.2.8 Dental Insurance. Dental coverage is provided under either a self-insured plan or a dental HMO. The City retains a third party administrator to handle self-insured claims.
- 5.2.9 Unemployment Compensation. It is the policy of the City in regard to unemployment compensation, to pay actual claims.

### 5.3 GUIDELINES

- 5.3.1 The attached specific statements shall be the guidelines of the City of West Allis with respect to:
  - a.) Liability Claims Management
  - b.) CVMIC Guidelines
    - 1.) Liability Risk Management
    - 2.) Liability Claims Quality Control
  - c.) Internal Administrative
    - 1.) Risk Prevention
    - 2.) Risk Transfer
    - 3.) Risk Control

5.4 INSURANCE REQUIREMENTS FOR CONTRACTORS

5.4.1 General Insurance Requirements. Except where otherwise specified by ordinance, the following insurance provisions and amounts shall be required of all contractors performing professional services for the City:

[See Attached Document]

5.4.2 Delegation of Authority. The approval as to form and sufficiency of the consultant's insurance and the ability to waive the requirements set forth in Sec. 5.4.1 shall be as follows:

- a.) The City Attorney shall, in writing, signify that the requirements of Sec. 5.4.1 have been met prior to the execution of any contract.
- b.) The City Administrative Officer, City Attorney and Department Head seeking to obtain the professional services, may, upon unanimous agreement, amend or waive the requirements of Sec. 5.4.1 if they are satisfied that the nature of the contract, changing insurance practices, or other extenuating circumstance require alteration and that other provisions adequately protect the City. A written amendment to the terms shall be drafted and the City Administrative Officer, City Attorney and Department Head shall each sign the amendment prior to the City executing the contract.
- c.) Each person set forth in Subsection 5.4.2.b.) may designate one or more staff members to exercise his or her authority with regard to amending or waiving the requirements of 5.4.1.
- d.) If the City Administrative Officer, City Attorney and Department Head cannot unanimously agree on the proposed modification(s) as set forth in Subsection b.), the Department Head may seek the approval of the Administration & Finance Committee. The Committee may make such changes to the standard insurance requirements as it deems appropriate under the circumstances after hearing the reasons/need for making the change and the objections thereto.

## **INSURANCE REQUIREMENTS FOR CONSULTANTS**

### **A. INSURANCE REQUIRED.**

Consultants shall purchase and maintain for the duration of the contract as required by the City or by Law, insurance indemnifying against claims, suits, personal injury, bodily injury to persons, or damage to property which arises from, or in connection with the performance of the work hereunder by the Consultant. Some contracts may require Completed Operations, Professional Liability or other insurance beyond the contract term.

Any deductibles or self-insured retentions shall be identified to the City; those which exceed \$10,000 must be declared to and approved by the City. City may require a review of the latest audited financial statements of the Consultant. At the option of the City, neither the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, employees, agents and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defenses expenses.

All required insurance under this Contract is to be placed with insurers with a Best's rating of no less than A-VII. Said carriers to be admitted status with the State of Wisconsin, unless otherwise approved in advance by the City. City reserves the right to approve non-admitted carriers with a Best's rating of no less than AX.

Work shall not be commenced under the Contract until all insurance required under this paragraph has been obtained and evidence thereof in the form of certificates, with original endorsements effecting coverage, are filed with and approved by the City. The City reserves the right to require complete, certified copies of all required insurance policies upon the filing of a claim or lawsuit where the insurer denies coverage.

The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on forms approved by the City. For Workers' Compensation-related risks, only forms approved by the Insurance Commissioner are to be used.

Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages shall be subject to all of the insurance requirements that are applicable to the Consultant. No subcontractor shall be permitted to commence work until all required coverages have been obtained and certificates and endorsements thereof are filed with the City.

If any part of a loss is not covered because of the application of a deductible or retention, said loss shall be borne by the general Consultant and not the City. Failure to maintain the required insurance may result in termination of this Contract at the option of the City.

B. GENERAL ENDORSEMENTS.

The protection afforded by the required insurance policies under this Contract shall include, but shall not be limited to, the following:

1. Occurrence Based Policies. All required Liability insurance under this Contract shall be written on an "occurrence" form, except separately approved Professional Liability Policies.
2. Representation of Coverage Adequacy. By requiring insurance for this Contract, the City does not represent or warrant that coverage and limits will be adequate to protect the Consultant, subcontractor, their agents or any project engineer.
3. Cross-Liability Coverage. If the Consultant's liability policies do not contain the standard ISO separation of insureds provision, or a substantially similar clause, they shall be endorsed to provide cross-liability coverage.
4. Cancellation. The policy shall not be suspended, voided, canceled, reduced in coverage or in limits except after at least thirty (30) days prior written notice has been given to the City.
5. Additional Insureds. The City, its officers (elected and appointed), employees, agents and volunteers must be named as additional insureds as their interests may appear on the Consultant's liability insurance policies which insures the City up to the required limits. Additional insured status shall be endorsed onto the respective insurance policy by the appropriate ISO Endorsement Form approved by the City and executed by duly authorized agents of said carrier.
6. Primary Insurance. Consultant's insurance shall provide primary insurance to the City, to the exclusion of any other insurance or self-insurance programs the City may carry. Any insurance or self-insurance maintained by the City shall be excess of the Consultant's insurance and shall not contribute to it.
7. Waiver of Subrogation. Consultant waives all rights against the City, its officers, employees, agents and volunteers for recovery of damages to the extent these damages are covered by the insurance the Consultant is required to carry pursuant to this Contract.
8. Reporting. Failure to comply with any insurance policy reporting provisions shall not affect coverage provided to the City.
9. Cross Liability. The required insurance coverages shall apply separately to each insured against whom claim is made or suit brought, except with respect to the limits of the insurer's liability.
10. Indemnification. The policies shall contain an acknowledgement by the underwriters that the Consultant shall indemnify and save harmless the City against any and all claims resulting from the wrongful or negligent acts or

omissions of the Consultant or other parties acting on its behalf under the Contract to which the insurance applies; and that the hold harmless assumption on the part of the Consultant shall include all reasonable costs necessary to defend a lawsuit including actual reasonable attorney fees.

C. **MINIMUM LIMITS AND OTHER PROVISIONS.**

1. **WORKER'S COMPENSATION INSURANCE.**

Workers Compensation Insurance:

Wisconsin statutory limits for all employees of the bidder to whom the award is made.

All subcontractors and materialmen shall furnish to the Consultant and the City certificates of similar insurance for all of their respective employees, unless such employees are covered by the protection afforded by the Consultant.

2. **GENERAL LIABILITY INSURANCE.**

a. Coverage. Coverages must include, but are not limited to the following:

"Occurrence" Coverage Form must be as broad as 1988 "Commercial General Liability" (form CG 00 01) and include the following:

Premises and Operations

Products and Completed Operations, applicable for at least one year following acceptance of the work

Personal Injury with Employment Exclusion deleted

Unlicensed Mobile Equipment

Explosion, Collapse and Underground Hazard Coverages

Blanket Contractual (Independent Consultant's Protective)

Broad Form Property Damage

Contingent Coverage for Subcontractors

Care, Custody and Control Coverages for City Owned or Purchased Materials at the Work Site

b. Minimum Limits of Liability:

Per Occurrence Limit: \$1,000,000



Policy Aggregate:	\$2,000,000
Personal Injury Limit:	\$1,000,000
Fire Damage Limit:	\$ 50,000
Medical Expense Limit:	\$ 5,000

3. BUSINESS AUTOMOBILE LIABILITY INSURANCE.

a. Coverage. Coverage must be as broad as CA 00 01 Ed. 1992) - Occurrence Form Code No. 1, "any auto".

Comprehensive Coverage for all Owned, Non-Owned or Hired Motor Vehicles driven by the employees of the Consultant or Subcontractors, including vehicles and equipment owned by the City if used exclusively for the project.

Uninsured or Underinsured Motorists Liability Coverage at full policy limits.

Transportation by insured vehicles of pollutants, or toxic wastes (as determined by the EPA) shall require a minimum of the Pollution Liability Endorsement (CA9948) and/or the Motor Carrier Act Endorsement (MCA90) to address damages and clean-up costs.

b. Minimum Limits of Liability:

Minimum Limits are the same as specifications for General Liability Insurance.

4. PROFESSIONAL LIABILITY/ERRORS AND OMISSIONS COVERAGE

a. Coverage. Standard form; coverage provided on a claims-made basis with at least one year extended reporting period; to include all liability assumed by the Consultant for the Project.

b. Minimum Limits of Liability:

Minimum \$1 Million (project specific).

5. UMBRELLA POLICY

Five million dollars (\$5,000,000) following form excess of the primary General Liability, Automobile Liability and Employers Liability Coverage. Coverage is to duplicate the requirements set forth herein.