SUMMARY STATEMENT

ITEM NO.         SUBJECT: Renewal of DRPA & PATCO Automobile Liability Insurance Policy

COMMITTEE: N/A

COMMITTEE MEETING DATE: N/A

BOARD ACTION DATE: April 20, 2005

PROPOSAL: That the Commission authorize staff to place DRPA’s and PATCO’s Comprehensive Automobile Liability insurance policy for a one year term, beginning May 1, 2005, for a premium of $389,300.00, as recommended by Willis of New Jersey, our broker of record.

PURPOSE: To provide DRPA and PATCO cost effective insurance coverage in accordance with the Authority’s By-Laws.

BACKGROUND: The DRPA and PATCO currently maintain Comprehensive Automobile Liability coverage which is insured through St. Paul Fire & Marine Insurance Co., and is scheduled to expire on April 30, 2005. The expiring annual premium is $370,568.00. The Authority currently insures a fleet of 458 vehicles (386 DRPA & 72 PATCO) consisting of trucks, heavy equipment, passenger cars and other vehicles, representing a modest increase of 20 vehicles over last year’s count.

St. Paul Insurance Company has provided a renewal quote of $389,300. Given the current fleet inventory, that amounts to a per vehicle rate of $850. Willis of New Jersey and staff recommend that DRPA/PATCO accept the proposal from St. Paul Insurance Company to provide $1,000,000 of Primary Automobile Liability coverage for the period of May 1, 2005 thru April 30, 2006; and therefore, seek Board approval to place said coverage.

SUMMARY: Amount: $389,300.00
Source of Funds: Revenue
Capital Project #: N/A
Operating Budget: DRPA Risk Mgt. C/E#8 - $291,975
                  PATCO Admin. C/E Ins. & Claims -$ 97,325
Master Plan Status: N/A
Other Fund Sources: N/A
Duration of Contract: 05/01/05 thru 04/30/06
Other Parties Involved: N/A

DRPA-05-017
DRPA Board: 04/20/05
Renewal of DRPA & PATCO Automobile Liability Policy
RESOLUTION

RESOLVED: That the DRPA and PATCO are hereby authorized to place their Automobile Liability Insurance coverage, upon the terms and conditions outlined in the attached summary statement for an annual premium of $389,300 with St. Paul Insurance Company for a one year term beginning May 1, 2005; and, therefore be it further

RESOLVED: The Chair, Vice Chair and the Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of the DRPA. If such agreements, contracts, or other documents have been approved by the Chair, Vice Chair and Chief Executive Officer and if thereafter either the Chair or Vice Chair is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of DRPA along with the Chief Executive Officer. If both the Chair and Vice Chair are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the Chief Executive Officer shall execute such documents on behalf of DRPA.

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