



CITY OF SACRAMENTO

DEPARTMENT OF GENERAL SERVICES

5730 - 24th ST. BLDG #4

SACRAMENTO, CA 95822  
TELEPHONE (916) 449-5548

EQUIPMENT MAINTENANCE DIVISION  
FACILITY MAINTENANCE DIVISION  
RISK MANAGEMENT & INS. DIVISION  
SUPPORT SERVICES DIVISION

FRANK MUGARTEGUI  
DIRECTOR

July 15, 1981

City Council  
Sacramento, California

Honorable Members in Session:

SUBJECT: BROKER OF RECORD

SUMMARY

The subject Broker of Record agreement between the City of Sacramento and Corroon & Black/James Burpo Insurance Co. will terminate November 3, 1981.

Although the City has been served well by our current Broker of Record for the past six years, it is the City Council's policy to test the market and go out for bid every three years.

The attached specifications have been reviewed by the City's Risk Management Committee and is submitted herewith for your review. Also submitted is the proposed timetable that will be used for selecting the Broker of Record.

RECOMMENDATION

It is recommended that the City Council approve the bid proposal specifications and authorize the Request for Proposal.

Respectfully submitted,

William Redmond  
Risk Management & Insurance  
Senior Management Analyst

RECOMMENDATION APPROVED:

For:   
Walter J. Slipe  
City Manager

RM:81105:WR/m1

APPROVED  
BY THE CITY COUNCIL

JUL 21 1981

OFFICE OF THE  
CITY CLERK

July 21, 1981  
All Districts

CITY OF SACRAMENTO

REQUEST FOR PROPOSAL

**A. Invitation**

Your firm is invited to submit a proposal outlining its qualifications to market the property and liability insurance coverages needed by the City of Sacramento.

The City of Sacramento will choose only one broker to approach the insurance marketplace. The City specifically requests that no contact or solicitation of insurance companies be made by or on behalf of the City. Failure to comply with this request may be grounds for immediate disqualification of your firm.

If you have any questions about this invitation, call:

Mr. William Redmond  
Senior Management Analyst  
Risk Management & Insurance  
City of Sacramento  
(916) 449-5556

**B. Plan of Action**

Sealed written proposals in response to this invitation must be received on or before \_\_\_\_\_, 1981 at the office of:

Mr. William Redmond  
Department of General Services  
Risk Management & Insurance Division  
City of Sacramento  
800 - 10th Street, Suite 4  
Sacramento, California 95814

AND

Ms. Erin Oberly, CPCU  
Principal Consultant  
Warren, McVeigh & Griffin  
1700 Montgomery Street, Suite 220  
San Francisco, California 94111

All written proposals will be reviewed by the City and its consultant prior to \_\_\_\_\_, 1981. Personal interviews with selected firms will be conducted on \_\_\_\_\_, 1981. If you are selected for an oral interview, you will be contacted by \_\_\_\_\_, 1981 regarding the timing of your interview.

Following the interviews, a single firm will be selected to approach insurers. This firm will be appointed as the City's "broker-of-record." The City intends to enter into a three-year written contract, containing a three-year renewal option. The City will retain the option to cancel this contract at any time if the broker fails to provide satisfactory service.

### C. Evaluation

Brokers will be evaluated primarily on their ability to market the insurance needed by the City. The City of Sacramento will give some preference to those brokers who have service offices in the greater Sacramento area.

This section requests information upon which your proposal will be evaluated.

1. General Information

- a. Give name and address of firm, date established and brief description of firm's history.
- b. Describe the business experience and professional achievements of persons in your firm who would be assigned to work on this account.

2. Prior Experience. Describe your firm's experience in providing property and liability insurance for public agencies. Identify each public agency, the type of insurance placed, the name of an official of such public agency who may be contacted for reference, and a telephone number.

3. Broker's Remuneration. The City has requested that the broker be compensated strictly on a fee basis. Please identify compensation for each of the first three years.

4. Other Information. Include any additional information about your firm which you feel would aid the City in evaluating your competence, capabilities and resources.

5. Proposed Marketing Plan.

- a. Describe in detail how you propose to structure the City's coverage. For example, describe which exposures or risks would be combined into broad policies and which, if any, would be placed separately. If excess coverages are to be layered, indicate proposed layering.

Describe in detail the specific types of coverages your firm would secure for the City. For example, if you would obtain personal injury coverage, you should list the types of offenses that would be covered. As another example, if replacement cost coverage for property will be obtained, list the types of property to which it will apply.

Your description of the types of coverages should not be limited to the two examples given above.

- b. Give a detailed description of how your firm would market the City's property and liability insurance program. Include a list of insurers ranked in order of preference. If any insurance placement is to be made through a surplus lines broker or managing general agent, identify each along with each insurer they would contact.

Please list insurers by the following categories:

- i. Liability
- ii. Property
- iii. Excess workers' compensation
- iv. Other

If coverages will be layered or if any risks will be placed in separate specialty markets, list proposed markets for each layer and special coverage.

REQUIRED BROKER SERVICES

1. For the types of insurance placed by broker, broker shall:
  - a. Identify and measure loss exposures.
  - b. Develop underwriting information, structure offerings to insurers and secure insurance desired by the City.
  - c. Design broad, specially-tailored manuscript policy forms.
  - d. Obtain bids from insurers and report results to City.
  - e. Review each policy to ensure that it provides the required coverage.
  - f. Monitor the financial strength of insurers.
  - g. Service insurance policies, including processing of changes, endorsements, premium billings, etc.
  - h. Identify additional coverages that should be considered by the City.
  - i. Answer coverage questions for the City.
  - j. Provide expert assistance in the settlement of losses involving insurers, if requested by the City.
2. Submit a brief annual report containing:
  - a. A summary of fees and commissions earned on the City's account, including an accounting of time spent.
  - b. A summary of insurance placed for the City.
  - c. Discussion of services provided.
  - d. Major accomplishments during the year.
  - e. Goals for the coming year.
  - f. Prepare a formal presentation reviewing the annual report.

**PROPERTY UNDERWRITING INFORMATION**

**A. BUILDINGS, CONTENTS AND OTHER FIXED PROPERTY**

The City owns, or is responsible to insure, properties totaling approximately \$165 million in replacement values. This total includes buildings and contents, structures at parks, water treatment facilities and pumping stations.

The total excludes certain fixed assets such as bridges, streets, sidewalks and underground pipes. These fixed assets can represent substantial values. For example, replacement values of the Howe Avenue Bridge and the H Street Bridge are approximately \$10 million each.

The highest valued locations are:

Community Center Activities/Exhibit Building	\$ 9,800,000
Community Center Theater Building	9,200,000
Sacramento Treatment Plant Pumping Station	8,500,000
American River Treatment Plant Sedimentation Facility	8,200,000

If certain City properties were damaged or destroyed, the City could incur additional expenses to continue operations or could lose revenues generated by the facilities. The City's largest exposure to unplanned extra expense would be destruction of City Hall. Loss of the City Hall building would require relocation of City staff, installation of temporary telephone lines and other equipment, and other expenses to operate in an emergency mode. Although the City does store some vital records off-premises, the City would incur substantial extra expenses in overtime and other costs to reconstruct many records.

While it is difficult to project precisely the City's exposure to extra expense due to loss of City Hall, we estimate that the exposure could be as high as several million dollars. Combined with the building and contents replacement values, the City's total exposure is probably \$5 million to \$7 million.

**B. MOBILE EQUIPMENT AND VEHICLES**

The book value of licensed and unlicensed City equipment is approximately \$14 million. Most of these values are spread among three garage locations: the corporate yard, the garbage and street cleaning yard on 28th Street and the police garage at 5th and I Streets. The total values at any one yard can reach \$3 million.

The City's highest valued units are its three fire aerial ladder trucks. The two larger units have a replacement value of approximately \$400,000 each; the smaller truck has a replacement value of \$250,000.

## APPENDIX B

The City depreciates its vehicles according to a predetermined schedule ranging from two years for police vehicles to thirty years for aerial ladder trucks. The City fully funds the accumulated depreciation.

### C. MUSEUM COLLECTION

The collection is split among three buildings, with approximately half of the collection in storage. The value of the permanent collection is estimated at \$12 million, with the largest value for one item being approximately \$1.2 million.

LIABILITY UNDERWRITING INFORMATION1. **Workers' compensation payroll classifications:**

a.	Firemen	(7706)	\$10,651,166
b.	Policemen	(7720)	13,239,479
c.	Clerical	(8810)	10,525,313
d.	Muni Now Labor	(9410)	5,703,965
e.	Muni Manual Labor	(9410)	19,841,111
f.	Librarians, Museum	(8838)	1,579,395

2. **List of autos:**

<u>Passenger Cars</u>	<u>Number of Units</u>
Police	211
Fire	8
Other	187
TOTAL	<u>406</u>
<u>Motorcycles or Scooters</u>	
Police	35
Other	50
TOTAL	<u>85</u>
<u>Light Commercial</u>	
Pickups - one ton or less	275
Panel Vans	51
Street Sweeps	20
Ambulances	0
Rescue Trucks	3
Paramedic Units	0
TOTAL	<u>349</u>
<u>Heavy Commercial</u>	
Refuse Collection	98
Fire Trucks	51
Trailers	151
Miscellaneous*	379
TOTAL	<u>679</u>

\* Miscellaneous vehicles include dump trucks, cement rollers, compactors, cranes, sand spreaders, compressors, fork lifts, asphalt tanks, cement mixers, arc welders, etc.



LIABILITY UNDERWRITING INFORMATION

<u>3. Other Exposures</u>	<u>Description</u>
Total Projected Workers' Compensation Payroll	\$67,000,000 estimated for 1980-81
City Administration Building (area)	57,210 square feet
Cemeteries (acreage)	48.28 acres
Libraries	11
Parking Meters (number)	4,000
Parking Lots	8,205 spaces
Voting Machines	None
Airports	None
Parks/Playgrounds (acres)	1,470
Swimming Pools (number)	11
Golfmobiles (number)	None
Fairs (yes/no)	None
Fireworks (yes/no)	None
Halls	See Community Centers
Community Centers (number)	1 - Exhibit Building (80,000 sq. ft.), Activities Building (57,000 sq. ft.), and Theatre Building (80,000 sq. ft.)
Zoos (yes/no)	Yes
Wharf/Waterfront Property	Yes - Sacramento Boat Harbor. Docking facilities for 285 boats.
Boats (number)	3 - 15 ft., 20 ft., 21 ft.
Traffic Signals (number)	415 traffic signalled intersections
Street/Road Construction Payroll	\$1,158,129 for year 1980-81 budget for street maintenance
Toll Bridges (yes/no)	No
Underground Construction (yes/no)	Yes
Sewer Cleaning (payroll)	\$947,692 for year 1981-82 budget for sewer maintenance
Sewer Disposal (payroll)	None - Sacramento Regional Sanitation District responsible for sewage treatment

APPENDIX C

Water Department (payroll)	\$2,582,840
Garbage Collection (payroll)	\$3,292,571
Refuse Dumps	1 sanitary landfill - 80 acres
Firemen (payroll)	\$10,651,166 workers' comp. payroll for year ending 6/30/80
Firemen (number)	449
Policemen (payroll)	\$13,239,479 workers' comp. payroll for year ending 6/30/80
Policemen (number)	493
Police Stations (number)	1
Holding Facilities (yes/no)	No. Sacramento County operates jail.
Firing Range (yes/no)	Yes
Dams	None
Clerical (payroll)	\$10,525,313 workers' comp. payroll for year ending 6/30/80
Estimated Construction Costs	\$10,985,500 for year 1980-81
Demolition Permits (number)	122 (calendar year 1979)
Construction Permits (number)	12,545 (calendar year 1979)
Doctors, Nurses Employed (yes/no)	No doctors employed by City. Nurse employed during summer at Camp Sacramento (July - August)
Welfare, Social Services (yes/no)	No
Fire Hydrants (number)	8,423
Festivals, Parades	No City sponsored parades, however, we issue permits for the following annual parades for use of public right- of-way:  St. Patricks Day Parade Memorial Day Admission Day Fourth of July Parade Veterans Day Shrine plus miscellaneous special events.

PREMISES LEASED FOR CITY USE

<u>Lessor (Contract)</u>	<u>Location</u>	<u>Purpose</u>
Ingemanson & Young (A-75152)	927 - 10th Street (12,419 sq. ft.)	Office space
Ingemanson & Young (A-77143)	1023 J Street (7,502 sq. ft.)	Office space
Ingemanson & Young (A-80225)	927 10th Street, 3rd Floor (6,015 sq. ft.)	Office space
Lawrence Moving & Storage Company (A-77015)	1931 K Street (13,000 sq. ft.)	Artifacts storage and office
WATCO Corporation (A-76227)	7000 Franklin Blvd., Suite 1240 (10,000 sq. ft.)	Library Storage
WATCO Corporation (A-76112)	7000 Franklin Blvd., Suite 504 (16,420 sq. ft.)	Library Admin. Office and Tech. Services
Robin Young (A-66189)	6020 - 15th Avenue	Branch library
Property Management Association (A-68039)	5681 Freeport Blvd. (3,544 sq. ft.)	Branch library
Cook & Oates Construction (A-78024)	6201 - 27th Street (7,000 sq. ft.)	Warehouse
Grech Land Company (A-77276)	2702 Northgate Blvd. (3,240 sq. ft.)	Teen Center
Housing & Redevelopment (A-71242)	920 Grand Avenue	Branch library
State of California (F-75004/A-66117)	29th/30th, K Street to Capitol Avenue 2nd Street, I to J 2nd Street, J to K	Parking lots Parking lots Parking lots
Southern Pacific Railroad (A-77240)	2nd Street, H to I	Parking lots
U. S. Department of Agriculture	El Dorado County	Camp Sacramento Summer Program
Grant Union High School District (A-78274)	Grant Union High	Swimming Pool Summer Program
Sacramento Unified School District	Sacramento High School	Swimming Pool Summer Program

BUILDINGS LEASED TO OTHERS (PARTIAL LIST)

<u>Lessee (Contract)</u>	<u>Purpose</u>	<u>Sq. Ft.</u>
Parcel No. 1 - Western Thrift & Loan (C-71135)	Savings & Loan	1,521
Parcel No. 2 - Home Savings & Loan (C-71136)	Savings & Loan	3,000
Parcel No. 3 - Morning Star (A-76113)	Retail	800
Parcel Nos. 4 & 5 - Cannery League (C-71138)	Offices	2,671
Parcel No. 6 - Baker Boy (C-71139)	Retail	3,920
Parcel No. 7 - State of California	Offices	2,100
Parcel No. 8 - Davis Travel Service (A-76120)	Offices	920
Parcel No. 9 - Bank of America (A-76199)	Offices	1,680
Parcel No. 10 - CA Real Estate Assn. (A-76195)	Offices	2,500
Parcel No. 11 - State of California (A-77267) Capitol Bldg. Co. (F-76002)	Offices 200 Parking Spaces	2,500
13th and J Street Garage		
Parcel No. 1 - City Art Commission	Offices	1,140
Parcel No. 2 - Kwik-kopy (A-77263)	Print Shop	1,140
Parcel No. 3 - Beneficial Finance (A-76157)	Loan Office	1,140
Parcel No. 4 - First Independent Trust (A-77264)	Bank	1,140
Parcel No. 5 - Annie's (A-77293)	Restaurant	1,140
Parcel No. 6 - Legal Clinic	Offices	1,140
Parcel No. 7 - Sac-Tel (A-76158)	Credit Union	1,140
Parcel No. 8 - Farmers Insurance (A-77148)	Office	1,140

BUILDINGS LEASED TO OTHERS (PARTIAL LIST) Continued

<u>Lessee (Contract)</u>	<u>Location</u>	<u>Purpose</u>
Tony Auto Repair (month to month)	630 - 12th Street	Auto shop
Brownie's Blue Print (month to month)	1119 G Street	Printer
Van Alstyne & Son (month to month)	1117 G Street	Retail
Sacramento Blood Bank (A-74126)	3200 J Street, Water Tower #1	Blood Bank
County of Sacramento (A-64162)	35th Avenue & Freeport Blvd.	Land facilities (Airport Opr.)

LAND LEASED TO OTHERS (PARTIAL LIST)

<u>Lessee (Contract)</u>	<u>Location</u>	<u>Purpose</u>
Sacramento Horsemen's Assn. (C-72016)	Del Paso Park	24-stall barn & 35 acres
Salle Bros.	Del Paso Park	Dry crops
Sacramento Children's Receiving Home	Del Paso Park	Land for home
Sacramento Junior Museum (A-74020)	Del Paso Park	Land for building
WEMCO (A-79177)	7th & North B Street	Offices & parking
Space Management Assn. (C-3075)	35th Ave. & Freeport	Pasture land
Sacramento Trap Shooting Club (A-77206)	Del Paso Park	Land only
Public Storage, Inc. (A-78300)	Watt Ave. & Auburn Blvd.	5 acres land
Willow Rancho Little League (A-77077)	Oakmont Terrace	Land use
River Park Little League (A76196)	Moddison Ave. River Park	Land use
U. S. Department of Engineers (A-73120)	Del Paso Park	Land use
Airport Little League (C-76163)	24th, 25th Streets & 47th, 48th Avenues	Land use
Sam Gordon (A-75155)	Land Park Dr. & Broadway	Land use
Allan Construction Co. (C-2156)	Parcel #002-010-06 N. 13th Street	Land use

APPENDIX C

<u>Lessee (Contract)</u>	<u>Location</u>	<u>Purpose</u>
Silva	Hanson Park	Pasture land
Quadron Corporation (Itr)	Florin Reservoir	Oil & gas lease
Society for the Prevention of Cruelty to Animals	2119 Front Street	Land use
Granite Construction (C-71213)	Parcel A, Book 29	Lease of land Gravel pit
Frank Fat (A-70115)	K Street Mall (715 K Street)	Franchise for sale of food and drinks
Sacramento Police Assn. (A-77259)	6th & I Street	Parking space
Mercy Hospital (A-80020)	Carlson & J Streets	Parking lot

LIBRARIES

<u>Name</u>	<u>Address</u>	<u>Sq. Ft.</u>	<u>Lease (L) Own (O)</u>
Central Library	828 I Street	30,926	O
Coolidge Branch	5681 Freeport Blvd.	3,944	L
Del Paso Branch	920 Grand Avenue	5,425	L/P
McClatchy Branch	2112 - 22nd Street	1,900	O
Hagginwood Branch	3271 Marysville Blvd.	1,200	O
Gillis Branch	4001 - 60th Street	3,500	L
M. L. King Regional	7340 - 24th Street	15,078	O
McKinley Branch	601 Alhambra Blvd.	4,861	O
N. Sacramento Branch	492 Arden Way	1,620	O
Oak Park Branch	3301 - 5th Avenue	2,332	O

MUSEUMS

Crocker Art Museum	216 "O" Street	
3 Components	Gallery	10,800
	Annex	12,000
	Herold Wing	10,800

CITY OF SACRAMENTO

MISCELLANEOUS STATISTICAL DATA  
AS OF JUNE 30, 1990

<b>GEOGRAPHIC LOCATION -</b>	The City of Sacramento is located at the confluence of the Sacramento and American Rivers in the south-central portion of the Sacramento Valley about seventy-five air miles northeast of San Francisco.		<b>PUBLIC PARKING:</b>		
<b>POPULATION -</b>	265,749		Number of Lots	16	
<b>AREA SQUARE MILES -</b>	94.40		Number of Spaces	8,205	
<b>FORM OF GOVERNMENT -</b>	Council - Manager		Number of Parking Meters	4,000	
<b>YEAR OF INCORPORATION -</b>	1849		<b>LIBRARY:</b>		
<b>YEAR BECAME THE CAPITAL CITY -</b>	1854		Number of Budgeted Positions	103.9	FTE
<b>YEAR CITY CHARTER ADOPTED -</b>	1921		Number of Libraries	11	
<b>NUMBER OF BUDGETED CITY EMPLOYEES:</b>			Number of Mobile Units	1	
Regular - Career	2,807.6	FTE	<b>CITY CEMETERY:</b>		
Noncareer	255.0	FTE	Total Acreage	48.28	
Special Manpower Programs -	410.0	FTE	<b>RECREATION AND PARKS:</b>		
	3,472.6		Parks -		
<b>POLICE -</b>			Number of Budgeted Positions	234	
Number of Police Officers	493	FTE	Number of Parks	71	
Number of Auxillary Policemen	54	Positions	Total Acreage	1,470	
Number of Stations	1		Playgrounds in City Parks	59	
Number of Jails	1	Operated by Sheriff County of Sacramento	Playgrounds at School Facilities	20	
<b>FIRE -</b>			Recreation -		
Number of Fire Fighters	449	FTE	Number of Budgeted Positions	157.8	
Number of Reserve Firemen	50	Positions	Youth Centers	16	
Number of Stations	20		Public Swimming Pools	11	
Number of Active Apparatus	74		Tennis Courts:		
<b>PUBLIC TRANSPORTATION:</b>			Locations	15	
Buses	Operated by Sacramento Regional Transit District		Number of Courts	33	
Airport	Operated by County of Sacramento		Number of Courts Lighted	33	
Taxis	Two Private Companies 136 cabs		Golf Courses:		
<b>HEALTH SERVICE:</b>			Locations	3	
Hospital	County Responsibility		Number of Courses	5	(2 - 18's & 3 - 9's)
Ambulance Service	Private Companies		Special Facilities:		
			James Mangan Rifle and Pistol Range		
			Garden and Arts Center		Special Facilities utilized by garden clubs and related art groups for presenting programs.
			Clubhouses		Nine facilities providing small meeting rooms and large auditoriums for parties, club meetings, etc.
			Fairytale Town		Special facility offering supervised free play, guided tours, and child- ren's birthday parties.
			Community Recreation Centers		Two centers providing two meeting rooms, an exercise/ weight room, arts & craft room and a lounge area available for community use.

(Miscellaneous Statistical Data)

RECREATION AND PARKS (continued)

Sacramento Zoo	Affords an opportunity to view 500 specimens of wild life from all over the world.
Amusement Zone	Pony rides, merry-go-round, miniature train and other rides near Zoo and Fairy-tale Town.
Wm. Carroll Amphitheater	Utilized for band concerts and other special presentations.
Sacramento Boat Harbor	Docking facilities for 285 boats.
Camp Sacramento	Family camp located in El Dorado County. Open from July through Labor Day weekend offering family-oriented programs.

COMMUNITY CENTER:

Exhibit Building -	
Number of Floors	1
Square Feet	80,000
Activities Building -	
Number of Floors	2
Square Feet	51,000
Theatre Building -	
Number of Floors	1
Square Feet	80,000

MOTOR VEHICLES:

Police Department	249
Fire Department	74
Other Departments	1,296
	<u>1,619</u>

NUMBER OF BUSINESS LICENSES ISSUED - 13,425

CONSTRUCTION (CALENDAR YEAR 1978):

Number of Building Permits Issued	12,545
Valuation -	
New	\$244,282,467
Repairs/Additions	\$ 54,150,734

MILES OF STREETS AND FREEWAY:

Streets (as of January 1980)	1,034
Freeway (as of January 1980)	61.5

NUMBER OF STREET LIGHTS - 17,275

NUMBER OF TRAFFIC SIGNALLED INTERSECTIONS - 415

WATER ENTERPRISE:

Water Production (as of July 1, 1980)	
Number of Gallons Processed	29.285 billion annually
Sacramento River Plant	43%
American River Plant	41%
Wells	16%
Riverside Plant	0%
Number of Water Tanks	4
Number of Dams and Reservoirs	None
Miles of Main	1,131
Number of Water Meters	2,128 (commercial only)
Number of Fire Hydrants	8,423
Number of Customers (active)	85,654

SEWER ENTERPRISE:

Plants	Operated by Sacramento County Regional Sanitation District
Miles of Sewer	1,178 (City Responsibilities to Treatment Plants)
Number of Customers (active)	61,691

WASTE REMOVAL:

Disposal Site	1 Sanitary Landfill
Total Acreage	80
Number of Routes	58
Garbage -	
Number of Customers -	
Residential and Multiple Commercial	79,769
Total Customers	<u>82,646</u>
Lawn and Garden Refuse -	
Number of Routes	20
Number of Customers	77,233



GENERAL LIABILITY ISO RATING DATA

	<u>Description</u>
1. Population	265,749
2. Total Operating Expenditures*	\$95,802,505 for year ended 6/30/80
3. Amusement Parks	Amusement Zone. Pony rides, merry-go-round, miniature train and other rides.
4. Arenas	None
5. Dams	None
6. Golf Courses (receipts)	\$1,200,834 Operating Rev. for year ended 6/30/80
7. Housing projects (number)	None
8. Medical Care Facilities	None
9. Penal Institutions	None
10. Schools and Colleges	None
11. Ski Facilities	None
12. Stadiums, Bleachers, etc. Seating over 5,000	None
13. Streets and Roads - Existence (miles)	1,095 miles
14. Transit Systems	None
15. Utilities	
a. Water - gallons	29.285 billion/annually
b. Electric/Gas total payroll	None, City does not operate electric/gas utilities
16. Wharves, Marinas	The City maintains docking facilities for 285 boats.
17. Zoos	One.

\* "Total operating expenditures" is defined as total operating costs (expenditures without regard to source of revenue) during the policy period, excluding:

- a. Capital improvements (bondable items, including the interest thereon, new construction, major improvements and purchase of major items).
- b. Expenditures on those exposures which are separately rated, Nos. 1 to 17 above.
- c. Expenditures for independent contractor operations.
- d. Welfare benefits (not administrative costs).

SUMMARY OF CURRENT INSURANCECITY OF SACRAMENTO

Coverage	Limits	Deductible (S.I.R.)
Excess Liability	\$20 million	\$1 million SIR
1. General Liability		
2. Auto Liability		
3. Personal Injury		
4. Errors and Omissions		
Property	\$17,536,957 - earthquake on parking structures	5% - earthquake
	\$3,112,890 - debenture interest on parking structures	\$1,000
	\$125,870,515 - all property	\$100,000
Inland Marine	\$4,500,000	\$2,000
Boiler and Machinery	\$1 million	\$250
Bond - Faithful Performance	\$100,000	\$10,000
Bond - Assistant Treasurer	\$100,000	\$10,000
Public Official Bond - T. Friery	\$200,000	None

Workers' Compensation Program

Currently, the City of Sacramento is completely self-insured for workers' compensation and employers liability exposures.

SUMMARY OF CURRENT INSURANCE (Continued)

SACRAMENTO COMMUNITY CENTER AUTHORITY\*

Coverage	Limits	Deductible (S.I.R.)
Property (excluding Earthquake and Flood)	\$20,387,000	\$100,000, except rental value coverage which is \$10,000.
Property - D.I.C. (Earthquake and Flood)	\$20,387,000	5% of loss caused by earthquake and flood. \$100,000 for loss by all other perils.
Bond - Director of Finance	\$100,000	
Bond - City Treasurer	\$100,000	None
Public Official Bond - W. Christensen	\$100,000	None

\* The Sacramento Community Center is comprised of three buildings. They are:

1. Theatre
2. Activity Building
3. Exhibit Hall

The community/convention center provides for the public assembly of persons for such activities as conventions, seminars, performing arts, concerts and sporting events. In addition to the Community Center Complex, the Community Center Authority operates the Memorial Auditorium.

SUMMARY OF CURRENT INSURANCE (Continued)E. B. CROCKER ART GALLERY\*

Coverage	Limits	Deductible (S.I.R.)
Inland Marine Policy Domestic Locations, Domestic Transit up to \$1 million per conveyance.	Various	\$1,000
Domestic Transit over \$1 million per conveyance, Foreign Transit not Overseas, Foreign Locations.	Various	None
Overseas Transit	Various	None

\* The E. B. Crocker Art Museum is the art museum of the City of Sacramento. The Museum and its contents are owned by the City and it is administered jointly and equally by the City (as represented by the Mayor) and by the Directors of the Crocker Art Museum Association.

The primary functions of the Museum are:

1. To display works of art for the benefit of the public;
2. To maintain, secure and preserve the works of art in its possession; and
3. To provide public appreciation for art through education, professional interpretation, acquisition of works of art and organization of exhibitions devoted to various aspects of the fine arts.

**Suggested List for Mailing Broker Request for Proposal****Current Broker**

Corroon & Black - James Burpo  
960 Fulton Avenue  
Sacramento, CA 95825  
Attention: Harold R. Wiener, Vice President

**Other Brokers**

Kindler & Laucci  
Public Entity Division  
50 California Street  
San Francisco, CA 94111  
Attention: Mr. Lane Sickles, Vice President

Marsh & McLennan, Inc.  
555 University Avenue, Suite 185  
Sacramento, CA 95825  
Attention: Mr. Hugh D. Cook, Assistant Vice President

Kaine & McAuliffe  
601 Montgomery Street, Suite 1100  
San Francisco, CA 94111  
Attention: Mr. Michael McAuliffe

Fred S. James & Co.  
2335 American River Drive, Suite 408  
Sacramento, CA 95825  
Attention: Mr. George Moore, Vice President

Arthur J. Gallagher  
P.O. Box 254917  
1451 River Park Drive  
Sacramento, CA 95825  
Attention: Mr. James M. Toner

Pickett-Rothholz & Murphy  
701 Howe Avenue  
Sacramento, California 95825  
Attention: Mr. Dave Murphy

McGee & Thielen Insurance Brokers  
555 Capitol Mall, Suite 135  
Sacramento, California 95814  
Attention: Mr. Robert Sanford

Sacramento Valley Insurance  
1520 River Park Drive  
Sacramento, California 95815  
Attention: Mr. Jim Chenu

(Date)

Re: Insurance Brokerage Appointment for the City of Sacramento

Dear \_\_\_\_\_:

Every three to six years, the City of Sacramento conducts a broker selection. The City's goal is to find one broker who can best market the insurance coverages needed by the City. The types of broker services required by the City are listed in Appendix A. At this time, the City is not interested in obtaining proposals for claims administration or loss control services.

The City of Sacramento invites you to submit a written proposal outlining how you would market the required property and liability coverages and summarizing your professional qualifications. At this time, the City does not require premium estimates. This request for proposal is not an authorization to approach the insurance marketplace.

To aid you in preparing your written proposal, the following materials are enclosed:

1. Request for Proposal
2. Underwriting Information
3. Summary of the City's Current Insurance Program

Proposals must be received by the individuals listed in the Request for Proposal on or before \_\_\_\_\_, 1981.

After review of all proposals, some firms will be invited to oral interviews. After oral interviews, one broker will be awarded a broker of record letter.

Thank you for your interest in our program.

Sincerely,

William Redmond  
Senior Management Analyst  
Risk Management & Insurance

EXHIBIT III

<u>Tentative Timetable</u>	<u>Date</u>
Review of Specs by Committee	7/7/81 - 7/15/81
Budget & Finance/ Council Authorization to solicit proposals	7/21/81
Mail out Request for Proposals	7/22 - 7/24
Place ad in Sacramento Union & Bee	7/28 - 7/31
Proposals due	8/28 or 9/4
Review of Proposals	1 week
Interview of selected firms	3rd or 4th wk Sept