

LAKE MANATEE DAM  
SIGN OFF LETTER

MANATEE COUNTY BOARD OF COUNTY COMMISSIONERS  
LAKE MANATEE DAM RENEWAL INSURANCE PROPOSAL  
TERM: JUNE 1, 2013 TO JUNE 1, 2014

April 11, 2013

Mr. Raymond Carter, Risk Manager  
Manatee County Board of County Commissioners  
1112 Manatee Ave West  
Suite 969  
Bradenton, FL 34206

RE: Manatee County Board of County Commissioners  
Lake Manatee Earthen Dam  
Effective: June 1, 2013

Dear Mr. Carter:

As a follow up to our proposal and in the interest of providing you insurance consistent with your needs and requirements, we have exhausted our alternatives and are offering Lake Manatee Earthen Dam coverage as proposed through:

Westchester Surplus Lines Insurance Company

The above insurance market is not licensed in the State of Florida, but is approved to write business in the State of Florida on a surplus lines basis. In the event this market becomes insolvent, the Florida Guarantee fund will not provide coverage.

If you have questions, please do not hesitate to contact us. As confirmation that you have read and understand this letter, please sign the copy of the letter provided and return it to our office for our files.

Very truly yours,  
FIRST FLORIDA INSURANCE BROKERS

Maggie Boykin, ARM-P  
Vice President – Property & Casualty

Approved and Accepted By  
**Raymond Carter, Risk Manager**  
MANATEE COUNTY  
BOARD OF COUNTY COMMISSIONERS  
  
Signature – Date Signed 5/7/13



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**MANATEE COUNTY  
BOARD OF COUNTY COMMISSIONERS**

**LAKE MANATEE DAM**

**RENEWAL INSURANCE PROPOSAL**

**TERM:  
JUNE 1, 2013 TO JUNE 1, 2014**

Primary Contact:

**Maggie Boykin, ARM-P**  
*Vice President, Property & Casualty*

Prepared By:

**Kimberly Castellana, AAI**  
*Assistant Account Manager*

**1208 EAST KENNEDY BLVD.  
SUITE 227  
TAMPA, FL 33602**

**813-902-3502 – PHONE  
813-223-3932 – FAX**

**Date: April 11, 2013**

Revised: April 24, 2013

[www.ffinsbr.com](http://www.ffinsbr.com)

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**NAMED INSURED AND MAILING ADDRESS**

**Manatee County Board of County Commissioners**

**1112 Manatee Ave West  
Suite 969  
Bradenton, FL 34206**



# MANATEE COUNTY BOARD OF COUNTY COMMISSIONERS

## LAKE MANATEE DAM RENEWAL INSURANCE PROPOSAL

TERM: JUNE 1, 2013 TO JUNE 1, 2014

# PROPOSAL

NAMED INSURED	Manatee County Board of County Commissioners
COVERAGE	Covers your interest against all risks of direct physical loss or damage by covered perils.
PERILS COVERED	"All Risks" of physical loss or damage including flood, earthquake and terrorism subject to policy exclusions.
PROPERTY COVERED	Lake Manatee Dam including but not limited to gates, weirs, embankments, spillways, tailrace channel and other property incidental to the earthen dam, all as per policy wording. Mechanical breakdown only applicable as respects to a named peril event.
VALUATION	Replacement Cost if replaced, otherwise Actual Cash Value
CONDITIONS/ SUBJECT TO	<ul style="list-style-type: none"> <li>▶ Control provided by ACE USA LC Engineers</li> <li>▶ 60 Day Notice of Cancellation <i>except</i> 10 Days for Non-Payment</li> </ul>

	EXPIRING	RENEWAL
POLICY PERIOD	June 1, 2012 to June 1, 2013	June 1, 2013 to June 1, 2014
COMPANY [BEST RATING]	Ace-Westchester A+ XV [Non Admitted]	Ace-Westchester A+ XV [Non Admitted]
TIV	\$35,563,124	\$36,630,018
LIMIT		
▶ FLOOD	\$35,563,124 [per occurrence/annual aggregate]	\$36,630,018 [per occurrence/annual aggregate]
▶ WINDSTORM	\$35,563,124 [per occurrence]	\$36,630,018 [per occurrence]
▶ EARTHQUAKE	\$35,563,124 [per occurrence/annual aggregate]	\$36,630,018 [per occurrence/annual aggregate]
SUBLIMITS [NOT LIMITED TO]	<ul style="list-style-type: none"> <li>▶ Extra Expense \$100,000</li> <li>▶ Debris Removal 25% of loss [\$1,000,000 max]</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> </ul>
DEDUCTIBLE [NOT LIMITED TO]	\$ 100,000 Per Occurrence, real and personal property <b><i>except:</i></b> <ul style="list-style-type: none"> <li>▶ 5% TIV wind per occurrence</li> <li>▶ \$1,500,000 Minimum wind</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> </ul>
	<ul style="list-style-type: none"> <li>▶ 5% TIV flood per occurrence</li> <li>▶ \$1,500,000 Minimum flood</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> </ul>
EXCLUSIONS [NOT ALL INCLUSIVE]	<ul style="list-style-type: none"> <li>▶ Mold, Fungus</li> <li>▶ Business Income</li> <li>▶ Nuclear reaction, radiation or contamination</li> <li>▶ Faulty design or workmanship</li> <li>▶ Wear and tear</li> <li>▶ Pollution and contamination</li> <li>▶ Mechanical breakdown</li> <li>▶ Boiler and Machinery</li> <li>▶ Y2K/ Electronic Media End</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> </ul>
ANNUAL PREMIUM	\$273,786.00	\$283,882.00
FHCF [1.3%]	\$ 3,559.67	\$ 3,690.92
FILING FEE	\$ 35.00	\$ 35.00
<b>PREMIUM TOTAL</b>	<b>\$277,380.67</b>	<b>\$287,607.92</b>
	<i>difference</i>	<b>\$ 10,227.25</b> <b>3.7%</b>

✓ = per expiring

**NOTE:**  
ABOVE PROPERTY PROGRAM/PREMIUM QUOTATION SUBJECT TO CHANGE, RE-RATE AND/OR CARRIER WITHDRAWAL IN THE EVENT OF A CATASTROPHIC LOSS OCCURRING PRIOR TO JUNE 1, 2013 AND/OR BINDING OF PROGRAM.

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**MARKET RESPONSE**

	CARRIER	A.M. BEST RATING	A.M. BEST as of	SURPLUS LINES	ACTION RESPONSE
Lake Manatee Dam Property	Ace/Westchester Surplus Lines	A+ XV	06/12/12	Yes	▶ Quoted – See pg. 2 of proposal

Surplus Lines carriers are non-admitted and are not protected by the Florida Guarantee Fund, per disclosures included within this proposal

**A. M. BEST FINANCIAL STRENGTH GUIDE**

A++ to A+	A to A-	B++ to B+	B to B-	C++ to C+	C to C-
Superior	Excellent	Very Good	Good	Fair	Marginal

**(In \$000 of Reported Policyholders' Surplus Plus Conditional Reserve Funds)**

FSC I	Up	to	1,000	FSC IX	250,000	to	500,000
FSC II	1,000	to	2,000	FSC X	500,000	to	750,000
FSC III	2,000	to	5,000	FSC X	750,000	to	1,000,000
FSC IV	5,000	to	10,000	FSC XI	1,000,000	to	1,250,000
FSC V	10,000	to	25,000	FSC XII	1,250,000	to	1,500,000
FSC VI	25,000	to	50,000	FSC XIII	1,500,000	to	2,000,000
FSC VII	50,000	to	100,000	FSC XV	2,000,000	to	more
FSC VIII	100,000	to	250,000				

**Best's Insurance Reports**, published annually by A.M. Best Company, Inc., presents comprehensive reports on the financial position, history, and transactions of insurance companies operating in the United States and Canada. Companies licensed to do business in the United States are assigned a Best's Rating which attempts to measure the comparative position of the company or association against industry averages.

First Florida Insurance Brokers used A.M. Best & Co.'s rating services to evaluate the financial condition of insurers whose policies we propose to deliver. The rating of the carrier and the year of publication of that rating are indicated. First Florida Insurance Brokers makes no representations and warranties concerning the solvency of any carrier, nor does it make any representation or warranty concerning the rating of the carrier which may change.

Copies of the **Best's Insurance Reports** on the insurance companies are available upon your request.

IMPORTANT DISCLOSURES

<b>Actuarial</b>	<p>The proposal is an outline of the coverages proposed by the insurers, based on the information provided by your company. It does not include all the terms, coverages, exclusions, limitations, or conditions of the actual contract language. The policies themselves must be read for those details. Policy forms are included in this proposal for your review.</p> <p>The information contained in this proposal is based on the historical loss experience and exposures provided to First Florida Insurance Brokers. This proposal is not an actuarial study. Should you wish to have this proposal reviewed by an independent actuary, we will be pleased to provide you with a listing of actuaries for your use.</p>
<b>Compensation</b>	<p>In general, First Florida Insurance Brokers may be compensated as follows:</p> <ol style="list-style-type: none"><li>1. First Florida Insurance Brokers is compensated from the usual and customary commissions or fees received from the brokerage and servicing of policies handled for a client's account. As permitted by law, we occasionally receive both commissions and fees, with client authorization.</li><li>2. First Florida Insurance Brokers may access other facilities, including wholesalers, reinsurance intermediaries, captive managers, underwriting managers and others that act as intermediaries for both First Florida and other brokers in the insurance marketplace.</li><li>3. In placing, renewing, consulting on or servicing any retail insurance policy, First Florida Insurance Brokers has not participated in Property and Casualty contingent commission agreements with insurance companies that provide for additional compensation if underwriting, profitability, volume and retention goals are achieved.</li><li>4. First Florida Insurance Brokers strongly supports compensation transparency with annual disclosures to clients.</li></ol>
<b>Non-Admitted</b>	<p>If coverage is placed with a Non-Admitted Carrier, the carrier is doing business in the state as a surplus lines or non-admitted carrier. Surplus Lines and/or non-admitted carriers are not subject to the same regulations which apply to an admitted carrier nor do they participate in the Florida state insurance guarantee fund.</p>

**LAKE MANATEE DAM  
CLIENT AUTHORIZATION TO BIND**

After careful consideration of reference proposal dated April 11, 2013, we accept your insurance program per indicated option below:

**COUNTY  
SELECTION**

Lake Manatee Dam: \$287,607.92 [includes Federal/State mandated fees]  
12 month program June 1, 2013 to June 1, 2014

- Total Insured Values \$36,630,018
- 5% Wind/Flood Deductible

- Bind above selected as presented in FFIB proposal dated 04/11/13
- Bind above selected with the following exception(s)

Client Exceptions: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

It is understood and agreed that referenced proposal provides only a summary of the insurance program options offered. The actual policies will contain the complete terms, conditions, deductibles, exclusions, etcetera. Please review policy language for a full understanding of purchased program.

Please provide the County with respective binders and invoices for above selected program at your earliest convenience prior to effective date of June 1, 2013; as well as, term certificate(s) of insurance, as applicable.

\_\_\_\_\_  
Raymond Carter  
Risk Manager  
Manatee County BOCC

\_\_\_\_\_  
Maggie Boykin, ARM-P  
Vice President – Property & Casualty  
First Florida Insurance Brokers

\_\_\_\_\_  
Dated

\_\_\_\_\_  
Dated



May 7, 2013 - Regular Meeting  
Agenda Item #13

Subject

Purchase of Lake Manatee Dam Property Insurance

Briefings

None

Approved in Open Session 5/7/13  
Manatee County Board of County Commissioners

Contact and/or Presenter Information

Raymond Carter, Risk Manager

Action Requested

Motion to approve the purchase of Lake Manatee Dam Property Insurance for a premium of \$287,608, (inclusive of term premium and all Federal/State mandated fees), and to authorize the County Attorney or his designee to execute all required documents.

Enabling/Regulating Authority

Ordinance 08-49

Background Discussion

Manatee County's current Lake Manatee Dam - Property insurance coverage is expiring on June 1, 2013 and contains the following provisions. The total loss limit per expiring is \$36,630,018; which is the current Total Insured Value (TIV) of the Lake Manatee Dam. The wind and flood deductibles are 5% of the TIV, with a minimum of \$1,500,000. For all other perils the deductible is \$100,000 per occurrence. The property covered by this policy is for the Lake Manatee Dam including but not limited to gates, weirs, embankments, spillways, tailrace channel and other property incidental to the earthen dam, all as per policy wording.

The Lake Manatee Dam is proposed to renew the expiring program with the same terms and conditions. The premium is \$287,608 (inclusive of term premium and all Federal/State mandated fees). This is an increase of \$10,227, or 3.7% of the expiring policy, due in part to the exposure, and 3% increase in the value of the Lake Manatee Dam.

Risk Management is requesting approval by the Board to purchase Lake Manatee Dam Property Insurance for a premium of \$287,608, (inclusive of term premium and all Federal/State mandated fees), and to authorize the County Attorney or his designee to execute all required documents.

County Attorney Review

Not Reviewed (No apparent legal issues)

Explanation of Other

Reviewing Attorney

N/A

Instructions to Board Records

Please return an executed copy of this Agenda Memorandum certifying its approval by the Board of County Commissioners to Raymond Carter – County Attorney’s Office ([raymond.carter@mymanatee.org](mailto:raymond.carter@mymanatee.org))

Emailed 5/8/13, RLL

Cost and Funds Source Account Number and Name

5050001500-545000 Self Insurance Fund General Liability

Amount and Frequency of Recurring Costs

\$287,608 Onetime payment

Attachment: [MCBOCC LMD 13-14 Proposal 04.24.2013.pdf](#)

**From:** [Robin Liberty](#)  
**To:** ["raymond.carter@mymanatee.org"](mailto:raymond.carter@mymanatee.org)  
**Subject:** BCC Mtg 5/7/13: Item 13 - Lake Manatee Dam Property Insurance  
**Date:** Thursday, May 09, 2013 8:49:00 AM  
**Attachments:** [BC20130507DOCA13.pdf](#)

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Good Morning again Mr. Carter,

Attached is the executed Proposal letter & agenda package, stamped approved by the County Commission on 5/7/13. Page 1 is the signed letter.

Robin Liberty  
Board Records  
For R.B. "Chips" Shore  
Manatee County Clerk of the Circuit Court & Comptroller  
[www.manateeclerk.com](http://www.manateeclerk.com)  
[robin.liberty@manateeclerk.com](mailto:robin.liberty@manateeclerk.com)  
941-749-1800, ext. 4181

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