



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

April 23, 2012

FD Resolution

Proposed No. FD2012-04.1

Sponsors

1 A RESOLUTION authorizing the purchase of excess
2 marine liability coverage for the purpose of providing
3 insurance for the King County Ferry District, and
4 authorizing the chair of the Board of Supervisors to take
5 actions necessary to accomplish the purchase of insurance.

6 WHEREAS, the King County Ferry District ("District") is authorized by chapter
7 36.54 RCW and chapter 39.34 RCW to join with other governmental entities of the State
8 for the purposes of providing liability insurance for the District; and

9 WHEREAS, since November 2008, King County's insurance brokers have
10 negotiated an insurance option for the District, whereby the District has been added to
11 King County's existing marine liability policies as a named insured, which has proven to
12 be a cost effective method for procuring insurance for the District and its operations; and

13 WHEREAS, King County's insurance brokers have negotiated a similar option for
14 the District for the coverage period of April 1, 2012 through March 31, 2013, whereby
15 the District may be added to King County's existing marine liability policies as a named
16 insured, at a cost effective rate;

17 NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF
18 SUPERVISORS OF THE KING COUNTY FERRY DISTRICT as follows:

19 SECTION 1.

20 A. The quotes for excess marine liability and other coverage, Attachment A
21 to this resolution, are the most competitive rates available to the King County Ferry
22 District.

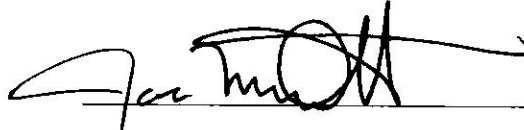
23 B. The chair of the board of supervisors of the King County Ferry District is
24 hereby authorized to purchase on behalf of the District excess marine liability and other
—

25 coverage with policy limits of up to \$150,000,000, and to take all actions necessary to
26 accomplish said purchase.
27

FD Resolution was introduced on and passed by the King County Ferry District on 4/23/2012, by the following vote:


Yes: 8 - Mr. Phillips, Mr. Gossett, Ms. Hague, Ms. Patterson, Ms. Lambert, Mr. Ferguson, Mr. Dunn and Mr. McDermott
No: 0
Excused: 1 - Mr. von Reichbauer

KING COUNTY FERRY DISTRICT
KING COUNTY, WASHINGTON



Joe McDermott, Chair

ATTEST:



Anne Noris, Clerk of the District

Attachments: A. KC Ferry District Marine Hull, P & I and Liability Renewal April 1, 2012 to April 1, 2013



King County Ferry District

Marine Hull, P&I and Liability Renewal

April 1, 2012 to April 1, 2013

Alliant Insurance Services
North Star Insurance Services

April 3, 2012





**2012
Marine Program Summary**

1. King County and Ferry District

Marine General Liability added in 2010. This adds coverage for Products and Completed Operations (food and beverage sales) and enhances coverage for Bodily Injury on docks and piers. Coverage for Wharfingers Liability, Charterers Liability, Marina Operators Liabilities and Stevedores' Liability is included. Coverage terms are unchanged.

2. King County Ferry District Deductibles

Due to the "RACHEL MARIE" loss, deductibles for the Ferry District increased in 2011:

- Hull & Machinery \$50,000 per Claim
- Bodily Injury (Passengers & Crew) \$10,000 per Occurrence
- Property Damage \$75,000 per Occurrence

King County deductibles are unchanged.

3. 2012 Premiums

Premiums:

- King County: Flat
- Ferry District: Flat

4. Losses

See Attached



King County

Loss Runs

North Star Insurance Services
King County Ferry District
Hull/P&U/Claim Type: Hull & Machinery
Claims Statistics 4/1/2006 To 4/1/2012

Actual Deductible: 50,000

Claimant	VSL	Status	Date of Incident	Total Paid	Total Reserved	Gross Claim	Retained	Paid By Policy	Outstanding To Policy	Total To Policy
Struck Dock - Hull damage	RCLM	C	9/28/2010	365,529.39	0.00	365,529.39	50,000.00	315,529.39	0.00	315,529.39
Totals				365,529.39	0.00	365,529.39	50,000.00	315,529.39	0.00	315,529.39

Retained = Total 50,000.00 of which Paid 50,000.00 , Reserved 0.00



King County

North Star Insurance Services

King County Ferry District

Hull/P&U/Claim Type: P&U

Claims Statistics 4/1/2006 To 4/1/2012

Actual Deductible: 5,000 0

Claimant	VSL	Status	Date of Incident	Total Paid	Total Reserved	Gross Claim	Retained	Paid By Policy	Outstanding To Policy	Total To Policy
Various Passengers	RCLM	A	9/26/2010	116,603.09	113,366.91	230,000.00	5,000.00	111,603.09	113,366.91	225,000.00
Longi	MLSA	C	12/7/2009	4,532.67	0.00	4,532.67	4,532.67	0.00	0.00	0.00
Timmen	RCLM	C	3/3/2010	14,366.20	0.00	14,366.20	5,000.00	9,366.20	0.00	9,366.20
Massaro	RCLM	C	4/13/2010	761.86	0.00	761.86	761.86	0.00	0.00	0.00
Beecher	RCLM	C	5/11/2010	4,109.29	0.00	4,109.29	4,109.29	0.00	0.00	0.00
Seattle Dock Damage	RCLM	C	9/26/2010	110,939.42	0.00	110,939.42	5,000.00	105,939.42	0.00	105,939.42
Totals				251,312.53	113,366.91	364,709.44	24,403.82	226,908.71	113,366.91	340,305.62

Total # 6 of which 4 to Policy

Retained = Total 24,403.82 of which Paid 24,403.82 , Reserved 113,366.91



Marine Hull, P&I and Liability Premium Summary

	2011 to 2012		2012 to 2013	
	King County	Ferry District	King County	Ferry District
Excess Marine Liabilities				Various \$50M x \$100M \$40,000.00
Excess Marine Liabilities				Navigators \$25M x \$75M \$21,250.00
Excess Marine Liabilities				Starr \$25M x \$50M \$21,250.00
Excess Marine Liabilities	Allianz \$20M x \$30M \$0	Allianz \$20M x \$30M \$23,000.00	Allianz \$20M x \$30M \$0	Allianz \$20M x \$30M \$23,000.00
Excess Marine Liabilities	Chartis (50%) IMU (50%) \$20M x \$10M \$10,675.00	Chartis (50%) IMU (50%) \$20M x \$10M \$20,675.00	Chartis (50%) IMU (50%) \$20M x \$10M \$10,675.00	Chartis (50%) IMU (50%) \$20M x \$10M \$20,675.00
Excess Marine Liabilities	Navigators \$5M x \$5M \$9,500.00	Navigators \$5M x \$5M \$19,812.00	Navigators \$5M x \$5M \$9,500	Navigators \$5M x \$5M \$19,812.00
Excess Marine Liabilities	Navigators \$4M X \$1M \$17,500.00	Navigators \$4M X \$1M \$23,500.00	Navigators \$4M X \$1M \$17,500.00	Navigators \$4M X \$1M \$23,500.00
Hull & Machinery and Protection & Indemnity	Navigators (50%) Allianz (50%) \$1M Primary \$107,208.00	Navigators (50%) Allianz (50%) \$1M Primary \$107,208.00	Navigators (50%) Allianz (50%) \$1M Primary \$64,848.98 ⁽¹⁾	Navigators (50%) Allianz (50%) \$1M Primary \$107,208.00
Vessel Pollution				Lloyds \$1,960.00
Breach of Warranty				Lloyds \$2,581.88
Marine General Liability				Navigators \$1M Primary \$4,000.00
	\$108,139.96	\$283,620.90⁽¹⁾	\$106,573.98	\$285,236.88⁽¹⁾

(1) Premiums are flat. A premium error was made last year that under charged the District by \$2,000.



King County

Proposed Marine Liability Program (King County and Ferry District) - 2012 - 2013

\$150,000,000	\$50,000,000 xs \$100,000,000 <i>Zurich Insurance Company - 20%; Lloyds, London - 40%; Northern Assurance Company - 20%, New York Marine and General - 20%</i>	
\$100,000,000	\$25,000,000 xs \$75,000,000 <i>Navigators Insurance Company</i>	
\$75,000,000	\$25,000,000 xs \$50,000,000 <i>Starr Indemnity & Liability</i>	
\$50,000,000	Marine Excess Liability	Maritime Employers Liability (MEL)
\$45,000,000	\$20,000,000 Excess of \$30,000,000 <i>Alliant</i>	\$20,000,000 Excess of \$25,000,000 Excess of SIR
\$30,000,000		
\$25,000,000		
\$10,000,000	Marine Excess Liabilities \$5,000,000 Excess of \$5,000,000 <i>Navigators</i>	
\$5,000,000		Maritime Employers Liability (MEL)* \$5,000,000 Excess of SIR <i>Included</i>
\$2,150,000		
\$1,000,000		
Deductible or SIR	\$75,000 PD (Ferry District) \$10,000 BI (Ferry District) \$2,500 P&I (King County) Vessels as Scheduled \$25,000 Tower's (KC)	\$1,000,000 SIR*

*MEL coverage for divers. This coverage applies ONLY to King County Police Dive Team.



King County

**2012
Premium Recap / History
Ferry District**

	2012	2013	2012-2013
H&M / P&I	\$37,529.04	\$87,315.00	\$105,592.02
Vessel Pollution	\$950.70	\$1,960.00	\$1,960.00
Breach of Warranty	\$1,813.19	\$2,662.50	\$2,581.88
Excess Marine (\$50M)	\$18,629.00	\$65,675.00	\$86,987.00
Excess Marine (\$100M x \$50M)	N/A	N/A	\$82,500.00
Marine General Liability	Incl.	\$4,000.00	\$4,000.00
Total	\$58,921.93	\$161,612.50	\$283,620.90
			\$107,208.00
			\$1,960.00
			\$2,581.88
			\$86,987.00
			\$82,500.00
			\$4,000.00
			\$285,236.88