



Legislation Details (With Text)

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Title:	Consider recommendation from the Finance/Administrative Committee to approve the renewal of interlocal cooperation contracts with the Texas Municipal League Intergovernmental Risk Pool for property and casualty insurance, and for workers' compensation insurance, in the total amount of \$139,376, for the period of October 1, 2022 through October 1, 2023.				

Sponsors:

Indexes:

Code sections:

Attachments: 1. RO TML Renewal 2022-2023 Final.pdf

Date	Ver.	Action By	Action	Result
8/23/2022	1	Finance/Administrative Committee		

Consider recommendation from the Finance/Administrative Committee to approve the renewal of interlocal cooperation contracts with the Texas Municipal League Intergovernmental Risk Pool for property and casualty insurance, and for workers' compensation insurance, in the total amount of \$139,376, for the period of October 1, 2022 through October 1, 2023.

RECOMMENDED MOTION:

Move the board adopt Resolution and Order No. 09-22-035 of the Edwards Aquifer Authority Board of Directors approving the renewal of interlocal cooperation contracts with the Texas Municipal League Intergovernmental Risk Pool for property and casualty insurance, and for workers' compensation insurance, in the total amount of \$139,376, for the period October 1, 2022 through October 1, 2023, and authorize the General Manager to take any necessary steps to renew the contracts and release payment.

SUMMARY:

The purpose of this agenda item is for the board to consider a Finance/Administrative Committee recommendation to approve the renewal of interlocal cooperation contracts with Texas Municipal League (TML) Intergovernmental Risk Pool for property and casualty insurance, and workers' compensation insurance for the plan year October 1, 2022 through October 1, 2023.

EAA staff did not competitively bid these insurance services prior to proposing approval of the contract with TML. Participation in the TML Risk Pool is considered to be an alternative to purchasing insurance and is characterized as an agreement to self-insure consistent with Statement No. 10 of the Governmental Accounting Standards Board (GASB). As such, competitive bidding

requirements do not apply since there is no “purchase of insurance” but rather interlocal cooperation contracts to self-insure. EAA staff competitively bid these services in the past receiving few responses that were competitive to the TML rates for all coverages. Since 2002, TML has provided property, casualty, and workers' compensation insurance, to the EAA.

The renewal for plan year 2022-2023 totals \$139,376 and represents a \$20,134, or 16.9% increase over the current plan year costs. This increase is attributed to personal property additions, a 15% inflationary factor for existing real and personal property, and a 5% increase in mobile equipment rates. These increases are partially offset by a decrease in workers compensation expense as a result of an improved experience modifier for the plan year.

Attached to this summary is Resolution and Order No. 09-22-035, which has been reviewed by legal counsel.

At the meeting on August 23, the Finance/Administrative Committee voted to recommend the board adopt a resolution and order of the Edwards Aquifer Authority Board of Directors approving the renewal of interlocal cooperation contracts with the Texas Municipal League Intergovernmental Risk Pool for property and casualty insurance, and for workers' compensation insurance, in the total amount of \$139,376, for the period October 1, 2022 through October 1, 2023, and authorize the General Manager to take any necessary steps to renew the contracts.

M/WBE PARTICIPATION:

Texas Municipal League Intergovernmental Risk Pool is not a Minority Business Enterprise vendor.

STRATEGIC PLAN REFERENCE:

This agenda item supports the general EAA mission.

FISCAL IMPACT:

Funding in the amount of \$139,376 is available in the 2022 operating budget. By paying the entire premium upfront, the EAA benefits from a 2% discount.