

**Washington Metropolitan Area Transportation Authority  
Board Action/Information Summary**

<input checked="" type="checkbox"/> Action <input type="checkbox"/> Information	MEAD Number: 99789	Resolution: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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**PURPOSE**

Request Board approval to initiate, award and implement the FY08 corporate-wide insurance under the existing Insurance Brokerage Services Contract.

**DESCRIPTION**

WMATA's insurance brokers will market our renewal program for the best pricing options and final quotes will be subject to negotiation prior to renewal processing. As required by the existing insurance brokerage contractual agreement, the invoices for the insurance premiums are paid within 30 days of receipt to maintain continuity of insurance coverage.

The scope of insurance under this action principally includes coverage for property and liability exposures and smaller specialized policies such as pollution and fiduciary liability. All the policies have various deductibles and coverage limits. WMATA's insurance broker is currently marketing the FY08 insurance program to numerous carriers with the capacity to provide WMATA's desired coverages within our budget.

Staff and the Authority's insurance broker will explore the availability of coverage within the current market place and will attempt to maintain the current insurance program as policy conditions and enhancements allow. The cost of any insurance program selected will not exceed the FY08 budgeted amount of \$8.4 million. There is some degree of volatility in the marketplace for transportation-related insurance policies, which may lead to conditions which might require small increases in premiums, decreased limits, or increased deductibles. Staff, if required, will implement minor changes. If major policy issues arise, they will be brought to the Board for consideration.

## **FUNDING IMPACT**

Budget:	FY08 Operating
Budget Line Item:	Services
FY08 Budget:	\$8,400,000
Cost of this action:	\$8,400,000

## **RECOMMENDATION**

Staff recommends Board approval to initiate and award within budget the FY08 corporate-wide insurance under the existing Insurance Brokerage Services Contract.