

MINUTES
LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT
BOARD OF TRUSTEES' RISK MANAGEMENT COMMITTEE MEETING
LAS VEGAS, NEVADA
June 14, 2018
(approved October 11, 2018)

The Board of Trustees' Risk Management Committee of the Las Vegas-Clark County Library District met in regular session in the Centennial Hills Library, Las Vegas, Nevada, at 4:30 p.m., Thursday, June 14, 2018.

Present: Board: J. Melendrez, Chair K. Benavidez
E. Foyt F. Ortiz
R. Ence, ex-officio

Counsel: None

Absent: M. Francis Drake

Staff: Dr. Ronald R. Heezen, Executive Director
Steve Rice, General Services Director
Numerous Staff

Guests: Brandon Lewis, USI Insurance Services

Jose Melendrez, Chair, called the meeting to order at 4:31 p.m.

Roll Call (Item I.) All members listed above represent a quorum. Trustee Francis Drake had an excused absence. Counsel Welt was available by phone if needed.

Public Comment (Item II.) None.

Agenda (Item III.) Trustee Benavidez moved to approve the Agenda as proposed. There was no opposition and the motion carried.

Discussion and possible Committee action regarding a report from the District's Broker regarding recommendation for contract award for property and casualty insurance and public officials and employment practices liability insurance for the policy year commencing on July 15, 2018. (Item IV.)

General Services Director Steve Rice explained that The District's property and casualty insurance and public officials and employment practices liability insurance policies renew on July 15th. USI Insurance Services (formally Wells Fargo Insurance Services USA, Inc.), Broker of Record, conducted a thorough review of the District's current policies and coverages and prepared a proposed insurance package and recommendation for contract award. This meeting is for the Brandon Lewis of USI Insurance Services to present the proposed insurance package and to discuss staff's review and recommendation for contract award.

Mr. Rice handed out three new pages to Committee members that updated information provided to them with the packet. Page 4, Premium Summary, page 34, Kidnap and Ransom – Quote Comparison, and page 35, Active Assailants Coverage Quotation.

Mr. Lewis discussed the different types of coverages purchased by the District; these are Commercial Property, Inland Marine, General Liability, Commercial Auto, Management Liability – Public Officials Liability, Management Liability – Employment Practices Liability; Commercial Umbrella/Excess Liability, Crime, and Cyber Liability. He explained what each type of coverage included and the limitations for

each. He also explained the extent of the particular coverage and the deductibles.

In response to questions posed by Trustees Ortiz and Foyt, Mr. Lewis and Mr. Rice reviewed out the location schedule which listed each covered District property. Trustee Ortiz wanted to ensure the One-Stop Career Center was included in the coverage. Trustee Foyt asked whether additional buildings on library properties were covered. Mr. Rice pointed out the two Mesquite properties on the list and the separate Rainbow properties. Mr. Lewis explained that corollary buildings within 1,000 feet of the property are covered under the District's insurance.

Trustees asked questions, mainly to clarify their understanding of the insurance limits. Trustee Benavidez questioned whether employees were allowed to use their own cars on District business. Mr. Rice explained that any employee using their own car on District business was required to file a mileage report, which required proof of insurance to be paid. If an employee got in an accident with their vehicle on District business, their insurance is the primary coverage, the District's coverage is secondary. Employees can take a small amount of materials with them in their own car. For larger amounts, the District prefers the equipment or materials be transported in District vehicles. In response to a further question from Benavidez, Rice explained that all drivers of District vehicles were required to take a defensive driving course. This course is offered regularly to District staff.

Trustee Ortiz asked about the \$1,000 limit on the Airbags coverage under the Auto Liability section and questioned whether the limit could be increased, as he had personal experience with the cost to replace airbags. Mr. Lewis and Mr. Rice will evaluate whether the \$1,000 limit is sufficient and add it to the coverage.

After Mr. Lewis finished reviewing the current District insurance coverage, he then moved to discuss two new areas of coverage and their quotes. At last year's meeting, Trustees had asked about coverage for threat events. Lewis described the areas included in the Kidnap and Ransom coverage and the Active Assailants coverage. Lewis explained that the Kidnap and Ransom coverage was a traditional coverage for traditional risk. Active Assailants Coverage is more broad coverage and is technically a property insurance policy as the rate is based upon property values. The intent to is to provide additional coverage and to mitigate the District's legal liability. The Active Assailants coverage includes additional special coverages such as ingress/egress, public relations consultancy costs, counselling costs, medical expenses, employee retraining costs, security costs, cleanup costs and expenses incurred during an incident.

Committee members, Mr. Rice and Mr. Lewis extensively discussed the different coverage areas, limits, and costs as well as the different policies offered. Multi-year policies were discussed as well as whether they were refundable if the District chose to go in another direction. Mr. Lewis and Mr. Rice explained that these two policies were new types of coverage and were evolving continuously. After discussion, Committee members were in favor of purchasing both types of

coverage while limiting coverage to one year. District staff would evaluate the coverage annually.

After discussing the wording of the motion. Trustee Benavidez moved to recommend to the Board of Trustees that a contract for property and casualty insurance and public officials and employment practices liability insurance be awarded through USI Insurance Services to Travelers Casualty and Surety Company of America, Allied World, Great American, Indian Harbor Insurance Company at an annual premium, not to exceed \$296,000, for the policy year commencing on July 15, 2018, subject to final review by Counsel. There was no opposition and the motion carried.

**Public Comment
(Item V.)**

None.

**Adjournment
(Item XIII.)**

Chair Melendrez adjourned the meeting at 5:49 p.m.

Respectfully submitted,

Jose Melendrez, Committee Chair