

City of Lafayette Staff Report

For: City Council
By: Tracy Robinson, Administrative Services Director
Date Written: February 2, 2010
Meeting Date: February 8, 2010
Subject: City Liability Insurance Limits

At their last Council meeting, a question regarding the extent of the City's liability coverage was asked in relation to the BMX Bike Park issue.

The City is covered for the first \$1 million by the Municipal Pooling Authority, the JPA to which the City belongs. The first layer of excess coverage is provided by the California Affiliated Risk Management Authority (CARMA) for the next \$3 million. In addition, there are two more layers of excess coverage through Everest Reinsurance Company and Colony National Reinsurance Company for \$10 million and \$15 million, respectively, for a total of \$29 million. The City's deductible is \$5,000.

Note, however, that the liability insurance does not extend to inverse condemnation claims (e.g. physical or regulatory "takings" of private property).