**ORDINANCE NO. _____**

**AN ORDINANCE TO DECLARE UNFEASIBLE AND IMPRACTICAL TO BID; TO AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH ARKANSAS MUNICIPAL LEAGUE IN THE AMOUNT OF ONE MILLION FIVE HUNDRED NINETY THOUSAND, THIRTY-TWO AND 34/100 DOLLARS ($1,590,032.34), PLUS A CONTINGENCY IN THE AMOUNT OF ONE HUNDRED AND NINE THOUSAND, NINE HUNDRED AND SIXTY-SEVEN AND 66/100 DOLLARS ($109,967.66), TO COVER THE PREMIUM TO OBTAIN MOTOR VEHICLE LIABILITY, COMPENSATION, AND COLLISION INSURANCE COVERAGE FOR VEHICLES AND EQUIPMENT IN THE CITY'S FLEET AND ANY ADDITIONAL VEHICLES OR EQUIPMENT PURCHASED OVER THE COURSE OF THE COVERAGE YEAR FROM JANUARY 1, 2027, TO DECEMBER 31, 2027; AND FOR OTHER PURPOSES.**

**WHEREAS,** the City of Little Rock owns and operates a large fleet of motor vehicles and equipment that require continuous liability, compensation, and collision protection insurance coverage; and,

**WHEREAS,** it is necessary for the City to participate in the Arkansas Municipal League Municipal Vehicle Program which provides the City with a cost-effective and comprehensive self-insurance solution tailored to needs of municipalities is necessary; and,

**WHEREAS,** the unique nature of this insurance pool makes it impractical and unfeasible for the City to competitively select a similar carrier; and,

**WHEREAS**, per the Arkansas Municipal League's quote attached hereto as Exhibit A, the total cost to participate in the 2027 Municipal Vehicle Insurance Program is One Million, Five Hundred Ninety Thousand and Thirty-Two and 34/100 Dollars ($1,590,032.34).

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY OF LITTLE ROCK, ARKANSAS:**

**Section 1.** The City Manager is hereby authorized to enter into a contract with the Arkansas Municipal League Municipal Vehicle Program in the amount of One Million, Five Hundred Ninety Thousand and Thirty-Two and 34/100 Dollars ($1,590,032.34), plus a contingency in the amount of One Hundred Nine Thousand, Nine Hundred and Sixty-Seven and 66/100 Dollars ($109,967.66), to cover the premium to obtain motor vehicle liability, compensation, and collision insurance coverage for vehicles and equipment in the

City's Fleet and any additional vehicles or equipment purchased over the course of the coverage year from January 1, 2027, to December 31, 2027.

**Section 2**. The Board of Directors of the City of Little Rock declares that it is impractical and unfeasible to subject participation in this Program to a competitive bid selection process because such municipal insurance pool participation is tailored to municipality insurance needs in such a way that other insurance plans are impractical.

**Section 3**. Funds for the premium to participate in the Arkansas Municipal League Municipal Vehicle Program are allocated in the Fleet Services Operating Account No. 600020-63610.

**Section 4.** ***Severability*****.** In the event any title, section, paragraph, item, sentence, clause, phrase, or word of this ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or adjudication shall not affect the remaining portions of the ordinance which shall remain in full force and effect as if the portion so declared or adjudged invalid or unconstitutional were not originally a part of the ordinance.

**Section 5.** ***Repealer*****.** All laws, ordinances, resolutions, or parts of the same, that are inconsistent with the provisions of this resolution, are hereby repealed to the extent of such inconsistency.

**Section 6.** ***Emergency Clause.*** There is hereby found and declared to be an immediate need for motor vehicle liability and comprehensive insurance coverage which is essential to the public health, safety, and welfare of the City and the inhabitants thereof. It is therefore declared that an emergency exists and this Ordinance, being necessary for the immediate preservation of the public health, safety, and welfare, shall be in force and take effect immediately upon and after its passage.

**PASSED: December 1, 2026**

**ATTEST:** **APPROVED:**

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**Allison Segars, City Clerk** **Frank Scott, Jr., Mayor**

**APPROVED AS TO LEGAL FORM:**

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**Thomas M. Carpenter, City Attorney**

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**EXHIBIT A**

# MUNICIPAL VEHICLE PROGRAM

## Rating Tables 2026-2027 Effective 12/1/26

**Part I**
**Class Table**

| Class | All Standard & Non-Standard Vehicles | 15+ Pass Van, Ambulances & LSM's | Buses |
|---|---|---|---|
| 1 | $100 | $200 | $800 |
| 2 | $200 | $400 | $1,000 |

**Part II ***
**Cumulative Loss Experience**

| Class | | Standard Vehicle (1) | Non-Standard (2) |
|---|---|---|---|
| 21 | Under 100% | 0.0055 | 0.0077 |
| 22 | 100-120% | 0.0066 | 0.0093 |
| 23 | 121-140% | 0.0077 | 0.0108 |
| 24 | 141-170% | 0.0088 | 0.0124 |
| 25 | 171-200% | 0.0099 | 0.0139 |
| 26 | Over 200% | 0.011 | 0.0154 |

## * Part II Definitions of Standard and Non-Standard

**(1) Standard Vehicle Rate**

Vehicles that qualify for the **Standard Vehicle Rate** are:

a) Motorized passenger vehicles available to the general public but purposed for use by municipalities, that are designed for use on a paved surface, that require a license by the State of Arkansas. This would include coupes, sedans, pick-up, SUV's used by police, city utilities, etc.
b) Motorized vehicles designed for off-road use such as backhoes, excavation equipment, ATV's, etc

**(2) Non-Standard Rate**

We define **Non-Standard Vehicle** as a motorized vehicle not available for purchase to the general public as transportation, and whose design is for use by emergency personnel, or by personnel in the course and scope of municipal use. This would include, but not limited to, fire trucks, dump trucks, trash trucks, ambulances, buses designed to carry passengers.

NOTE: Deductible $1,000 per vehicle.

## SURCHARGE

**Members with a current loss ratio over 100% for the last two years and a 100% Cumulative Loss Ratio, with an aggregate loss to the pool of $750,000 or higher, will be surcharged and the maximum Class 2 Rates would apply for Part I and a 10% surcharge on Part II premium would apply.**

**Please contact John Wells, Director at 501-978-6123, if you have any questions regarding the Municipal Vehicle Program rates.**

| **Premium Rating** | |
|---|---|
| AL | 275,200.00 |
| APD | 1,195,302.13 |
| APD_SURCHARGE | 119,530.21 |
| Total Cost | 1,590,032.34 |

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