

ORDINANCE NO. 154-16

AN ORDINANCE AUTHORIZING THE MAYOR TO SOLICIT REQUESTS FOR PROPOSAL (RFP's) FOR LIABILITY AND PROPERTY INSURANCE FOR THE CITY OF MEDINA.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MEDINA, OHIO:

SEC. 1: That the Mayor is hereby authorized and directed to solicit Requests for Proposals (RFP's) for liability and property insurance for the City of Medina.

SEC. 2: That a copy of the Request for Proposals is hereby attached and marked Exhibit A.

SEC. 3: That it is found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law.

SEC. 4: That this Ordinance shall be in full force and effect at the earliest period allowed by law.

PASSED: November 14, 2016

SIGNED: John M. Coyne, III
President of Council

ATTEST: Kathy Patton
Clerk of Council

APPROVED: November 15, 2016

SIGNED: Dennis Hanwell
Mayor

ORD 154-16
Exh. A
Draft

CITY OF MEDINA
132 NORTH ELMWOOD STREET
MEDINA, OHIO 44256



INVITATION FOR PROPOSALS
TO UNDERWRITE VARIOUS INSURABLE RISKS

MARKET REQUESTS DUE: THURSDAY, DECEMBER 15, 2016
MARKET ASSIGNMENTS DUE TO PROPOSERS: MONDAY, DECEMBER 19, 2016, 12:00 PM, EST
REQUEST FOR PROPOSAL RELEASE: TUESDAY, DECEMBER 20, 2016, 12:00 PM, EST
QUESTIONS DUE FROM PROPOSERS: WEDNESDAY, JANUARY 18, 2017, 1:00 PM, EST
TOURS: TBA, IF REQUESTED
PROPOSALS DUE: MONDAY, JANUARY 30, 2017 1:00 PM, EST
COVERAGES EFFECTIVE: FRIDAY, APRIL 1, 2017

NOVEMBER, 2016

CONFIDENTIALITY

THE MATERIAL CONTAINED IN THIS DOCUMENT IS CONFIDENTIAL. IT MAY BE USED FOR THE SOLE PURPOSE OF PREPARING AND SUBMITTING A PROPOSAL FOR SERVICES AS REQUESTED HEREIN. ANY OTHER USE OF THIS DOCUMENT (INCLUDING ALL OF ITS ATTACHMENTS, EXHIBITS OR ENCLOSURES) AND THE INFORMATION CONTAINED HEREIN IS STRICTLY PROHIBITED. THE CITY OF MEDINA RESERVES THE RIGHT TO REQUEST THE RETURN OF THIS DOCUMENT. THIS DOCUMENT MAY NOT BE REPRODUCED, DISCLOSED, OR DISSEMINATED TO ANY PERSON OR ENTITY NOT DIRECTLY INVOLVED IN THE PREPARATION AND SUBMISSION OF A PROPOSAL IN RESPONSE TO THE REQUEST DESCRIBED HEREIN.

CITY OF MEDINA

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SECTION A. GENERAL SPECIFICATIONS

The City of Medina is located in Medina County, Ohio approximately 33 miles south of the City of Cleveland and 20 miles east of the City of Akron. Founded in 1816 and incorporated as a village in 1835, the City of Medina enjoys a long and rich history that is evident in the restored Victorian architecture of its picturesque Medina Public Square offering the charm and feel of a New England village green and serving as the site of summer band concerts, festivals and art shows and that now host quaint shops and popular restaurant. In addition to the uptown commercial district, the City of Medina features several additional attractive shopping venues.

Situated in close proximity to major interstate highways and urban centers, the City of Medina offers vibrant commercial and retail locations, as well as prime sites for research and manufacturing. An abundant water supply, access to rail, and installed fiber optics can meet the needs of the most advanced business and manufacturing processes.

The City serves as the seat of county government for one of the fastest growing and most prosperous counties in northeastern Ohio. Residential growth skyrocketed during the 1990s. Throughout this time there have been numerous upscale residential developments and apartment/condominium units constructed to compliment the Victorian homes of the historic district and adequately house the population of one of the state's fastest growing counties. In 2010, the estimated population of Medina was 26,380. Medina has a median household income of \$61,644.

The City of Medina, Ohio (the City) has decided to conduct a proposal process for its Property and Casualty Insurance Program to be effective on or after April 1, 2016. You are invited to offer one or more proposals for an insurance program keeping in mind the following objectives:

I. OBJECTIVES

- A. Insurance protection of maximum strength.
- B. Economical.
- C. Simple to administer.

The following guidelines and suggestions are not meant to limit the proposers' offerings or to require unreasonable extensions of coverages. The proposers are encouraged to use their initiative and best judgment to develop the best possible, most responsive program. In addition to commercial insurance, the City will consider pools and other non-traditional risk transfer alternatives.

Although there can be no guarantee of subsequent renewals, the City has an interest in receiving the maximum benefit for services from proposers which may take time to develop to an effective degree, *i.e.*, safety and rate engineering, underwriting and claims assistance. With this in mind, proposals for up to three (3) years will be considered. If annual rate adjustments appear to be excessive as related to loss experience and expenses, or services are not acceptable, then the City may invite new proposals. If rates are not fixed for three years, then a not-more-than rate escalator clause would be acceptable but must be included in the proposal and be quantifiable by year.

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II. QUALIFICATIONS AND REQUIREMENTS OF PROPOSERS

A. Insurance Companies:

1. Shall have a current AM Best policyholder's rating of A- or better, and a Financial Size Category Class VIII (\$100,000,000) or larger, and if the insurer has been in business for the past three years, must have had these ratings for at least the last three years. Proposers shall specifically advise in its proposal(s) the current financial outlook of the insurance company as reported by AM Best Co. Proposer shall specifically advise the City if the AM Best rating or Financial Size Category of the insurance company(ies) changes or if the reported financial condition of the insurance company changes prior to the April 1, 2016 policy effective date. The successful proposer shall comply with this reporting requirement throughout the term of the issued policy(ies). The financial condition of the company or companies shall be subject to the approval of the City. The proposer is responsible to meet all requirements of the Ohio Surplus Lines Tax laws except for payment of the tax which shall be borne by the City.

The potentially primary liability insurer should be of such quality that an umbrella or excess insurer having the AM Best ratings required herein will provide excess coverage.

2. Shall comply with all requirements of the general laws and duly constituted authorities of the State of Ohio as to admissibility, size, resources, capacity and facilities.
3. Shall give the address of the nearest service office and shall advise, through their agents or otherwise, what, if any, of the following specialist personnel are employed locally and the exact plan for their use to best serve the City:
 - a. Underwriters.
 - b. Appraisers or evaluation personnel.
 - c. Building engineers.
 - d. Safety engineers.
 - e. Claims personnel/adjusters – the City prefers all liability and property claims be adjusted by insurer's employed adjusters. The City reserves the right to reject the assignment of any independent adjusting firm.
 - f. Legal counsel – the City shall have the right to select counsel for the defense of liability claims and lawsuits. See Section B. I. I, page 16, below.

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4. Where pools, captives, risk retention groups or other risk transfer alternatives other than commercial insurance are proposed, the following information SHALL be submitted.
 - a. Most recent annual financial statements of the pool, plan, or risk retention group.
 - b. Most recent quarterly financial statements of the pool, plan or risk retention group.
 - c. CPA auditor's report on financial condition of the plan, pool, or risk retention group.
 - d. If the plan vehicle, pool, or risk retention group has entered into a reinsurance agreement(s); the most recent Report of Examination completed on the primary layer of reinsurance (reinsurers) by the Ohio Department of Insurance, and information detailing the terms and conditions of the reinsurance agreement(s) is required.
 - e. Descriptions of all reinsurance contracts and agreements, including name(s) of each reinsurance entity, and percentage of participation information detailing the specific layer for which coverage the reinsurance is responsible. Also, reinsurers must disclose if reinsurance is purchased.
 - f. If reinsurance is with Lloyd's of London, specific financial information on the London Syndicate(s) involved is required.
 - g. Copies of membership and subscription applications and all other agreements or other instruments which otherwise affect or control the terms and conditions of risk transfer afforded under the pool, plan or risk retention group to be signed by, or which otherwise affect the pool, plan, or risk retention group member candidates.
 - h. A complete copy of the coverage (risk transfer) document(s), memorandum of agreement, including all endorsements, addenda, or riders that becomes a part of the issued contract.
 - i. A listing of the administration of/for the pool, plan, or risk retention group, which shall include a detailed description of services provided to the pool, plan, or risk retention group, the amount of annual compensation paid by the pool, plan, or risk retention group to the administrator, and the form of such compensation (fee, percentage of premiums, or contributions).
 - j. A history of dividends and assessments paid over the last five (5) years together with a description of how dividends and assessments are calculated.

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B. Agents (Representatives):

1. May be any person qualifying and licensed as an insurance agent under the requirements of the general laws of the State of Ohio.
2. Submitting a proposal through an insurer that he or she does not represent as an agent under a written agency agreement or employment contract, shall so indicate in the proposal along with the name and complete contact information of the agent or broker involved. Any use of an intermediary of any kind, including wholesalers, brokers, excess and surplus lines brokers or underwriters, or another retail agent must be completely and clearly disclosed in the proposal materials.
3. Shall indicate what, if any, specialist personnel listed in A.3 above are employed by the agent.
4. Shall include documentation/information in their proposal substantiating experience with operations and facilities risks comparable to those exposures insured by the City.
5. Who are non-employees of the insurers they represent, shall, if they are successful, furnish written evidence of the ability to indemnify the City for any monetary loss of at least two million dollars (\$2,000,000) incurred by the City due to an error or omission on the part of said agent, or any employees or sub-agents thereof in providing or purporting to provide such insurance coverages as the City may from time to time request either specifically or by implication. A certificate of insurance evidencing Errors & Omissions coverage shall be submitted with your proposal. If any part of your proposed program is not covered by your Errors and Omission coverage, please state:
6. Shall specifically disclose in detail any relationship, engagement or contract between the City and the proposer, or any of its affiliates, parents, or subsidiaries.

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C. Successful Proposer:

1. Shall provide detailed reports to the City of all losses paid and reserved quarterly. All such loss and claim reports shall be provided within ten (10) days after the end of each calendar quarter, or as may otherwise be requested by the City.
2. Shall, within 60 days before the anniversary date each year, submit a draft stewardship report outlining the services performed in the past year, including:
 - a. historical data – premiums and claims paid and reserved for the most recent three years (where applicable);
 - b. significant pending loss reduction or prevention recommendations;
 - c. accomplishments in the policy year about to expire;
 - d. Specific objectives for the forthcoming year.
3. Commissions & Fees - Current compensation is commission based.
 - a. The successful proposer shall estimate as best as possible and disclose in writing to the City annually all compensation, revenues, and income received or earned in connection with the placement of insurance, effective April 1, 2017 or after, for the City, including insurance placed with owned or outside intermediary brokers.
 - b. Disclosure shall include direct and indirect commissions, contingent commissions, profit-based compensation, account retention or volume-based compensation, and all other compensation of any kind received by or credited to the account of the proposer at the inception of the policy, during the policy period, or within fifteen months after the inception of the policy period, beginning on or after April 1, 2017.
 - c. Disclosure shall specify the amounts of compensation so received, the basis for such compensation, and the payer of such compensation. This required information shall be provided to the City within twenty (20) days of the date of written request from the City to the successful proposer.
 - d. Whether or not requested, successful proposer shall annually confirm and disclose in writing to the City within 90 days of the policy expiration, all compensation received, as described above, the basis for such compensation, and the payer of such compensation including but not limited to the contingent commission related to the agent's business volume on or after April 1, 2017.

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4. Relationship:

Each proposer shall be prepared to agree, and shall agree, that the relationship between the City and the successful agent/broker shall be deemed a special relationship based on the confidence and trust reposed in that agent/broker by the City, and the agent/broker providing the City with various consultative services relating to the City's commercial insurance policies, operations, facilities, and exposures, and its insurance and risk management program. Each successful proposer shall perform all services in good faith, with reasonable diligence, and in accordance with the highest applicable ethical and professional standards.

5. Broker Services Agreement:

The City will consider and reserves the right to require the successful proposer(s) to execute an Agent/Broker Professional Services agreement; each proposer shall submit a sample agreement with its proposal.

6. Incorporation and Use of Documentation and Information:

All documentation and information provided (in both electronic and hard copy format) as part of this Invitation for Proposals to Underwrite Various Insurable Risks shall be considered a part of and incorporated into the specifications for purposes of obtaining one or more proposals.

All such documentation and information shall be provided to insurer underwriters as determined appropriate by each proposing agent. Agents are encouraged to request broader coverage and limits as deemed appropriate.

7. The coverages and limits of liability cited in this Invitation for Proposals to Underwrite Various Insurable Risks are for proposers' reference only. It is each proposer's obligation to verify the actual coverages and limits of liability currently in force for the City for which the proposer will submit a proposal, such that each proposer shall propose coverages not narrower than, nor limits of liability lower than those currently purchased by the City without clearly specifying such difference(s) in the proposal.

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III. PROPOSALS

A separate hard copy of the proposal shall be submitted by each proposer. A proposer may submit more than one proposal.

- A. Proposals shall be submitted electronically to the City Web Portal by 1:00 P.M. on Monday, January 30, 2017.
- B. Sealed written proposals shall be submitted to the office of Greg Huber, Law Director, City of Medina, 132 North Elmwood Ave., Medina, OH 44256, up to 1:00 p.m. on Monday, January 30, 2017 and electronically to the City of Medina Web Portal with a hardcopy submitted contemporaneously to Crain, Langner & Co. A proposer may submit more than one proposal. See Section B. IV, page 31 for addresses.

The following must be submitted to the City:

1. The written proposal, including:
 - a. Copy of the SOV used to quote
 - b. Vehicle List
 2. Specimen copies of all policy forms and endorsements;
 3. All agreements or documents that proposer expects will be issued or executed in order to issue the risk transfer contract or insurance policy;
 4. Proposals must constitute actual insurance company quotations for coverage (bindable quotes) and not be merely indications or otherwise contain material subjectivities;
 5. Required Proposal and Premium Breakdown Worksheet – Exhibit E
(See page 10, Item G for details);
 6. Actual Underwriting Quote or Declination Letter (Insurance company documents).
- C. Terms for all coverages should be the most favorable [three (3) years is suggested].
- D. The City will not schedule presentations for brokers/agents; however, the City reserves the right to request presentations as needed.
- E. Announcement of awards is expected to be made as soon as practical after January 30, 2017. The successful proposer(s) shall be prepared to deliver coverage promptly upon notification of award(s). Proposals must be bindable quotes not just indications.

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- F. Deviations from, or any non-compliance with, the specifications must be explicitly identified and described in the agency proposal. If no exceptions are stated, it will be understood that all general and specific conditions of these specifications will be complied with, without exception.

Proposers shall attach a description of unusual or specific features which will be provided in their program.

Proposers shall identify and describe each and every policy exclusion deemed notable by the proposer for each line and by line of coverage quoted. It is the proposer's responsibility to review and research all the City operations, activities, holdings, contractual relationships, policies and procedures to enable such proposers to submit one or more insurer proposals responsive to loss and liability exposures arising from the same.

- G. Exhibit E – Required Proposal and Premium Breakdown Worksheet:

All proposers must complete Exhibit E found on the Web Portal in Folder E. All features, exceptions, deviations, exclusions must be noted as required by this Section III.G.

Instructions for filling in Exhibit E in Excel format:

1. Download Exhibit E to your computer for editing.
2. Do not alter the format of the document or change the order of any of the rows or columns.
3. Column B indicates type of answer requested. Enter Proposer's name below Column C.
4. Use Columns C and D to fill in the requested answer.
5. If multiple carriers are being proposed for a line of coverage, please provide that information in the options columns (Column D).
6. If a layered program of any kind is being offered, please use the Option Columns (Column D) and indicate below the premium total line that multiple carriers make up the total limits for that particular line of coverage.
7. Additional notes or comments may be added below the last line of the spreadsheet.
8. Exhibit E – Required Proposal and Premium Breakdown Worksheet must be uploaded via the Web Portal in Excel format. PDF format is not acceptable.

NOTE: This worksheet does not represent or include all limits and coverages requested or expected.

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H. Failure to meet specifications may be cause for rejection and return of proposals lacking such requirements.

I. Provide Complete Proposals or Written Declination

The broker/agent is required to provide either a complete proposal (including both the underwriter's actual quote as well as the agent's quote document) or written proof of the insurer(s) declination to quote (which proof shall be an insurer document and not merely the agent's communication) for the City. A declination to quote shall describe in reasonable detail the reason(s) for such declination.

J. The City expects that all policies placed for the City after the April 1, 2017 renewal will provide insurance coverage substantially comparable to, and in no case materially narrower than that provided in policies proposed for the renewals which are the subject of this Invitation for Proposals to Underwrite Various Risks. The foregoing applies to the policies' terms, conditions, and rating basis. Proposals shall confirm proposers' understanding of and commitment to fulfill this expectation.

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IV. RIGHTS AND OBLIGATIONS OF THE CITY OF MEDINA

A. Acceptance or Rejection:

The City has as its objective the transfer of insurable risks listed herein at the lowest net cost to the extent said cost can be determined in advance. Realizing that, if losses do occur, lowest cost and lowest net premiums may or may not be the same, the City reserves the prerogative of deciding which overall plan, or combination of plans, will, in its opinion, most economically meet its needs over the period of time to be covered by this invitation.

The City reserves the right to:

1. Reject and may reject any and all proposals or parts thereof;
2. Permit informalities, irregularities or errors in the proposals or any part thereof, provided the City shall determine said informalities, irregularities or errors to be technical only and not material;
3. Declare that substantial compliance with these specifications constitutes compliance.

If identical proposals are received from more than one proposer, the City may use an alternative method of proposal selection.

All proposers shall agree to be prepared to and relinquish access to any and all excess or umbrella layer(s) of any coverage line to that proposer whose primary layer(s) of coverage is/are accepted and chosen by the City. Further, the City reserves the right to transfer or award any line of coverage to any agent/broker of its choice, and proposers shall cooperate fully with the City regarding any such transfer (agent of record letter or broker of record letter) or award. Proposal must clearly state if not permitted.

B. Overlap Endorsement:

One factor, which may have an important bearing on net cost, is the existence or absence of gaps or overlaps between coverage provided by different insurers. For that reason, favorable consideration will be given to proposals submitted through one insurer. If a proposal is submitted through more than one insurer, it is requested that all insurers agree to the attachment to their policies of an Overlap Endorsement or other legally valid written evidence to the same effect.

An Overlap Endorsement provides that in the event of an insured loss over which there is a valid dispute as to which insurer is liable, each insurer agrees that, if ultimately held liable for the loss, it will reimburse the insured for all expenses necessarily incurred by the insured to determine which insurer is liable.

Reimbursement shall be made only if liability is actually established or compromised and then, if shared by more than one insurer, in the proportion that loss payment is made.

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Examples of the need for this agreement often arise in attempting to fix responsibility in areas which include the following:

Liability Claims: General Liability – vs – Automobile Liability
Property Claims: Property – vs – Boiler & Machinery

C. Underwriting & Loss Data:

1. Underwriting and loss data are provided for the purpose of establishing a fair basis for comparing proposals and are not guaranteed to be complete or accurate.
2. The City will cooperate in every reasonable way possible with the successful proposer(s) with respect to inspections, appraisals, loss review, *etc.*
3. The successful proposer(s) has no authority to change coverage, rates, or rates basis after delivery of proposals.

D. Questions:

All inquiries concerning the attached specifications shall be submitted in writing to:

Daniel C. Buser, Crain, Langner & Co.

See Section B: IV, page 31 for contact information.

All questions concerning the specifications must be submitted no later than 1:00 p.m. EST on **Wednesday, January 18, 2017** and will be answered as soon as practicable.

Those questions developing information which, in the opinion of the City, should be made available to all proposers will be posted on the Web Portal in Question and Answer form to all those known to be preparing proposals. **The City will not entertain telephone calls or other communications regarding this process, it being understood that all such communication shall be directed to the consultant, Crain, Langner & Co.**

The City is committed to ensuring that all responding agencies are given consistent information to use to prepare their proposals. There will be no exceptions to this communication process. From the time of the issuance of the RFP and up until insurance providers are selected and a contract is or contracts are executed, responding agencies may not communicate with any City staff concerning the selection process except through the outlined inquiry method. This does not apply to communication during the evaluation process if the City or its consultant initiates the communication.

If a responding agency engages in any unauthorized communication, the City reserves the right to reject its proposal.

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E. Inspections:

An engineering tour of the City of Medina will be arranged if requested by proposers. Interested proposers will be notified of tour details at a later time.

F. Applications:

Only the applications included in this Invitation for Proposals to Underwrite Various Insurable Risks or otherwise provided by or via the City will be completed prior to award. The City will not be required to fill out an agent's or an insurers' applications separately. Notwithstanding the foregoing, the underwriter whose proposal is accepted may request that the City complete an application of that underwriter prior to binding coverage.

G. Market Selection:

In order to allow fair market access to all proposers for the primary lines of coverage, a controlled market selection process will be conducted with market requests.

Indicate the insurance company(ies) you wish to use on a priority basis for all lines of insurance collectively, not your priority by line of coverage, via email or fax not later than 12:00 p.m. EST on Wednesday, December 7, 2016, to:

Daniel C. Buser, Crain, Langner & Co.

See Section B. IV, page 31 for contact information.

A lottery system will be used to resolve conflicts of brokers/agents naming the same companies in the same priority. The City reserves the right to use its own discretion to resolve conflicts of agents naming the same companies in the same priority or if the same insurer proposal is delivered by several agents.

Also, subject to the following note, an assignment to an agent/broker of one insurance company will apply to the insurance company, to all of its members, affiliates, parents, and subsidiaries, and for all lines of coverage offered by any one or more of the foregoing.

NOTE: Additional requests for unassigned markets will be processed on a first request basis after the initial market assignments are concluded.

H. Proposers will be promptly informed in writing of the markets assigned for their use. The intent is to be communicated at or about 12:00 p.m. EST, Friday, December 9, 2016. Agent of Record Letters will be issued on an *as needed* basis.

I. The consultant is Daniel C. Buser, Crain, Langner & Co. See Section B. IV, page 31 for contact information.

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SECTION B. COVERAGE SPECIFICATIONS

The limits, data, information, and figures given are for the purpose of establishing a fair comparison of proposals. PROPOSALS SUBMITTED SHALL MEET OR EXCEED LIMITS SHOWN BELOW. IF ALTERNATIVE LIMITS AND/OR RETENTIONS ARE QUOTED, please note premium differences on Required Proposal and Premium Breakdown Worksheet.

I. COMMON POLICY CONDITIONS

A. BROAD FORM NAMED INSURED ENDORSEMENT INCLUDING:

THE CITY OF MEDINA, CITY BOARD OF ZONING APPEALS, CITY CIVIL SERVICE COMMISSION, MEDINA PARKS AND RECREATION BOARD AND ALL AFFILIATED SUBSIDIARY UNITS, BOARDS, COMMISSIONS, DEPARTMENTS AND ORGANIZATIONS THAT HAVE BEEN, NOW ARE OR SHALL BE HEREAFTER CONSTITUTED ALONG WITH ALL PAST AND PRESENT:

BOARD MEMBERS
ELECTED AND/OR APPOINTED OFFICIALS
EXECUTIVE OFFICERS
DIRECTORS
EMPLOYEES
INTERNS
VOLUNTEERS

B. KNOWLEDGE OF OCCURRENCE

Amend Loss and Accident Report provisions to provide:

Knowledge of a loss, incident, or accident by agents, servants, or employees of the City shall not itself constitute knowledge of the insured unless an executive officer of the named insured shall have first received notice from its agents, servants, or employees.

C. NINETY DAY NOTICE

Provision by proposing insurers for at least ninety (90) day notice of cancellation for each line of coverage is invited so that the City would be given adequate time to readvertise, should that become necessary.

D. UNINTENTIONAL ERRORS & OMISSIONS

Insurer must agree that failure of the insured to disclose all exposures, hazards, or activities existing as of the inception date of the policy shall not prejudice the insurance coverage afforded by the policy, provided such failure or omission is not intentional.

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E. LIBERALIZATION CLAUSE

F. TERRORISM

Include Terrorism Risk Insurance Program Reauthorization Act pricing for each line of coverage and the savings provided should the City decide to reject such coverage.

G. AUDITABLE

It is required that each policy state whether or not it is auditable.

H. NOTICE OF ERROR IN REPORTING

In the event that an insured reports an occurrence to one policy and later develops into a claim for another policy, the failure to report such occurrence at the time of the occurrence shall not be deemed in violation of this condition.

I. SELECTION OF DEFENSE COUNSEL

The City reserves the right to select legal counsel for the defense of the City as respects to liability claims. Therefore, all policies proposed shall include provisions reserving the right of the City to select defense counsel, and permitting the City to participate in the management, oversight, and administration of claims and lawsuits.

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II. CASUALTY INSURANCE

A. GENERAL LIABILITY

1. Limits:
 - \$ 1,000,000 Bodily Injury and Property Damage Each Occurrence
 - \$ 1,000,000 Personal and Advertising Injury
 - \$ 3,000,000 General Aggregate
 - \$ 3,000,000 Products/ Completed Operations Aggregate
 - \$ 1,000,000 Fire Legal Liability – Option for \$1,000,000
 - \$ 0 Medical Payments

2. Deductibles:

- a. Proposers are encouraged to propose -\$0- deductibles, plus any other alternatives of their choice.

3. Requested Policy Requirements/Other:

Include coverage for the following:

- a. Defense costs to be in addition to limits of liability.
- b. Broadened Commercial General Liability Form, including products and completed operations coverage.
- c. Bodily injury definition to include mental anguish, shock, humiliation and fright and the use of reasonable force to protect persons.
- d. Personal injury definition to include contractual claims by employees, and malicious prosecution, or abuse of process.
- e. Non-owned watercraft up to 50 feet.
- f. Blanket contractual liability (without limitations) (umbrella exclusions should track with those eliminated or modified in the General Liability policy):
- g. Host Liquor Liability.
- h. Explosion, collapse, and underground damage.
- i. Liability for incidental first-aid facilities and treatment.
- j. Professional services coverage, including for architects, surveyors, and engineers; delete any professional liability exclusions for engineers, architects, surveyors or other professionals.
- k. Worldwide liability.

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- l. Assault and battery deemed an accident if arising out of an attempt to protect persons or property.
- m. Pollution liability or loss arising from or related to a hostile fire; heating, air conditioning and dehumidifying equipment; equipment used to heat water for personal use by building occupants or guests; chemical or pollutant releases inside or outside building premises; sewer/drain back-up; contractor or service work materials, fumes, gases, or vapors; mobile equipment operating fluids; lawful use or application of chlorine or sodium hypochlorite in the insured's sewage treatment, retention ponds, pools, maintenance, or water purification operations; lawful use or application of any pesticide or herbicide; use or application of any fire fighting or emergency response services at, on or in any premises other than a waste site.
- n. Aggregate limit to apply per location.
- o. Property damage caused by the reverse flow of sewage and water backup.
- p. Liability for the operation of mobile equipment may either be provided in the General Liability or Auto Liability policy. Please disclose where the coverage will apply. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered autos.
- q. Provide an option for sublimit for mold, fungi, and bacteria.
- r. Fundraising events.
- s. Optional Electronic Data Liability. See, for instance, ISO CG 0065 and CG 0437.
- t. Newly acquired, leased, and erected properties for at least 180 days.
- u. Identity theft, misuse or misappropriation of personal identifying information, and resulting loss or liability, by any means.
- v. Media, personal injury, including libel, slander, and cyberliability or other loss or other liability arising from any City website, web-blog, electronic bulletin board, intra-district e-mail communications, radio stations and other internet/web communications.
- w. Broad form property damage, including completed operations for property in your care, custody and control, including damage from faulty workmanship to other parts of works in process.

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- x. Property damage from the use of reasonable force to protect property.
- y. Additional Insured – Designated person or organization.
- 4. Delete any limitations for the following:
 - a. Exclusion for fellow employee claims. Employees, volunteers and interns as additional insureds, including “fellow employee” claims, executive officers, and directors.
 - b. Riot, civil commotion, or mob action exclusion.
- 5. Exposures
 - a. See Folder G on the Web Portal.

B. EMPLOYERS LIABILITY (OHIO STOP GAP)

- 1. Limits: \$1,000,000 Bodily injury – each accident
\$1,000,000 Bodily injury by disease – each employee
\$1,000,000 Bodily injury by disease – policy limit
- 2. Broad form language providing defense and indemnity for Employers Liability for intentional tort as defined by the O.R.C. Section 2745.01, *et seq.*
- 3. Payroll: \$ _____

C. EMPLOYEE BENEFITS LIABILITY

- 1. Limits: \$1,000,000 Each wrongful act
\$3,000,000 Aggregate
- 2. Deductible: \$ 1,000
- 3. Exposure: 156 full time employees
___ seasonal employees
___ part-time employees

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D. EMPLOYMENT PRACTICES LIABILITY

1. Coverage for wrongful acts including employee practices liability.
2. Limits: \$1,000,000 Each wrongful act
 \$3,000,000 Aggregate
3. Deductible: \$ 10,000
4. Consideration will be given for higher limits.
5. Third Party claims for EPLI.
6. Include coverage for back pay/front pay.

E. AUTOMOBILE COVERAGE

1. Limits: \$1,000,000 Liability – Symbol 1 – per accident
 \$ 100,000 Uninsured/Underinsured – Symbol 2
2. Deductibles: \$ 500 Comprehensive – Symbol 10
 \$ 500 Collision – Symbol 10
3. Number of Vehicles: Refer to Folder J – Vehicle List on the Web Portal
4. Composite Rate Endorsement/Procedures are acceptable and should be clearly delineated in proposal.
5. Requested Policy Requirements/Other:
 - a. All vehicles owned and leased at inception date or which are acquired during the policy period.
 - b. Provide coverage for hired/non-owned vehicles.
 - c. Broadened Auto Endorsement.
 - d. Physical damage coverage shall apply to accessory items – unless specifically covered as Inland Marine.

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- e. The Who Is An Insured section of the policy should be expanded to include coverage excess of the employees and volunteers personal coverage for loss arising out of the use of a personally owned or member household owned vehicle on company business. This can be accomplished by adding ISO Form CA9933 or its equivalent so as to modify the "who is an insured" language within the Business Auto Coverage Form.
- f. Delete any fellow employee claim limitation.
- g. Hired Physical Damage. \$50,000
- j. Add Form CA 9948 – Limits application of pollution exclusion to that assumed under contract – show as an option.

F. GARAGEKEEPERS LIABILITY

- 1. Limits: \$ 50,000 Per Occurrence
Deductible: \$ 500 Per Vehicle

G. LAW ENFORCEMENT LIABILITY

- 1. Limits \$1,000,000 Per Occurrence
\$3,000,000 Annual Aggregate
- 2. Deductible \$ 10,000
- 3. Extended by inclusion or deletion of exclusions (or by separate contract) to cover liability including but not limited to the following:
 - a. Coverage to extend to appointed and elected officials, officers, volunteers, employees and independent contractors.
- 4. The current Law Enforcement coverage is occurrence based.

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H. PUBLIC OFFICIALS LIABILITY

1. Limits \$1,000,000 Per Occurrence
 \$3,000,000 Annual Aggregate

2. Deductible \$ 10,000 per wrongful act
 Deductible options will be considered.

3. The current Public Entity Management Liability coverage is claims-made with a retroactive date of 4/1/1997 and provides coverage for claims first made against the insured during the policy period and reported to the insurer pursuant to policy terms and conditions.

4. Extend by inclusion or deletion of exclusions (or by separate contract) to cover insurance liability including but not limited to the following:
 - a. Defense costs shall erode and be part of the deductibles.
 - b. Coverage to extend to appointed and elected officials, officers, volunteers and employees.
 - c. Coverage shall extend to judicial and administrative proceedings.
 - d. The City shall have the right to select defense counsel.
 - e. The City shall have the right to consent to settle.
 - f. Full prior acts coverage.

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I. ABUSE AND MOLESTATION

1. Limits: \$1,000,000 Each Occurrence
 \$2,000,000 Aggregate
2. State if a limit for abuse and molestation is included in the General Liability coverage or if coverage is separate.
3. Include coverage for Innocent Party Defense.

J. CYBERLIABILITY

No cyberliability coverage is currently purchased. Proposers shall offer if requested by the City. The City will consider options for coverage responsive to claims by third parties against the City alleging, among other things, breach of network security, breach of privacy, financial loss or identity theft, arising from the misappropriation or misuse of that third person's personal information such as credit card data or personal identifying information. The City will also consider options for coverage as respects first party losses such as computer system extortion, breach response, forensic and legal services, crisis management and public relations expense, business interruption and data restoration.

K. UMBRELLA LIABILITY

1. Limits: \$ 10,000,000 Each occurrence
 \$ 10,000,000 General Aggregate

Umbrella Liability coverage with aggregate limits of at least \$10,000,000, including proposals for options up to \$20MM are requested.

2. Coverage should be at least as broad as the underlying.
3. State required minimum underlying limits for General Liability, Abuse and Molestation, and Auto Liability exposures.
4. Umbrella liability shall respond excess of all underlying or primary coverages, including:
 - General Liability
 - Auto Liability
 - Employment Practices Liability
 - Law Enforcement Liability
 - Public Officials Liability
5. Include coverage for the following:
 - a. Defense outside the limits.
 - b. Per location aggregate.

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L. AIRPORT LIABILITY

1. Limits
 - \$5,000,000 Airport Premise Liability - Each Occurrence
 - \$5,000,000 Non-Owned Aircraft Liability – Each Occurrence
 - \$5,000,000 Products and Completed Operations – Annual Agg
 - \$5,000,000 Personal and Advertising Injury – Annual Agg
 - \$ 5,000 Premises Medical Expense – Any One Person
 - \$ 100,000 Fire Damage – Any One Fire
 - \$5,000,000 Hangarkeepers Liability – Per Aircraft
 - \$5,000,000 Hangarkeepers Liability – Per Occurrence
2. Deductible: Proposers are encouraged to propose a \$0 deductible plan. Deductible options up to \$25,000 will be considered.
3. Number of Fixed Base Operators: One
4. Coverages - Extended (or by separate contract) to cover liability including but not limited to the following:
 - a. Non-owned aircraft (hired, chartered, loaned with crew)
 - b. Personal Injury definition to include contractual and claims made by employees, and malicious prosecution, or abuse of process.
 - c. Mobile Equipment Liability included in Airport Owners General Liability form.
 - d. Defense costs to be in addition to limits of liability.
 - e. Employees and volunteers as additional insureds. Delete any Fellow employee exclusions.
 - f. Bodily injury definition to include mental anguish, shock, humiliation, and fright.
 - g. Blanket contractual (without limitations).
 - h. Host Liquor Liability.
 - i. Property in the care, custody and control or broad form property damage.
 - j. Explosion, collapse and underground damage.
 - k. Liability for incidental medical facilities and treatment, including a Doctor/EMT or Nurse.
 - l. Products and Completed Operations.

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- m. Bodily injury and property damage deemed an accident if arising out of an attempt to protect persons or property.
- n. Fire Legal Liability – Blanket \$100,000 Real and Personal Property. Extended to include explosion.
- o. Extended coverage endorsement for war, hijacking and other perils.
- p. Pollution and noise exclusions amended for in-flight air emergency and/or pollution or contamination of insured's product.
- q. On-Premises Vehicle Liability for snow removal and fire equipment.
- r. Away From Premises Auto Liability for emergency response to downed aircraft.
- s. Amend any Pollution Exclusion to include hostile fire, HVAC and Mobile Equipment.
- t. Extend for "static" displays at special events.
- u. Delete any "Date Recognition Exclusion."
- v. Amend Expected or Intended Exclusion to not apply to bodily injury or property damage from the use of reasonable force to protect persons or property.
- w. Medical Expense – Quote \$10,000 limit as an option.

5. Non-Owned Aircraft Liability

- a. Limits: \$ 5,000,000 Any One Occurrence
- b. Including passengers; extended to cover but not limited to:
 - i. Exclusion relating to failure of Pilot in Command to hold a current pilot's certificate applies only if known to the Director of Finance.
 - ii. Current seat capacity is 20.
 - iii. Include both operations of Airport and City of Medina for fixed and rotor wings.

6. Hangarkeeper's Liability

- a. Limits: \$ 5,000,000 Any One Aircraft
\$ 5,000,000 Any One Occurrence
- b. Confirm coverage for liability arising from rental of tie-downs and taxiing.

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III. PROPERTY INSURANCE

The insured's interest in or legal responsibility for real or personal property, Boiler and Machinery and Time Element.

The property values and other data shown in the Statement of Values file under the City's file on the Web Portal are estimated 100% replacement cost and are to be used for the purpose of comparison of proposals only. They are not guaranteed, and the successful proposer shall have an opportunity to adjust the basis of premium charges (not rates) if a serious discrepancy appears between stated and actual values.

Loss control and safety engineering services have consistently been and are currently provided by the incumbent insurer. Proposers should fully disclose their engineering capabilities, including the location qualifications of the engineers available and their ability to provide advice on building valuations on an annual basis.

A. PROPERTY, INCLUDING BOILER & MACHINERY

1. Broad blanket "all risk" form of coverage on all real property and personal property, including equipment breakdown, wherever located, scheduled or not, that the insured owns, operates, controls, or is under the obligation to insure for direct physical loss or damage, or for which the insured is legally liable, including valuable papers and records collection, fine arts collections, including new construction, additions, alterations, temporary structures, materials, equipment and supplies for new construction, buildings or structures, permanently attached underground pipes, tanks, flues and drains, foundations and footers, retaining walls, electronic data processing equipment, data and media, architect's fees, property in the open and underground, bridges, roadways, walks, patios, or other paved surfaces; personal property of others in the insured's care, custody or control, while in transit or otherwise, on a replacement cost basis, not subject to any coinsurance conditions, *i.e.* agreed amount basis.

Refer to the Statement of Values file under the City's file on the Web Portal for COPE information and values.

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2. Limits:

Coverage	Description	No less than the following limits/sublimits:
Accounts Receivable		\$ 250,000
Business Income from Dependent Property		\$ 500,000
Communications Equipment	Scheduled under Inland Marine	\$ 282,000
Debris Removal	Additional Limit	25% of loss
Demolition/Increased Cost of Construction		\$ 100,000
Earthquake		\$ 5,000,000
EDP Data and Media	Scheduled under Inland Marine/B&M	\$ 300,000
Equipment leased or rented from others		\$ 250,000
Expediting Expenses		\$ 100,000
Extra Expense and Business Income		\$ 500,000
Fine Arts	As Scheduled	\$ 50,000
Flood		\$ 5,000,000
Newly Acquired or Constructed Property	At least 180 days	\$ 1,000,000 Buildings \$ 500,000 Contents
Off premises service interruption	Building and personal property damage resulting from loss of electric, communication supply services, gas, fuel, steam, water, refrigerator and out-going sewer including overhead transmission and distribution lines	\$ 100,000 24 hour deductible
Ordinance or Law	Including undamaged portion, demolition, building laws, time element and increased cost of construction for all locations	\$ 1,000,000 - Apply to both real & business income - Prefer limit be included w/in Blanket Limit - State if separate
Outdoor Property		\$ 50,000
Personal Property of Employees/Volunteers		\$ 50,000
Personal Property of Others		Included
Pollutant Clean Up and Removal		\$ 25,000
Public Entity Property	Flagpoles	\$ 5,000
Sewer Back up		Included
Transit	For direct physical loss including theft, subject only to named exclusions, including EDP	\$ 100,000
Valuable Papers		\$ 250,000

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3. Deductibles:

\$	5,000	Real and Personal Property
		48 hours Business Interruption
\$	1,000	Misc. Property, Computer Protection
\$	5,000	Boiler and Machinery
\$	1,000	EDP
\$	50,000	Flood
\$	50,000	Earthquake

Options: Proposers are encouraged to provide deductible options.

On types of losses (*e.g.*, earthquake and flood) a higher deductible may be utilized.

4. Valuation:

- a. Insured to retain the right to elect not to replace real and/or personal property damaged and still obtain loss settlement on a replacement cost basis, if the loss proceeds are utilized for other capital expenditures related to the insured's operations. (State if not provided.)
- b. Extra Expense is to be Actual Loss Sustained, without limitation or coinsurance. If monthly limitation, it must be 100%/100%/100%.
- c. Buildings are to be repaired or replaced using the same materials, workmanship and architectural features and historical details which existed before the loss.
- d. EDP is to be replacement cost.

5. Requested Policy Requirements/Other:

Include coverage for the following:

a. Flood:

- i. Flood: Broad perils flood and water damage requested to include property coverage for loss caused by leakage through walls, floors, underground flues and drains, the back-up of sewers and drains and by surface water run-off; flood; surface waters; rising waters; waves; tide or tidal water; the release of water, the rising, overflowing or breaking of boundaries of natural or man-made bodies of water or the spray therefrom; or sewer/drain back-up resulting from any of the foregoing; regardless of any other cause or event contributing concurrently or in any other sequence of loss including if driven by wind or not.

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- ii. Flood limits: Minimum of \$5,000,000 per occurrence with options for higher limits.
 - iii. Flood zone restrictions must be clearly stated.
 - iv. Deductible options must be disclosed.
 - v. The cost to provide Flood coverage should be clearly identified.
- b. Earth Movement:
- i. Any natural or man-made earth movement including, but not limited to earthquake or landslide regardless of any other cause or event contributing concurrently or in any other sequence of loss.
 - ii. Earthquake limits: Minimum of \$5,000,000 per occurrence with options for higher limits.
 - iii. Earthquake zone restrictions must be clearly stated.
 - iv. Deductible options must be disclosed.
 - v. The cost to provide Earthquake/Earth movement coverage should be clearly identified.
- c. Construction Management and Design Professional fees to be included in loss settlement.
- d. Personal property while airborne or waterborne.
- e. Full glass coverage. No sublimit to apply.
- f. Collapse:
- i. Prefer all risk versus specified perils. Disclose which is proposed.
 - ii. Prefer coverage to apply for all property, without requirements there first be collapse of a building.
- g. Transit coverage shall extend to valuable Papers and Records that are being conveyed outside the buildings and while temporarily within other premises, except storage.

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6. Delete any limitations for the following:
 - a. Vacancy condition, restriction, or clause.
 - b. Exclusion for cost of excavating and backfilling.
 - c. Policy language requiring rebuilding on the same premises as loss location.
 - d. Protective Safeguards Endorsement.
 - e. Restrictions for gutters and downspouts.

B. INLAND MARINE

1. Limits: See Folder A on the Web Portal

C. CRIME

1. Limits:
 - \$ 1,000,000 Employee Theft per Loss
 - \$ 250,000 Forgery or Alteration
 - \$ 1,000,000 Computer Fraud
 - \$ 1,000,000 Wire Transfer Fraud
 - \$ 25,000 Theft of Money/Securities
 - \$ 1,000,000 Funds Transfer Fraud
 - \$ 5,000 Claim Expense
2. Deductible: \$ 5,000
3. Requested Policy Requirements/Other:
 - a. Employee defined to include all officers, volunteers, employees, including employee peace officers or police officers, judges and referees.
 - b. Exclusions for bonded employees, such as Finance Director, Tax Collector or any other employee required by law to be bonded, must be deleted.
 - c. Faithful performance of duties coverage required.
 - d. Loss under prior bond – Proposer must confirm the proposed policy/bond will apply to loss sustained by or caused to the insured prior to or during the new bond period. The policy must also provide coverage for a loss discovered after the beginning of the new bond and prior to the expiration of three (3) years from the cancellation of this new bond.

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IV. CONTACT INFORMATION

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END OF INVITATION FOR PROPOSALS