

RESOLUTION 2004- 56

AUTHORIZING THE PURCHASE OF PUBLIC OFFICIALS AND EMPLOYMENT PRACTICES LIABILITY INSURANCE FROM NATIONAL UNION INSURANCE COMPANY THROUGH ACORDIA WELLS FARGO, CASUALTY INSURANCE BROKER FOR GCRTA, FOR A PERIOD OF ONE YEAR FOR A TOTAL NOT TO EXCEED PRICE OF \$87,858.00 - GCRTA INSURANCE FUND.

WHEREAS, the GCRTA requires public officials and employment practices liability insurance protection; and

WHEREAS, proposals from various underwriters were received in March 2004, and were evaluated in accordance with Procurement Policies and Procedures; and

WHEREAS, the submittal from National Union Insurance Company through Acordia Wells Fargo located at 1301 East Ninth Street, Suite 3800, Cleveland, Ohio 44114 for public officials and employment practices liability insurance for a period of one year for an annual aggregate coverage limit of \$5,000,000.00 at a total price not to exceed \$87,858.00 was determined to be the most advantageous to the Authority, price and all other factors considered; and

WHEREAS, the General Manager deems acceptance of the submittal of National Union Insurance Company through Acordia Wells Fargo for a public officials and employment practices liability insurance program, as modified by negotiation, to be the most advantageous to the Authority and recommends acceptance thereof to the Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the submittal of National Union Insurance Company through Acordia Wells Fargo, as modified by negotiations, for a public officials and employment practices program is hereby accepted as the most advantageous to the Authority, price and all other factors considered.

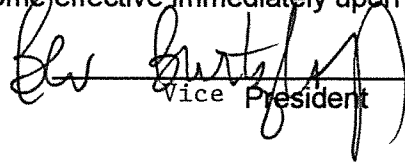
Section 2. That the General Manager of the Authority be and he is hereby authorized to enter into a contract with Acordia Wells Fargo for public officials and employment practices liability insurance coverage with National Union Insurance Company up to the limit of \$5,000,000.00 annual aggregate.

Section 3. That said contract shall be payable from the Authority's Insurance Fund at a total price not to exceed eighty-seven thousand eight hundred fifty-eight & 00/100 dollars (\$87,858.00) for a period of one year.

Section 4. That said contract shall be binding upon and an obligation of the Authority and contingent upon compliance by the contractor to the Specification and Addenda; if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2003-107; bonding and insurance requirements and all applicable laws relating to the contractual obligation of the Authority.

Section 5. That this resolution shall become effective immediately upon its adoption.

Adopted: April 20, 2004



Vice President

Attest: 

CEO, General Manager/Secretary-Treasurer



TITLE/DESCRIPTION: AUTHORIZING THE PURCHASE OF PUBLIC OFFICIALS AND EMPLOYMENT PRACTICES LIABILITY INSURANCE FROM NATIONAL UNION INSURANCE COMPANY THROUGH ACORDIA WELLS FARGO, CASUALTY INSURANCE BROKER FOR GCRTA, FOR A PERIOD OF ONE YEAR FOR A TOTAL NOT TO EXCEED PRICE OF \$87,858.00 - GCRTA INSURANCE FUND.	Resolution No.: 2004- 56
	Date: April 15, 2004
	Initiator: Risk Management Department
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** This action will provide GCRTA with public officials and employment practices liability insurance protection.
- 2.0 **DESCRIPTION/JUSTIFICATION:** In May 2002, a decision was made to purchase a separate policy of insurance to maintain insurance coverage for public officials and employment practices liability claims. The current insurance program expires May 1, 2004.
- 3.0 **PROCUREMENT BACKGROUND:** Proposals were requested through Acordia Wells Fargo for competitive quotations on this insurance program. After evaluation in accordance with the Authority's established Procurement Policies and Procedures, the submittal of National Union Insurance Company for a public officials and employment practices liability insurance policy was determined to be most advantageous to the Authority vs. the prior policy with Landmark American. The limit of coverage remains at \$5,000,000.00 annual aggregate. The self-insured retention has been lowered from \$500,000.00 to \$250,000.00 per claim. There are also several coverage enhancements, including the deletion of a professional liability exclusion and the addition of third party employment practices coverage.

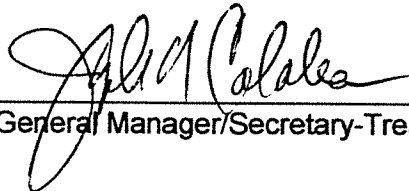
 Based on the evaluation of cost and price by Acordia Wells Fargo and the Authority for the coverages identified, the Procurement Department has determined the negotiated price to be fair and reasonable.
- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** Does not apply.
- 5.0 **POLICY IMPACT:** Does not apply.
- 6.0 **ECONOMIC IMPACT:** This program will be funded through the Authority's Insurance Fund at a total price not to exceed eighty seven thousand eight hundred fifty eight & 00/100 dollars (\$87,858.00) for a period of one year.
- 7.0 **ALTERNATIVES:** Reject this offer. Not adopting this resolution will put the Authority at risk of not having public officials and employment practices liability insurance protection.
- 8.0 **RECOMMENDATION:** It is recommended that the submittal of National Union Insurance Company through Acordia Wells Fargo, as negotiated, be accepted and a resolution passed authorizing the General Manager to enter into a contract.

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9.0 ATTACHMENTS: None.

Recommended and certified as appropriate to the
availability of funds, legal form and conformance with the
Procurement requirements.



CEO, General Manager/Secretary-Treasurer