

ORDINANCE NO. 07-11 AC CMS

AN ORDINANCE ACCEPTING THE RENEWAL PROPOSAL OF THE PUBLIC ENTITIES POOL OF OHIO THROUGH ACORDIA OF OHIO, INC., FOR LEGAL LIABILITY FOR THIRD PARTY CLAIMS, LAW ENFORCEMENT LIABILITY, WRONGFUL ACTS LIABILITY, AUTOMOBILE LIABILITY, AUTOMOBILE PHYSICAL DAMAGE, AND EXCESS LIABILITY INSURANCE COVERAGE FOR THE CITY OF OBERLIN AND DECLARING AN EMERGENCY

WHEREAS, the City of Oberlin has been a member of the Public Entities Pool of Ohio since 1988 and the membership agreement automatically renews each year unless the City elects to withdraw from the Pool; and

WHEREAS, it is now time for certain insurance coverage provided by said Pool to be renewed and, after review, the City has determined that it would be in the City's best interest to remain in the Pool.

NOW THEREFORE, be it ordained by the Council of the City of Oberlin, County of Lorain, State of Ohio, five-sevenths (5/7ths) of all members elected thereto concurring:

SECTION 1. That the renewal proposal of the Public Entities Pool of Ohio and its agent, Acordia of Ohio, Inc., for providing certain insurance coverage for the City of Oberlin, be and the same is hereby accepted, and the City Manager is hereby authorized and directed to enter into a contract in accordance with the following:

<u>Coverage & Amount</u>	<u>Premium</u>
Legal liability for third party claims \$6,000,000 Liability Limit \$0 - Deductible	\$68,724.
Law Enforcement Liability \$6,000,000 Liability Limit \$5,000 - Deductible	\$ 8,786.
Wrongful Acts \$6,000,000 Liability Limit \$5,000 - Deductible	\$ 5,520.
Automobile Liability & Physical Damage \$6,000,000 Liability Limit \$100,000 Uninsured Motorists	\$45,957.

SECTION 2. It is found and determined that all formal actions of this Council concerning or relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 3. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the citizens of the City of Oberlin, Ohio, or to provide for the usual daily operation of a municipal department, to wit:


"to authorize the renewal of certain insurance coverage for the City of Oberlin prior to its expiration date of February 15, 2007," and shall take effect immediately upon passage.

PASSED: 1st Reading – January 16, 2007 (E)
2nd Reading –
3rd Reading –

ATTEST:



Sheri Haury
INTERIM CLERK OF COUNCIL



Daniel Gardner
PRESIDENT OF COUNCIL

POSTED: January 17, 2007

EFFECTIVE DATE: January 17, 2007

PUBLIC ENTITIES POOL OF OHIO

COVERAGE BINDER

This binder is a temporary coverage contract, subject to the conditions shown below.

NAME OF MEMBER: **City of Oberlin**
ADDRESS: **85 South Main Street**
Oberlin, OH 44074

BINDER INCEPTION DATE: **2/15/2007** FOR ONE HUNDRED SIXTY (160) DAYS.

DESCRIPTION OF OPERATIONS: **Public Entity**

<u>RISK SHARING CERTIFICATE NO.</u>	<u>TYPE OF COVERAGE</u>	<u>AMOUNT RECEIVED</u>	<u>LIMIT OF COVERAGE</u>
030	Legal Liability for Third Party Claims	\$68,724	\$6,000,000 Each Occurrence or Wrongful Act Nil Deductible Each Occurrence
	Automobile Liability	\$18,943	\$6,000,000 Each Accident Nil Deductible Each Occurrence
	Law Enforcement Operations	\$8,786	\$6,000,000 Each Occurrence \$5,000 Deductible Each Occurrence
	Wrongful Acts (Public Officials)	\$5,520	\$6,000,000 Each Act \$5,000 Deductible Each Wrongful Act

CONDITIONS

PUBLIC ENTITIES POOL OF OHIO hereby binds the type of coverage stipulated above. This coverage is subject to the terms, conditions and limitations of the Intergovernmental Contract and the Legal Defense and Claim Payment Agreement for PUBLIC ENTITIES POOL OF OHIO including all appendices, attachments and exclusions.

This binder is cancelled when replaced by the Legal Defense and Claim Payment Agreement. If the binder is not replaced by the Legal Defense and Claim Payment Agreement, the Pool is entitled to charge for the binder according to the Rules and Rates in use by the Pool.

PUBLIC ENTITIES POOL OF OHIO
P.O. BOX 427
DAYTON, OH 45401

Date Issued: 11/29/06



Authorized Representative

PUBLIC ENTITIES POOL OF OHIO

PROPERTY COVERAGE BINDER

This binder is a temporary coverage contract, subject to the conditions shown below.

CONDITIONS: PUBLIC ENTITIES POOL OF OHIO hereby binds the type of coverage stipulated below. This coverage is subject to the terms, conditions and limitations of the Intergovernmental Contract and the Risk Sharing Certificate for PUBLIC ENTITIES POOL OF OHIO including all appendices, attachments and exclusions.

This binder is cancelled when replaced by a Risk Sharing Certificate. If this binder is not replaced by a Risk Sharing Certificate, the Pool is entitled to charge for the binder according to the Rules and Rates in use by the Pool.

NAME AND ADDRESS OF MEMBER:

City of Oberlin

85 South Main Street

Oberlin, OH 44074

Binder Inception Date: 02 /15/07

Risk Sharing Certificate No.: OPO26073411000030

DESCRIPTION OF OPERATIONS:

Municipal Property

CAUSES OF LOSS:

- Basic Form
- Broad Form
- Special Form

OPTIONAL COVERAGES:

- Actual Cash Value (Misc. Property)
- Replacement Cost
- Agreed Amount
- Blanket

TYPE OF COVERAGE

LIMIT OF COVERAGE

DEDUCTIBLE

Section 3 – Fire Vehicles
Other Vehicles

\$ 1,683,008
Per Schedule

\$5,000
\$1,000 Comp / \$1,000 Coll

PUBLIC ENTITIES POOL OF OHIO
P.O. Box 427
Dayton, OH 45401

DATE ISSUED: November 29, 2006



Authorized Representative

Sheila Lanning

From: Sal Talarico
Sent: Monday, February 12, 2007 5:14 PM
To: Sheila Lanning
Cc: 'Clerk'
Subject: Insurance

Sheila,

Make copies of the Insurance contracts for Sheri, she will then attach them to the respective ordinances that were passed in January.

Let me know if you have any questions.

Sal


Here you go Sheri
Sheila

City of *Oberlin*

01-12-2007 A11:37

69 South Main Street, Oberlin, Ohio 44074

To: Honorable President, Council and Council Appointees

From: Sal Talarico, Finance Director 

Subject: Public Entities Pool (PEP) Liability Insurance Renewal – Ord. 07-11
Boiler and Machinery – Travelers – Ord. 07-13
Property – Indiana Insurance – Ord. 07-12

Date: January 12, 2007

Public Entities Pool (PEP) Liability Insurance Renewal – Ord. 07-11

The City has been in the Public Entities Pool (PEP) since 1988 for various types of insurance coverage including Legal Liability for Third Party Claims (formerly known as General Liability), Law Enforcement Liability, Wrongful Acts (formerly known as Public Officials Errors & Omissions), and Automobile Liability. The pool consists of many government units within the State and operates as a non-profit pool.

Insurance through PEP is unique from most other insurance policies in that coverage ends when the policy expires. With most traditional insurance policies if a claim is filed during the policy period the policy would cover that event even if a new policy with a different carrier was in place. With the PEP pool, coverage ends and the City would have to purchase additional coverage to cover any pending claims. Due to this uniqueness it makes it difficult for the City to leave the pool if there are any potential significant claims outstanding. The PEP pool has continued to offer excellent service and competitive pricing.

The types of coverage, liability limits and deductibles are noted in the ordinance. Last year our premium was \$124,054 our new premium is \$128,987.

Boiler and Machinery – Travelers – Ord. 06-13 and Property – Indiana Insurance – Ord. 06-12

Both are renewals of our current policies, the Boiler & Machinery coverage was \$54,209 last year and has remained unchanged for 2007 and mainly insures our electric generators. The Property coverage was initially \$62,030 last year, and increased throughout the year to incorporate additional earthquake coverage and flood insurance, annualized that amounted to \$84,051 for 2006, the 2007 premium is \$85,799. This policy mainly insures our buildings and contents.

“Ohio’s Best College Town”

The PEP policy premium has increased (4% or \$4,933). The boiler and machinery insurance has remained unchanged. The property insurance has increased by \$1,748 (or 2.1%), this increase is based on last year's premium plus the annualized value of the additional earthquake and flood insurance. It has been a challenge the last two years to convince the property carrier to provide the City with the higher earthquake coverage and flood coverage. The insurance company's main concern has been the potential costs related to a claim at the City's electric plant. The property renewal will have \$20 million coverage for earthquakes, with the exception of the water towers, and flood coverage for \$1 million.

The current coverage period expires February 15, 2007 therefore I request first reading on emergency on January 16, 2007 so the policies can be in place.

If you have any questions please call.

c. File