

# City of New Haven

101 FRONT STREET

PO BOX 236

NEW HAVEN, MO 63068

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October 4, 2011

## Request for Proposals Municipal Insurance Services for the City of New Haven

The City of New Haven Missouri, (hereinafter referred to as "City") is accepting proposals for general liability and related insurance coverage options as described in the enclosed specifications.

The City of New Haven currently is a member of the Missouri Intergovernmental Risk Management Association (MIRMA). Insurance coverages requested in this packet are based on those coverages provided by MIRMA; the City requests that the quoted coverages proposed by other bidders meet or exceed those coverages currently in place. Any instance in which coverages deviates from that requested shall be clearly indicated and described.

The City of New Haven is a fourth class city with approximately 19 full-time employees, three part-time employees and up to 15 seasonal employees. Total budgeted FY 2012 payroll (salaries and benefits) for all operations is approximately \$913,000.

City operations include the following:

- Police and Public Safety
- Municipal Court
- Emergency Management
- Water, Sewer and Natural Gas utility service
- Street Maintenance and Improvement
- Planning and Zoning
- Parks and Recreation
- Building Inspection
- Industrial Development
- Trash Pick-up, Recycling and Compost (by contract)
- Missouri River levee maintenance

### Submittal requirements

To be considered, firms must submit eight copies of their proposal to the Office of City Clerk, New Haven City Hall, 101 Front Street, New Haven, MO 63068 **no later than 3 p.m.**

**December 21, 2011.** Proposals will be opened and publicly read aloud immediately thereafter.

All submittals must include a complete and thorough description of coverages to be provided, deductibles and conditions (if any), and a firm quote on each line of coverage proposed. As noted

previously, any coverage that deviates from the requested coverage shall be clearly indicated and described.

All submittals should include, at minimum, a description of the firm's qualifications and expertise to perform the services as specified; the names, telephone numbers and email addresses of the person(s) in charge of performing the services; a listing of similar services provided for other clients, with a special emphasis on local governments served (if any); and a minimum of three professional references.

### **Special Features to Consider When Submitting Bids**

Bidders should note the following:

- There shall be automatic coverage for all new acquisitions of property, equipment, or vehicles ***at the time of acquisition, with all changes*** to be reported at least annually.
- Property Coverage for all buildings and contents shall not be subject to a coinsurance penalty.
- Liability Coverage shall be provided on an occurrence basis.
- The right of cancellation by either party is understood, however, due to the time required for the purchasing process to be completed, a 60 day cancellation, non-renewal or material change in coverage notice provision must be included in all policies.

Bidders are also informed of the following:

- All proposals shall be deemed final, conclusive, and irrevocable and shall not be subject to correction or amendment for any error or miscalculation or for any other reason. Proposals may be withdrawn at any time prior to bid opening.
- The right to reject any/or all bids and to waive any informalities in the bid or to accept the one that, in the judgment of the City, will be in the best interest and/or most advantageous to the City is hereby expressly reserved by the City.
- No increase in price shall be permitted during the term of a Contract except in those lines of insurance where changes are a normal practice in the insurance industry.
- All insurance policies are to be effective July 1, 2012 at 12:01 a.m. with a policy term of at least one (1) year.
- All proposals or bids submitted must contain a statement indicating that those costs or premiums quoted are guaranteed through June 30, 2013.
- Commercial insurance will be placed only with companies that have at least a general policyholder's rating of A- and a financial rating of XII as published in the most recent edition of Best's Key Rating Guide.

- Agents may submit additional information and data that they believe may be helpful to the City in the evaluation of the coverages and the company(ies) represented.
- Bidders shall read thoroughly and understand the requirements in relation to the bid which is submitted.
- Quotations will be accepted on all or any part of the specifications, but preference will be given to those firms or companies that can provide the entire municipal insurance package.
- Requests for additional information should be directed to: Kathleen A. Trentmann, City Clerk, 573-2237-2349 or Steve Roth, City Administrator, 573-237-2349.

In addition to price, the City may consider the following in evaluating proposals:

- a. The ability, capacity and skill of the firm to perform the contract or provide the goods or service required.
- b. Whether the firm can perform the contract or provide the goods or service promptly, or within the time specified, without delay or interference.
- c. The character, integrity, reputation, judgment, experience and efficiency of the firm.
- d. The quality of performance of previous contracts, goods or services.
- e. The previous and existing compliance with the firm with laws and ordinances relating to the contract, goods or service.
- f. The sufficiency of the financial resources and ability of the firm to perform the contract or provide the goods or service.
- g. The quality, availability and adaptability of the supplies, or contractual services to the particular use required.
- h. The number and scope of conditions attached to the proposal.

The City reserves the right to reject any or all proposals submitted, to waive any technicalities or informalities, and to negotiate directly with any respondent.

For information on submittal requirements, please contact Steve Roth, City Administrator, 573-237-2349.

*Thank you for your interest.*

## **CITY OF NEW HAVEN, MISSOURI INSURANCE SPECIFICATIONS**

### NAMED INSURED

The named insured on all insurance policies shall be the City of New Haven, Missouri, 101 Front Street, PO Box 236, New Haven, MO 63068.

In addition to the Named Insured, this insurance shall also include as an insured any official, trustee, employee or member of a board or commission of the City while acting within the scope of his/her duties as such, and any person, organization, trustee, or estate to whom the City is obligated by virtue of written contract or agreement to provide insurance such as is offered by this insurance, but only in respect to operations by or on behalf of the City of New Haven, Missouri.

### TERRITORY

Insurance to be purchased by the City shall apply within the 50 states comprising the United States of America, including its territories and possessions, Puerto Rico and Canada.

### PAYROLL, AUTOMOBILE & HEAVY EQUIPMENT, & PROPERTY SCHEDULE

The City's Calendar Year 2010 audited payroll and Worker's Compensation classifications, Automobile and Heavy Equipment and Property schedules are included as an appendix to this report. A summary of the City's recent loss experience is available upon request.

## **INSURANCE COVERAGES**

**Note to bidders: The following insurance coverages are those currently provided to the City by MIRMA. The City requests that the quoted coverages proposed by other bidders meet or exceed these coverages currently in place. Any deviation from coverages currently in place should be clearly indicated in the proposal.**

### **SECTION I: PROPERTY COVERAGE**

#### **A. COVERED PROPERTY**

The Insurer agrees to indemnify the City on a replacement cost basis, not to exceed 120% of the values listed on the most recent Property Schedule, for direct physical loss or damage to Covered Property from a Covered Cause of Loss (including flood and earthquake).

However, the Insurer agrees to indemnify the City for a Covered Cause of Loss to Heavy Equipment at the lesser of the cost to repair or the Actual Cash Value for items listed on the most recent Heavy Equipment schedule on file.

1. Covered Property

Covered Property, as used in this Coverage Part, means all Buildings, Business Personal Property, and Heavy Equipment in which the City has an insurable interest, and that is listed on the City's most recent Property Schedule or Heavy Equipment Schedule on file. An Automobile is not covered under this Coverage Part.

- a. Building(s) means the buildings or other structures at a Scheduled Location, including:
  - i. Completed additions;
  - ii. Fixtures, including outdoor fixtures;
  - iii. Machinery and equipment permanently attached to the building;
  - iv. Personal property owned by the City that is used to maintain or service the buildings, structures or grounds; and
  - v. If not covered by other insurance:
    - (a) New construction, renovations and additions under construction, alterations and repairs to the buildings or structures; and
    - (b) Materials, equipment, supplies and temporary structures, on or within 1,000 feet of the City's premises, used for making alterations or repairs to the buildings or structures.
  
- b. Business Personal Property located in or on the buildings at a Scheduled Location or in the open (or in a vehicle) within the Coverage territory, consisting of the following:
  - i. Furniture and fixtures;
  - ii. Machinery and equipment;
  - iii. Stock;
  - iv. All other personal property owned by you and used in the City's business;
  
  - v. Labor, materials or services furnished or arranged by the City on personal property of others;
  - vi. The City's use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
    - (a) Made a part of the buildings or structures occupied or leased, but not owned, by the City; and
    - (b) Acquired or made at the City's expense but which you are permitted to remove.

B. ADDITIONAL COVERAGES

1. Debris Removal
2. Extra Expense
3. Expediting Expense
4. Fire Department Service Charge
5. Fire Protective Equipment Discharge
6. Ordinance or Law
7. Preservation of Property
8. Water, Other Liquids, Powder or Molten Material Damage
9. Property of Others

C.	LIMITS	\$100,000,000 per occurrence
	1. Flood	\$100,000,000 per occurrence and annual aggregate per policy period
	a. Flood Zone A	\$10,000,000 per occurrence and annual aggregate per policy period
	2. Ordinance or Law	\$5,500,000 per occurrence
	3. Property while in transit	\$3,000,000 per occurrence
	4. Fine Arts	\$1,500,000 per occurrence
	5. Accounts Receivable and Valuable Papers	\$10,500,000 per occurrence
	6. Builder's Risk (when work is being done by city employees)	\$10,500,000 per occurrence
	7. Expediting expense	\$5,500,000 per occurrence
	8. Extra expense	\$5,500,000 per occurrence
	9. Earth movement (Earthquake)	\$100,000,000 per occurrence and annual aggregate per policy period
	10. Personal Property of Others	
	a. Fine arts, antiques, items of intrinsic or historical value	\$100,000 per occurrence
	b. All other	Lesser of the cost to repair or Actual Cash Value
	11. Vacant structure	Lesser of the cost to repair or Actual Cash Value
	12. Heavy Equipment	Lesser of the cost to repair or Actual Cash Value

D. DEDUCTIBLES

1. \$1,000 per occurrence, unless otherwise indicated.
2. \$2,500 per occurrence for any loss to a vacant structure.
3. Gas turbines, wind turbines, steam turbines and internal combustion engines/generators greater than 10KW: \$1,000 or 10% of the cost to repair or replace, whichever is greater, with a maximum of \$250,000.
4. Electrical transformers: \$1,000 or 10% of the cost to repair or replace, whichever is greater, with a maximum of \$50,000.
5. For loss caused by Flood located in the 100 year flood plain (Flood Zone A), the deductible is the maximum amount of Federal Flood Insurance available to the City.

## **SECTION II: BOILER AND MACHINERY**

### **A. COVERAGE**

The Insurer agrees to indemnify the City on a replacement cost basis, not to exceed 120% of the values listed on the most recent Property Schedule on file, for direct physical loss or damage to a Covered Object from a Covered Accident.

#### **1. Covered Object**

Covered object means any boiler, fired or unfired pressure vessel, compressor, refrigerating or air conditioning system, piping and its accessory equipment, and any mechanical or electrical machine or apparatus used for the generation, transmission or utilization of mechanical or electrical power at a Scheduled Location.

#### **2. Covered Accident**

Covered accident means a sudden and accidental breakdown of a Covered Object or a part thereof which manifests itself at the time of the breakdown by physical damage to the Covered Object that necessitates the repair or replacement of the Covered Object or part thereof. This includes internal condition, centrifugal force, explosion, rupture, bursting, cracking or bulging.

Coverage is also extended for loss resulting from electrical malfunction or disturbance to electrical appliances, devices, equipment, fixtures or wiring caused by artificially generated electrical currents.

### **B. ADDITIONAL COVERAGES**

1. Business Interruption
2. Expediting Expense
3. Extra Expense
4. Consequential Damages
5. Hazardous Substances Limitation
6. Ammonia Contamination
7. Water Damage
8. Off Premises Service Interruption

### **C. BOILER & MACHINERY LIMITS** \$100,000,000 per occurrence

1. Business Interruption and Extra Expense:
  - a. Electrical Power Generating Locations \$1,000,000 per occurrence
  - b. All other locations \$5,500,000 per occurrence
2. Expediting Expense \$5,500,000 per occurrence
3. Consequential Loss \$5,500,000 per occurrence

- |    |  |                             |
|----|--|-----------------------------|
| 4. | Ordinance or Law                         | \$5,500,000 per occurrence  |
| 5. | Hazardous Substance Cleanup              | \$1,500,000 per occurrence  |
| 6. | Ammonia Contamination                    | \$1,000,000 per occurrence  |
| 7. | Water Damage                             | \$5,500,000 per occurrence  |
| 8. | Off premises service interruption:       |                             |
|    | a. Electrical Power Generating Locations | \$1,000,000 per occurrence  |
|    | b. All other locations                   | \$10,500,000 per occurrence |

D. DEDUCTIBLES

1. \$1,000 per occurrence, unless otherwise indicated.
2. Business Interruption and Extra Expense: 72 hour waiting period per occurrence.
3. Hazardous Substance Cleanup: \$50,000 per occurrence.
4. Gas turbines, wind turbines, steam turbines and internal combustion engines/generators greater than 10KW: \$1,000 or 10% of the cost to repair or replace, whichever is greater, with a maximum of \$250,000.
5. Electrical transformers: \$1,000 or 10% of the cost to repair or replace, whichever is greater, with a maximum of \$50,000.
6. Off Premises Service Interruption: 72 hour waiting period per occurrence.

**SECTION III: BODILY INJURY AND PROPERTY DAMAGE LIABILITY**

A. COVERAGE AGREEMENT

The Insurer agrees to pay those sums that the City becomes legally obligated to pay as damages as a result of bodily injury or property damage to which this coverage applies. The Insurer has the duty to defend the City against any lawsuit or other cause of action seeking those damages. (This coverage includes Liquor Liability, EMT, Paramedic and First Responder Liability, and Police Liability)

B. LIMITS

Bodily Injury & Property Damage Liability,	\$2,500,000 per occurrence
Annual Aggregate	\$5,000,000

For liability claims that are subject to the sovereign immunity limits for Missouri public entities the following limits apply:

Claims that occur from the period of July 1, 2011 to December 31, 2011 the per occurrence coverage limit will be a maximum \$2,545,062 with a maximum of \$381,759 per person.

Claims that occur from the period of January 1, 2012 to June 30, 2012, the per occurrence coverage limit and per person coverage limit will be the maximum of the limits published annually in the Missouri Register per Section 537.610 RSMo for 2011.

C. DEDUCTIBLE

A sewer backup deductible of 0%, 25% or 50% per claim based on past loss experience. All other bodily injury and property damage liability claims have no deductible.

**SECTION IV: PERSONAL AND ADVERTISING INJURY LIABILITY**

A. COVERAGE AGREEMENT

The Insurer agrees to pay those sums that the City becomes legally obligated to pay as damages arising out of personal and advertising injury to which this coverage applies. The Insurer has the right and duty to defend the City against any lawsuit or other cause of action seeking those damages.

B. LIMITS

Personal & Advertising Injury Liability,	\$2,500,000 per occurrence
Annual Aggregate	\$5,000,000

For liability claims that are subject to the sovereign immunity limits for Missouri public entities the following limits apply:

Claims that occur from the period of July 1, 2011 to December 31, 2011 the per occurrence coverage limit will be a maximum \$2,545,062 with a maximum of \$381,759 per person.

Claims that occur from the period of January 1, 2012 to June 30, 2012, the per occurrence coverage limit and per person coverage limit will be the maximum of the limits published annually in the Missouri Register per Section 537.610 RSMo for 2011

C. DEDUCTIBLE - None

**SECTION V: ERRORS & OMISSIONS**

A. COVERAGE AGREEMENT

The Insurer agrees to pay those sums that the City becomes legally obligated to pay as damages as a result of a wrongful act(s) or a series of related wrongful act(s). However, this coverage only applies to Chiefs of Police, Police Officers, Public Officials, Members of councils, boards, commissions, and department heads, and only while acting in their official capacities as representatives or employees of the City. The Insurer has the right and duty to defend the City against any lawsuit or other cause of action seeking those damages.

B. LIMITS

Errors & Omissions	\$2,500,000 per occurrence
Annual Aggregate	\$5,000,000

For liability claims that are subject to the sovereign immunity limits for Missouri public entities the following limits apply:

Claims that occur from the period of July 1, 2011 to December 31, 2011 the per occurrence coverage limit will be a maximum \$2,545,062 with a maximum of \$381,759 per person.

Claims that occur from the period of January 1, 2012 to June 30, 2012, the per occurrence coverage limit and per person coverage limit will be the maximum of the limits published annually in the Missouri Register per Section 537.610 RSMo for 2011.

C. ADDITIONAL COVERAGE

1. \$10,000 in defense costs to defend you or your employee against a lawsuit for injunctive, declaratory or other non-monetary relief arising out of acts or omissions in the course of normal municipal operations.
2. \$10,000 in defense costs to defend a you or your employee that is named as a defendant in a lawsuit arising out of serving on a board or commission that is not under the control of the city.
3. \$10,000 in defense costs to defend you or your employee for any lawsuit involving the city and/or employee taking action to physically alter, tear down, demolish, and/or raze a building that is an imminent threat to public property, such as a building or part thereof collapsing onto a public sidewalk, street, alley or thoroughfare.

D. DEDUCTIBLE - None

**SECTION VI - AUTO LIABILITY COVERAGE**

A. COVERAGE

1. Coverage Agreement

The Insurer agrees to pay those sums that the City becomes legally obligated to pay as damages because of bodily injury or property damage to which this coverage applies, caused by an occurrence that takes place in the coverage territory and results from the ownership, maintenance or use of a city automobile.

- 2. Additional Coverages
  - a. Non-owned Automobile
  - b. Uninsured Motorist

B. LIMITS

Auto Liability	\$2,500,000 per occurrence
1. Non-owned Automobile	\$2,500,000 per occurrence
2. Uninsured Motorist	\$25,000 per person \$50,000 per accident
Annual Aggregate	\$5,000,000

C. DEDUCTIBLE - None

**SECTION VII: EMPLOYMENT PRACTICES LIABILITY**

A. COVERAGE

The Insurer agrees to pay those sums that the City becomes legally obligated to pay as damages arising out of a wrongful employment act. The Insurer has duty to defend the City against any claim, suit or other cause of action seeking those damages, including grievances filed with the Equal Opportunity Employment Commission (EEOC), Missouri Commission on Human Rights (MCHR) or any other similar governmental entity.

B. LIMITS	\$1,000,000 per occurrence
1. Annual aggregate	\$1,000,000

C. DEDUCTIBLE

\$5,000, \$10,000 or \$25,000 per claim based on past loss experience.

D. CONDITIONS

The Insurer agrees to not settle any employment claim without the City's consent.

**SECTION VIII: WORKERS' COMPENSATION & EMPLOYERS LIABILITY**

A. COVERAGE

- 1. Coverage Agreement – Workers' Compensation

This coverage applies to bodily injury to an employee by accident, including occupational disease and death, arising out of and in the course of employment during the coverage period.

The Insurer agrees to pay on the City's behalf all benefits required under the Missouri Workers' Compensation Act, Chapter 287, RSMo or liability imposed upon the City by the workers' compensation law of any other state in which an employee bodily injury occurs.

The Insurer has the right and duty to defend, at their expense, any claim, proceeding, or other cause of action against the City for benefits payable under the provisions of the Missouri Workers' Compensation Act or other applicable workers' compensation law.

2. Coverage Agreement – Employers Liability

The Insurer will indemnify the City for all sums the City is legally obligated to pay as damages arising out of bodily injury to an employee by accident, including occupational disease, arising out of and in the course of employment during the coverage period.

The Insurer has the duty to defend, at their expense, any claim, proceeding, or other cause of action against the City.

B. LIMITS

- |    |                       |                            |
|----|-----------------------|----------------------------|
| 1. | Workers' Compensation | Statutory                  |
| 2. | Employer's Liability  | \$2,000,000 per occurrence |

C. DEDUCTIBLE – None

**SECTION IV: AUTOMOBILE PHYSICAL DAMAGE**

A. COVERAGE

1. Coverage Agreement

The Insurer will indemnify the City for loss or damage to any city automobile wherever located in the coverage territory, against all risks of direct physical loss or damage, including collision of the city automobile with another automobile or object.

The Insurer will not pay for loss to a city automobile due to diminution in value.

2. Additional Coverage

- a. The Insurer will pay reasonable towing and storage charges incurred as a result of damage to a city automobile to which this coverage applies.
- b. The Insurer will pay for reasonable and necessary costs incurred for a temporary replacement vehicle while the city automobile is being repaired or replaced as a result of damage to which this coverage applies. However, a temporary replacement vehicle will only be authorized if it is necessary to resume normal municipal operations.

B. LIMITS \$2,500,000 per occurrence

The lesser of the cost to repair or the Actual Cash Value.

C. DEDUCTIBLE

Vehicles exceeding  $\frac{3}{4}$  ton in size: \$2,500 per occurrence  
All other vehicles: \$1,000 per occurrence

If more than one automobile sustains loss or damage from the same event, then only the one highest applicable deductible will apply.

**SECTION X: CRIME COVERAGE**

A. COVERAGE

1. Coverage Agreement - Employee Theft

The Insurer will indemnify the City for loss of money, securities, or other property, except a city automobile, resulting directly from theft, larceny, embezzlement, forgery, wrongful abstraction, or other fraudulent or dishonest acts committed by the City's employee, acting alone or in collusion with others. A single act or a series of related acts will be considered a single loss.

2. Coverage Agreement - Money and Securities

The Insurer will indemnify the City for all loss of money and securities resulting directly from, theft, burglary, robbery, kidnapping, disappearance, or destruction as follows:

- a. When the loss occurs in or upon, or believed to be in or upon, any premises occupied or used by the City or by any bank, trust company,

or safe deposit box company, including a night depository safe provided by a bank or trust company on its premises for the use of its customers.

- b. When the loss occurs while in transit in the custody of the City's officers or employees anywhere, commencing at the moment when the person into whose hands the property is entrusted for delivery receives same and continuing until delivery to its final destination.

This coverage does not apply to loss by fraud or connivance committed by a City officer(s) or employee(s). A single act or a series of related acts shall be considered a single loss.

- B. LIMITS \$100,000 per occurrence
- C. DEDUCTIBLE - None

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