

ORDINANCE NO. 101-19

FIRST READING: 11.25.19

SECOND READING: 12.9.19

THIRD READING: 12.16.19

BY: JOHN B. SHEPHERD

AN EMERGENCY ORDINANCE AUTHORIZING THE MAYOR AND THE DIRECTOR OF PUBLIC SAFETY-SERVICE TO ENTER INTO AN AGREEMENT FOR VARIOUS INSURANCE COVERAGES FOR THE ROCKY RIVER WASTE WATER TREATMENT PLANT WITH MCGOWAN & COMPANY, INC. FOR THE YEAR 2020 AT A TOTAL COST OF \$84,991.00

WHEREAS: pursuant to Ordinance No. 77-18, City Council determined that it was in the best interest of the City of Rocky River to accept the insurance proposal bid on October 19, 2018 which included an offer for annual renewals for Rocky River Waste Water Treatment Plant from McGowan & Company, Inc.; and

WHEREAS: the Mayor and Director of Public Safety-Service have determined it to be in the best interest of the City of Rocky River to exercise its offer to renew the insurance proposal for 2020 for the City from McGowan & Company Inc., 20595 Lorain Rd., Fairview Park, OH 44126.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ROCKY RIVER, COUNTY OF CUYAHOGA, STATE OF OHIO:

SECTION 1. That the Mayor and Director of Public Safety-Service for the City of Rocky River are hereby authorized to enter into an agreement for insurance coverage which allows annual renewals, and said coverage for the Waste Water Treatment Plant will include Buildings and Contents, Extra Expense, Valuable Papers, Equipment Floater, General Liability, Boilers and Machinery Insurance and Umbrella Liability, Public Officials Liability, Terrorism, Property in Open Insurance, Automobile Liability and Cyber Attack Coverage for the Rocky River Waste Water Treatment Plant at a cost of EIGHTY-FOUR THOUSAND NINE HUNDRED AND NINETY-ONE DOLLARS (\$84,991.00) through MCGOWAN & COMPANY, INC. insurance agents and as underwritten by Liberty Mutual Insurance Company.

SECTION 2. That the net cost of the purchase of this insurance shall be appropriated and paid from the Wastewater Treatment Plant Utility Fund.

SECTION 3. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of public peace, health and safety and for the further reason that the current policy items will expire on January 1, 2020, and provided it receives the affirmative vote of two-thirds (2/3) of all members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

PASSED: December 16th, 2019

James W. Moran
JAMES W. MORAN
President of Council

PRESENTED

TO MAYOR: December 16th, 2019 APPROVED: December 16th, 2019

ATTEST:

Susan G. Pease
SUSAN G. PEASE
Clerk of Council

Pamela E. Bobst
PAMELA E. BOBST
Mayor

It is hereby certified that the amount required for the execution of this Ordinance has been lawfully appropriated or authorized or directed for such purpose and is in the treasury or in the process of collection to the credit of the fund described herein free from any obligation or certification now outstanding.

Michael Thomas

MICHAEL THOMAS
Director of Finance

I, the undersigned clerk of council of the city of Rocky River, State of Ohio, do hereby certify that publication of the foregoing ordinance was duly made by posting a true copy thereof in the lobby of the Rocky River City Hall, in accordance with the charter of Rocky River, commencing on the 16th day of December, 20 19.

Susan G. Pease

Clerk of Council of the City of Rocky River, Ohio

City of Rocky River } ss
County of Cuyahoga }

THE UNDERSIGNED CLERK OF THE COUNCIL OF THE CITY OF
ROCKY RIVER, OHIO DOES HEREBY CERTIFY THAT THE
FOREGOING IS A TRUE AND CORRECT COPY OF ORDINANCE
NO. 101-19 ADOPTED BY THE COUNCIL OF SAID CITY
ON THE 16th DAY OF December, 20 19, THAT THE
PUBLICATION OF SUCH ORDINANCE HAS BEEN MADE AND
CERTIFIED OF RECORD ACCORDING TO LAW; THAT NO
PROCEEDINGS LOOKING TO A REFERENDUM UPON SUCH
ORDINANCE HAVE BEEN TAKEN; THAT SUCH ORDINANCE AND
THE CERTIFICATE OF PUBLICATION THEREOF, ARE OF RECORD
IN ORDINANCE RECORD NO. 101-19

IN WITNESS WHEREOF, I HAVE HEREUNTO SUBSCRIBED
MY NAME AND AFFIXED MY OFFICIAL SEAL THIS 16th DAY OF
December, 20 19.

Anna G. Beach
CLERK OF COUNCIL OF THE CITY OF ROCKY RIVER, OHIO



November 25, 2019

Ms. Mary Kay Costello
Director of Public Safety Service
City of Rocky River
21012 Hilliard Blvd
Rocky River, OH 44116

Re: Rocky River Wastewater Treatment Plant – 1/1/2020 Insurance Renewal

Dear Ms. Costello:

I am pleased to enclose the Waste Water Treatment Plant's package insurance renewal proposal which renews on January 1, 2020. The renewal terms are offered by your incumbent carrier, Liberty Mutual and Hiscox.

Currently, the insurance market is seeing significant increases. Average commercial insurance pricing increased 8% in the third quarter of 2019 alone. Auto insurance rates and liability umbrella rates continue to push into double digit increases year over year.

The renewal increase Liberty Mutual has given the WWTP is in line with what we are seeing in the marketplace. The proposed renewal property values have increased 3% to stay in line with inflation. Other terms and conditions remain constant from last year and in line with the bid specs. Liberty Mutual would also like to come out and do an inspection for all machinery and equipment this year, which we will coordinate with you.

The calculated premium for the upcoming renewal is \$84,991 as compared to the expiring premium of \$76,021. It is an overall increase of 11.8% spread out over all lines of coverage. This premium is subject to change if any additional automobiles or equipment is to be purchased throughout the year so we would recommend a not to exceed number of \$92,000 if any additional purchases or improvements are to take place in 2020.

Many of our clients have been frustrated by their renewal. If you have any question please do not hesitate to contact me personally at any time. We know increases are never fun and this has been a painful year in this regard. We are most pleased to be of service to you in this regard.

Very truly yours,


Patrick Muscenti