

FIRST READING: 11.25.19

ORDINANCE NO. 102-19

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 CITY OF
ROCKY RIVER WITH MCGOWAN & COMPANY, INC. FOR THE YEAR 2020
AT A TOTAL COST OF \$280,000.00

WHEREAS: pursuant to Ordinance No. 78-18, 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 City's Insurance 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 City will include Buildings and Contents, Extra Expense, Valuable Papers, Equipment Floater, General Liability, Boilers and Machinery Insurance, Umbrella Liability, Public Officials Liability, Automobile Liability, Crime, Deadly Force, Ambulance Attendants' Errors and Omissions, Police Professional, Boat, EDP Dollar Value Insurance, Fine Arts Floater, Exhibit Floater, Hired, Leased, Borrowed Equipment, Public Official Bond Surety, Sewer Back-Up and Cyber Attack Coverage for the City of Rocky River for a cost of TWO HUNDRED AND EIGHTY THOUSAND DOLLARS through MCGOWAN & COMPANY, INC. insurance agents and as underwritten by Travelers Insurance Company.

SECTION 2. That the net cost of the purchase of this insurance shall be appropriated and paid from as allocated to various funds of the City.

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. 102-19 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. 102-19

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

Mary A. Reese
CLERK OF COUNCIL OF THE CITY OF ROCKY RIVER, OHIO



November 25, 2019

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

Re: City of Rocky River - Package Insurance Renewal - Effective January 1, 2020

Dear Ms. Costello:

I am pleased to enclose the City's package insurance renewal proposal which renews on January 1, 2020. The renewal terms are offered by your incumbent carriers and remain in line with the bid specs and coverages the city has requested.

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 are experiences increases well over 10%. Markets are tightening, options are shrinking, and pricing is increasing.

The calculated premium for the upcoming renewal is \$255,860 as compared to the expiring premium of \$229,907. It is an overall increase of 11.3%, and the bulk of this is in the liability insurance.

In addition, the city will also be purchasing a new builder's risk insurance policy for the police station which will **be a one-time charge of \$8,103** which I have not included in the above number.

This premium is subject to change as we have yet to get a final vehicle list from the city. In addition, if any additional automobiles or equipment is to be purchased throughout the year so we would recommend a not to exceed number of \$280,000.

We know increases are never pleasant but we will continue to fight on your behalf for fair rates and terms. 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.

We trust that this proposal is a reflection of our professional abilities and strong desire to provide the best possible service to a highly valued client. If you have any questions whatsoever please do not hesitate to contact me personally at any time.

Very truly yours,

Patrick Muscenti