

Big Indian – Oliverrea Fire District

P.O. Box 222, Big Indian, NY 12410

Request For Proposal Specifications:

**Insurance for 1/1/17 – 1/1/18 Policy Year and
11/29/16 – 1/1/17**

Written submissions due no later than 7:00 pm on September 8, 2016

INSTRUCTIONS TO BIDDERS

As specified in the following pages, the Big Indian-Oliveria Fire District invites sealed proposals for several types of property and casualty insurance. The coverage period is January 1, 2017 to January 1, 2018 and November 29, 2016 to January 1, 2017.¹

The District also invites proposals for VFBL insurance, Workers Compensation insurance and limited Accident & Sickness insurance. The coverage period is 1/1/17 to 1/1/18 or as otherwise noted in the sections relating to each coverage.

Proposals and specimen policies must be mailed or hand-delivered to the following so that they are received **no later than 7:00 pm on September 8, 2016**:

Big Indian-Oliveria Fire District
Attention: Bill Andrews, Secretary-Treasurer
P.O. Box 222
8 Firehouse Road
Big Indian, New York 12410

All bids must be SEALED and marked "INSURANCE BID FOR THE BIG INDIAN-OLIVERIA FIRE DISTRICT".

All bid proposals must be in the same sequence as these specifications for ease of comparison.

GENERAL TERMS AND CONDITIONS

Insurance Company Ratings: All coverage must be placed with an insurer(s) with an A. M. Best rating of "A" or better. The insurer must be admitted in New York State. The proposal must state the current A. M. Best rating for each insurer.

Effective Date of Insurance: For ease of comparison and the District's convenience, all coverage must be quoted for a period of one year, from January 1, 2017 to January 1, 2018.

Deviation from Specifications: For ease of comparison, all bidders shall submit a copy of these Specifications with their bid and place a "Yes" or a "No" in

¹ The District's current coverage runs from 11/29/15 to 11/29/16. We would like to convert to coverage that spans a calendar year, with no gap in coverage.

the space to the right of each specification, indicating whether or not the proposed policy(ies) complies with that section of the specification. In the event that the bidder is unable to provide coverage(s) that exactly conforms to these specifications, the bidder should put a number next to the relevant section and provide an explanation on a separate page(s) entitled "Exceptions". The failure to provide a detailed list of any such deviations shall be cause for rejection of the entire bid, at the insured's option. Bidders are encouraged to identify any requested coverage they believe is either (a) unnecessary or (b) insufficient; bidders should provide details for a recommended alternative.

Specimen Policies: Every bid that is submitted must be accompanied by a complete set of current specimen policies, including exemptions and endorsements, for each coverage proposed. In the event that the bidder expects the policy language to change in any way from the current specimen (whether by reason of change in legal requirements or change in insurer policies, requirements or procedures) before the proposed effective date of the coverage, that anticipated change(s) must be noted on the specimen policy. Each specimen policy must clearly state whether it is a "claims made" policy or an "occurrence based" policy.

Additional Services Offered and Information about Agency Submitting Bid: Bidders are encouraged to include a statement of additional services or programs offered such as 24-hour claims answering service, education and training programs, local agent representation. The Agency should describe its experience in representing and servicing fire districts and fire companies in New York State.

Award: The insured prefers to deal with only one agent and one insurer. Bids will be considered on the basis of all coverage combined. The insured reserves the right to accept or reject any bid. The insured reserves the right to accept the bid which best meets its needs as to premium, coverage and services provided. Because of the complexity of these proposals, the insured expects to take at least 60 days from the time of bid opening to consider the various bids.

Premium Summary Page: A page entitled "Premium Summary Page," which follows the form attached, must be completed and submitted by all bidders. Bidders are strongly encouraged to provide additional details about the amount of premium allocated to a particular type of coverage or extension. This is particularly critical for Property, Auto Liability and Auto Physical Damage coverage.

Name of Insured: The primary insured is the Big Indian-Oliverea Fire District. For certain of the insurance coverage, the Big Indian-Oliverea Fire Company and the Big Indian-Oliverea Fire Company Ladies Auxiliary will be additional insureds. This is noted in the Specifications for the relevant coverage(s) that follow.

PROPERTY

Insureds: Big Indian-Oliverea Fire District, Big Indian-Oliverea Fire Company, Big Indian-Oliverea Ladies Auxiliary

Covered Location: One firehouse and two storage sheds at 8 Firehouse Road, Big Indian, NY 12410. (See attached Property Summary/Coverage for further details.)

Coverage Amounts: See attached Property Summary/Coverage for details.

Real Property Valuation: Guaranteed Replacement Cost

Personal Property Valuation: Replacement Cost

Co-Insurance: None – Waived for both real and personal property losses to Firehouse. See attached Property Summary/Coverage for details on co-insurance for two storage sheds.

Deductible: \$250/occurrence. Bidder is also requested to provide separate premium quote for Deductible of \$500/occurrence.

Special Deductibles: \$1,000 for Flood. 5% for Earthquake.

Deductible Waiver: If a loss under this Coverage part also involves a loss under portable equipment and/or auto physical damage coverage, only the largest deductible will apply; the deductible(s) under the other coverage parts will be waived.

Minimum Coverage Requirements:

Real and Personal Property “All Risk” from any “covered causes of loss,” except for those specifically excluded.

Flood: Up to full amount of coverage on buildings and contents; \$1,000 deductible.

Equipment Breakdown:

Comprehensive coverage for all on-premises equipment that utilizes energy and off-premises equipment including mobile cascade units, generators, portable pumping units and portable extrication devices. A covered accident must include mechanical breakdown; damage caused by

artificially generated electrical currents; steam boiler explosion and/or damage to steam and water heaters.

Coverage Extensions must include Contamination by hazardous substance, up to \$25,000; Loss of perishable goods.

Accounts Receivable: Actual costs incurred as a result of a covered loss; not restricted to premises.

Arson Reward: expenses incurred by insured up to \$25,000/incident.

Building Ordinance: Coverage for the loss of value of the undamaged portion of real property; the cost to demolish and clear the site; and the increased cost to repair, rebuild or construct the real property according to code, in addition to the replacement cost of the real property.

Commandeered Property for official use in emergency situation: Full replacement cost basis, including loss of use coverage; no deductible applies if property belongs to a member, volunteer or employee.

Computer Software and/or virus per occurrence related to covered loss: Up to \$100,000 per occurrence.

Crisis Incident Response: Up to \$25,000 for expenses incurred as a result of any one covered incident for crisis management expenses to restore insureds' public image or post-crisis counseling services.

Lock and Key Replacement: Limit up to \$25,000 to reimburse the insured for lock and key replacement after theft at insured's premises.

Loss of Income/Extra Expense: Actual loss sustained during period of restoration or replacement of property.

Money and Securities: Up to \$25,000/occurrence for loss incurred at insured premises or while in the custody of employee/volunteer or depository.

Personal Effects at the covered premises:

Members, employees and volunteers – full replacement cost

All others – up to \$1,500 per person

Primary coverage; no deductible

Personal Property of Insured Off Insured Premises: Greater of the personal property limit or \$25,000.

Sirens and Antennas: Covered as real property while at another location; must be associated with a covered premises.

Valuable Papers and Records: Actual costs incurred for restoring or replacing valuable papers and records. Coverage not restricted to premises.

Vehicle Parts: Limit up to \$25,000 for vehicle parts owned by insured at insured premises.

Information Related to Property Coverage:

The Firehouse is 2880 square feet. It is a one-story building with four bays for firefighting equipment (concrete floor); meeting room; two half baths (no showers) and one kitchen.

Shed #1 is 144 square feet and is unheated.

Shed #2 is 192 square feet and is unheated.

PROPERTY SUMMARY/COVERAGE

| <u>Address</u> | <u>Use</u> | <u>Current Real Prop. Coverage Limit</u> | <u>Current Personal Prop. Cov. Limit</u> |
|--|--------------|--|--|
| 8 Firehouse Rd. Big Indian NY 12410 | Fire Station | \$ 410,780 | \$ 104,000 |
| 8 Firehouse Rd. Big Indian NY 12410 | Shed #1 | \$ 2,531 | \$ 5,200 |
| 8 Firehouse Rd. Big | Shed #2 | \$ 5,624 | \$ 6,240 |

Coverage sought for 2017 calendar year:

(1) FIRE STATION

Real Property: \$ 427,211 (4% increase over 2016)
 Personal Property: \$ 108,160 (4% increase over 2016)
 Loss of Income: 24 months; actual loss sustained
 Extra Expense: 24 months; actual loss sustained

Valuation Method: Real Property - Guaranteed Replacement Cost
 Personal Property – Replacement Cost
 No Coinsurance

(2) SHED #1

Real Property: \$ 2,531
 Personal Property: \$ 5,200
 Loss of Income: 24 months; actual loss sustained
 Extra Expense: 24 months; actual loss sustained

Valuation Method: Real Property – Replacement Cost 100% coins.
 Personal Property – Replacement Cost, with No
 Coinsurance

(3) SHED #2

Real Property: \$ 5,624
 Personal Property \$ 6,240
 Loss of Income: 24 months; actual loss sustained
 Extra Expense: 24 months; actual loss sustained

Valuation Method: Real Prop. – Replacement Cost 80% coinsurance
 Personal Prop. – Replacement Cost, with No
 Coinsurance

CRIME

Employee Dishonesty – Blanket (money, securities and other property)

(1) Insured: Big Indian-Oliverea Fire Company, Inc.

Limit: \$10,000 Deductible: None Faithful Performance: No

Specific Excess Limit of Insurance, by Position: \$50,000 per position
Titles of Positions Covered: Treasurer, President, Vice-President
Deductible: None Faithful Performance: No

(2) Insured: Big Indian-Oliverea Fire Company Ladies Auxiliary

Limit: \$10,000 Deductible: None Faithful Performance: No

Specific Excess Limit of Insurance, by Position: \$50,000 per position
Titles of Positions Covered: Treasurer, President
Deductible: None Faithful Performance: No

Public Employee Dishonesty – Blanket

(3) Insured: Big Indian-Oliverea Fire District

Limit: \$10,000 Deductible: None Faithful Performance: Yes

Specific Excess Limit of Insurance, by Position: \$500,000 per position
Titles of Positions Covered: Chairman, Treasurer
Deductible: None Faithful Performance: Yes

Computer and Funds Transfer Fraud

Insured: Big Indian-Oliverea Fire District, Big Indian-Oliverea Fire Company, Inc., Big Indian-Oliverea Fire Company Ladies Auxiliary

Limit: \$10,000 Deductible: None

CRIME (continued)

Identity Fraud Expense

Insured: Big Indian-Oliverea Fire District, Big Indian-Oliverea Fire Company, Inc., Big Indian-Oliverea Fire Company Ladies Auxiliary

Limit: \$10,000 Deductible: None

PORTABLE EQUIPMENT COVERAGE

Insured: Big Indian-Oliveria Fire District

Coverage Amount: Blanket – no dollar limit

Deductible: \$500

Valuation: Guaranteed Replacement Cost

Co-Insurance: None

Deductible Waiver: If a portable equipment claim occurs in conjunction with a property or auto physical damage claim, only the largest deductible will apply; the other(s) will be waived.

Minimum Coverage Requirements:

Covers direct physical loss or damage within the U.S. of emergency services organization's portable firefighting, communication and/or rescue-related equipment commonly used in fire and rescue situations away from insured's premises. Coverage does not include equipment that is welded, bolted or permanently screwed to dashboard or body of vehicle.

Primary coverage on a replacement cost basis for "personal effects" belonging to volunteers, directors and/or employees while en route to, during and returning from official authorized duty. Personal effects does not include vehicles or money. No deductible.

Covers direct physical loss or damage to portable equipment not owned by the insured that is temporarily in the insured's possession, up to at least \$50,000 per occurrence.

Coverage to replace obsolete chargers when associated covered portable equipment is damaged and replaced.

Coverage of at least \$5,000 for portable equipment that was assigned to a volunteer or employee who is no longer affiliated with the insured, when such equipment has been taken by the volunteer or employee.

GENERAL LIABILITY

Insured: Big Indian-Oliverea Fire District

Term: 1/1/17 – 1/1/18 AND 11/29/16 – 1/1/17.

Coverage Amount:

\$ 1,000,000 per occurrence

\$ 1,000,000 personal and advertising injury

\$ 10,000 medical expense per person

\$ 3,000,000 general aggregate for each Named Insured

Minimum Coverage Requirements:

Covers damages that the insured is obligated to pay because of bodily injury or property damage.

Covers volunteers, officers and commissioners for acts within the course of their membership and/or authorized duties.

Includes right and duty of insurer to defend case.

Covers events that occur during the policy period ("occurrence" coverage) and includes continuation of injury after end of policy period.

Insurance is primary, regardless of other insurance available.

Coverage for pollution from emergency operations and training operations is not excluded.

MANAGEMENT LIABILITY

Insured: Big Indian-Oliverea Fire District

Term: 1/1/17 – 1/1/18 AND 11/29/16 – 1/1/17

Coverage Amount:

\$ 1,000,000 each wrongful act or offense

\$ 50,000 defense costs for each action for injunctive relief

\$ 3,000,000 aggregate limit

Deductible: 0

Minimum Coverage Requirements:

Damages arising out of “employment practices” offense, an offense in the “administration” of employee benefit plans. Insurer has right and duty to defend.

Supplementary payments for expenses incurred by insured to assist in investigation/defense with no reduction in insurance limits.

Covers costs incurred to defend against action for injunctive relief relating to alleged employment practices offense, offense in administration of employee benefit plans or other wrongful act.

“Insured” includes volunteers, employees, commissioners and organizations providing service under mutual aid agreements.

Insurance is primary, regardless of other insurance available.

Claims made coverage.

AUTO – Liability, Physical Damage, No-Fault, UM

Insured: Big Indian-Olivera Fire District, Big Indian-Olivera Fire Company and Big Indian-Olivera Fire Company Ladies Auxiliary

Term: 1/1/17 – 1/1/18 AND 11/29/16 – 1/1/17

I. LIABILITY Coverage Amounts:

Bodily Injury and Property Damage: \$ 1,000,000 per accident

Medical Payments: \$ 10,000/person/accident

Personal Injury Protection

| | |
|------------------------------------|-------------------------------|
| (No-Fault) | \$ 175,000 aggregate no-fault |
| Mandatory Basic Economic Loss | \$ 50,000 |
| Optional Economic Loss | \$ 25,000 |
| Additional Personal Inj Protection | \$ 100,000 |
| Max. Monthly Work Loss | \$ 2,000 |
| Nec. Expenses, per day | \$ 25 |

Uninsured and Supplementary

Uninsured \$ 1,000,000

Additional Coverage Requirements (LIABILITY):

Insurer has right and duty to defend insured.

For vehicles owned by insured, coverage is primary.

II. PHYSICAL DAMAGE Coverage Amounts:

Comprehensive: See attached Schedule of Covered Vehicles for amounts applicable to each vehicle.

Deductible: \$500. Deductible does not apply to loss caused by fire or lightning. No deductible for window glass breakage.

Collision: See attached Schedule of Covered Vehicles for amounts applicable to each vehicle.

Deductible: \$500

Mutual Aid Endorsement: \$ 1,000,000 for all loss due to one "accident"

Deductible: \$50.

Vehicle Valuation: Agreed Value on all Covered Vehicles

Deductible Waiver: If an Auto Physical Damage claim occurs in conjunction with a Property or Portable Equipment claim, only the largest deductible will apply; the other(s) will be waived.

Minimum Coverage Requirements (PHYSICAL DAMAGE):

Covers accidents and losses to vehicles in attached Schedule occurring during the policy period.

Coverage includes permanently attached equipment.

In the event of repair or replacement of damaged property, insurer pays up to an additional 25% of the loss for actual costs incurred to render the covered vehicle in compliance with the latest safety or equipment standards mandated by nationally recognized standards setting organizations.

Covers Physical Damage (Comprehensive and Collision) to vehicles hired, borrowed and commandeered. Insurer pays Actual Cash Value or the cost of repair, whichever is less, minus deductible (\$50 for Comprehensive and \$100 for Collision).

Covers Rental Reimbursement for firefighting/rescue vehicles because of loss to a covered vehicle. Payment applies in addition to otherwise applicable amount of coverage for the lesser of 40 days or number of days reasonably required to repair or replace the covered vehicle. Covers up to \$250/day.

SCHEDULE OF COVERED VEHICLES

Vehicle 1:

Year: 1989

Make: GMC

Model: Tanker

Valuation: Agreed Value - \$225,000

V.I.N.: 1GDT9C4C9JV601173

Coverage: Liability, PIP, No-Fault, Auto Medical Payments, Supplementary Uninsured/Underinsured Motorists – all as described above. Comprehensive and Collision - \$225,000.

Vehicle 2:

Year: 1996

Make: Freight

Model: Pumper

Valuation: Agreed Value - \$225,000

V.I.N.: 1FV6JLCB8TL814619

Coverage: Liability, PIP, No-Fault, Auto Medical Payments, Supplementary Uninsured/Underinsured Motorists – all as described above. Comprehensive and Collision - \$225,000.

Vehicle 3:

Year: 2005

Make: Chevy

Model: Rescue LT

Valuation: Agreed Value - \$200,000

V.I.N.: 1GBE5C12X5F516786

Coverage: Liability, PIP, No-Fault, Auto Medical Payments, Supplementary Uninsured/Underinsured Motorists – all as described above. Comprehensive and Collision - \$200,000.

Vehicle 4:

Year: 2016

Make: Ford

Model: Mini-Pumper

Valuation: Agreed Value - \$265,000

V.I.N.: 1FD0X5HT8GEB06647

Coverage: Liability, PIP, No-Fault, Auto Medical Payments, Supplementary Uninsured/Underinsured Motorists – all as described above. Comprehensive and Collision - \$265,000

NOTE: We do not yet have possession of this vehicle; it is being manufactured according to our specifications. We expect to receive delivery and assume ownership in August, 2016.

COMMERCIAL EXCESS LIABILITY

Insured: Big Indian-Oliverea Fire District

Term: 1/1/17 – 1/1/18 AND 11/29/16 – 1/1/17

Coverage Amount:

\$ 1,000,000 Each Occurrence
\$ 2,000,000 Products: Completed Operations
\$ 2,000,000 Aggregate Limit

Controlling Underlying Insurance:

Auto Liability - \$ 1,000,000 Combined Single Limit
General Liability - \$ 1,000,000 Each Occurrence
 \$ 1,000,000 Personal & Advertising Injury
 \$ 3,000,000 General Aggregate
 \$ 3,000,000 Products: Completed Operations Aggregate
Management Liability - \$ 1,000,000 Each Wrongful Act or Offense
 \$ 3,000,000 Aggregate

Minimum Coverage Requirements:

Covers ultimate net loss in excess of the available limits of controlling underlying insurance for Auto Liability, General Liability and Management Liability.
Coverage must be at least as broad as the underlying policies.

Insurer has the right and duty to defend the insured when the applicable limits of controlling underlying insurance have been exhausted.

Any additional insured under any controlling underlying insurance policy will automatically be an additional insured.

Excludes costs resulting from Auto first-party physical damage coverage, no-fault coverage, PIP or auto medical payments coverage or uninsured or underinsured motorist coverage.

Claims made coverage.

VOLUNTEER FIREFIGHTERS BENEFIT LAW

Insured: Big Indian-Oliverea Fire District

Term: 1/1/17 – 1/1/18

Coverage: Bodily injury by accident and bodily injury by disease caused or aggravated by insured's conditions of operations. Bodily injury includes resulting death. Injury by accident must occur during the policy period. Bodily injury by disease must be caused by the conditions of the volunteer firefighter's activities.

Pays all benefits required of Fire District under the NY Volunteer Firefighters Benefit Law ("VFBL"). (Benefits include specified amounts for death, disability, treatment and care.)

Extension of Employers Liability Insurance (volunteer fire companies and their fire chief and fire commissioners).

Provisions of the NY Workers Compensation Law, which are not inconsistent with the VFBL, are applicable.

Insurer has right and duty to defend at its expense any claim for benefits payable.

Notes:

The following underwriting information is accurate as of July 2016:

- Population of area served on first call basis: 330 permanent residents
- Number of square miles of territory served on first call basis: 42.5 sq. mi.
- Number of active volunteer firefighters: 17
- Estimated number of responses per year for fire/rescue (non-medical) runs in fire district and mutual aid area: 40/year

WORKERS COMPENSATION

Insured: Big Indian-Oliverea Fire District

Term: 1/1/17 – 1/1/18

Covered Persons: Five Fire Commissioners and one paid part-time employee (Secretary-Treasurer).

Coverage: Bodily injury by accident and bodily injury by disease caused or aggravated by conditions of employment. Injury by accident must occur during the policy period.

Insurer has right and duty to defend at its expense any claim for benefits payable.

Extension of Employers Liability Insurance, with limits of liability:

| | |
|---------------------------|--------------------------|
| Bodily Injury by Accident | \$ 100,000 each accident |
| Bodily Injury by Disease | \$ 500,000 policy limit |
| Bodily Injury by Disease | \$ 100,000 each employee |

ACCIDENT and SICKNESS

Insured: Big Indian-Oliverea Fire District

Term: January 1, 2017 to January 1, 2018. If such coverage is available, also submit quote for a three year policy period commencing January 1, 2017.²

Insured Persons: volunteer members, commissioners, auxiliary, bystander "deputized" for the emergency

Covered Activities: Emergency response, training exercise, official functions and meetings.

Coverage Amounts:

Loss of Life Benefits

| | |
|-------------------------|-----------|
| Accidental Death | \$ 75,000 |
| Sickness Loss of Life | \$ 75,000 |
| Dependent Child Benefit | \$ 10,000 |
| Spousal Support Benefit | \$ 5,000 |

Lump Sum Living Benefits

| | |
|---|-----------|
| Accidental Dismemberment | \$ 75,000 |
| Vision Impairment | \$ 75,000 |
| Injury Permanent Impairment | \$ 75,000 |
| Sickness Permanent Impairment | \$ 75,000 |
| Cosmetic Disfigurement Resulting from Burns | \$ 75,000 |

Weekly Income Benefits

| | |
|--|--------|
| Total Disability Weekly Income (1 st 28 days) | \$ 400 |
| Total Disability Maximum Weekly (after 28 days) | \$ 400 |
| Total Disability Minimum Weekly Amount | \$ 100 |
| Partial Disability Weekly Income (1 st 28 days) | \$ 200 |
| Partial Disability Maximum Weekly (after 28 days) | \$ 200 |
| Partial Disability Minimum Weekly Amount | \$ 50 |

Occupational Retraining Benefit Maximum \$ 20,000

Also includes Weekly Injury Permanent Impairment Benefit & Weekly Injury Permanent Impairment COLA Benefit

² Existing coverage is for the period November 1, 2015 to November 1, 2018.

| | |
|--|-----------|
| Medical Expense Benefits | |
| Medical Expense Maximum Amount | \$ 50,000 |
| Includes excess of Workers Comp or No-Fault Auto Benefits | |
| Cosmetic Plastic Surgery Maximum Amount | \$ 10,000 |
| Post Traumatic Stress Disorder Maximum Amount | \$ 10,000 |
| Critical Incident Stress Management Maximum (per Covered Activity) | \$ 2,500 |
| Family Expense Benefit (per day) | \$ 100 |
| | |
| Continuation of Health Insurance Premium Benefit Maximum Amount | \$ 12,000 |
| | |
| Transition Benefit | |
| | |
| Felonious Assault Benefit | |
| | |
| Home Alteration and Vehicle Modification Benefit Maximum Amount | \$ 15,000 |
| | |
| Weekly Hospital Indemnity Benefit | \$ 200 |

PREMIUM SUMMARY

| <u>Coverage</u> | <u>Company Name</u> | <u>Annual Premium</u> |
|------------------------|----------------------------|------------------------------|
| Property | _____ | \$ _____ |
| Crime | _____ | \$ _____ |
| Portable Equipment | _____ | \$ _____ |
| General Liability | _____ | \$ _____ |
| Management Liability | _____ | \$ _____ |
| Auto Liability | _____ | \$ _____ |
| Auto Physical Damage | _____ | \$ _____ |
| Excess Liability | _____ | \$ _____ |
| VFBL | _____ | \$ _____ |
| Workers Compensation | _____ | \$ _____ |
| Accident & Sickness | _____ | \$ _____ |