

**REQUEST FOR PROPOSALS**

**FOR**

**LIVINGSTON COUNTY**

**PROPERTY, LIABILITY &  
WORKERS COMPENSATION INSURANCE**

**September 11<sup>th</sup>, 2013**

# Insurance Bid Specifications

For

Livingston County, Illinois

12-01-2013 to 12-1-2014

## **1. Introduction**

Livingston County, State of Illinois, an Illinois Governmental Agency (County) is requesting proposals for Property, Liability, & Workers Compensation Insurance coverage. Coverage shall encompass all County agencies and departments including the Assessor, Bookkeeping, Circuit Clerk, Circuit Court, County Clerk, County Board, Coroner, Court Services/Probation, Highway, Maintenance, Sheriff, States Attorney, Treasurer, and Zoning Departments, as well as LivCom/911 and the Emergency Telephone System Board, Mental Health and the 708 and 377 Boards, Public Health and the Board of Health and TB Board, and Veterans Assistance Commission.

## **2. Purpose**

The purpose of this Request for Proposals (RFP) is to contract with one insurance agent (Agent) to obtain the insurance coverage outlined herein. Additionally, the Agent is to arrange for loss control services and other support as part of the insurance coverage. Agent of record letters will be provided after the contract has been awarded.

## **3. Proposal Due Date**

Proposals are due to the County Board Office located within the Historic Livingston County Courthouse, 112 W. Madison St., Pontiac, IL 61764, no later than **2:00 p.m. on Friday, October 25, 2013**. Any proposal submitted after the 2:00 p.m. deadline will not be accepted. Proposals must include three copies of each proposal and be in a sealed envelope addressed as follows:

Livingston County Board Office  
"Insurance Proposal"  
112 W. Madison St.  
Pontiac, IL 61764

The proposals will be opened at 2:00 p.m. in the Committee Room of the Historic Livingston County Courthouse. You may be (but are not required to be) present during the opening of the bids.

## **4. Changes in Request for Proposal (RFP)**

Livingston County reserves the right to amend, modify or cancel this RFP at any time. If it becomes necessary to revise any part of this RFP, or otherwise provide additional information, an addendum will be issued by the county and furnished to all firms that have notified the County Board Office of their interest or intent to bid. Should you obtain a copy of this RFP from the Livingston County website, please contact the County

Board Office at 815-844-6378 and provide your name, company and appropriate contact information. Please acknowledge the receipt of any addenda in the appropriate section, as directed in the addendum.

### **5. Contract Negotiations**

Livingston County reserves the right to negotiate a contract after the successful Agent is selected. Selection will be based only on the proposal submitted and subsequent interviews, if any; therefore, the proposals must be complete. Submission of a proposal shall constitute a valid offer, which may be accepted by the county for a period of ninety (90) days following the proposal opening.

### **6. Incurred Costs**

Livingston County is not liable for any costs incurred in replying to this RFP.

### **7. Acceptance / Rejection**

Livingston County reserves the right to accept or reject any or all proposals in part, or in total, as deemed to be in the best interest of Livingston County and to waive all minor irregularities in the proposal process. Any submission that is deemed non-responsive, or does not meet the requirements is subject to rejection. Changes proposed by the responder to the terms and conditions contained herein or any deviation from the requirements outlined in this request must be clearly marked and identified in the bid proposal response.

Agents who submit a proposal may be required to make an oral presentation to the Livingston County Board and/or any Committee deemed appropriate by the County Board Chairman. All presentations will be scheduled by the issuing office. Such presentations provide an opportunity for the agents to clarify their proposal to ensure mutual understanding. Agents must submit a written amendment to their proposal to confirm any changes made during their oral presentation.

Agents whose proposals are not accepted will be notified as soon as the awarded contract has been approved.

### **8. Requirements**

Agents submitting proposals shall be Licensed Producers readily accessible to service accounts. Bids submitted must use carriers with Best's rating of A or higher. Bid prices shall be submitted on the form enclosed. In addition to whatever format their company desires. Carriers may bid on any or all lines, as long as prices for lines bid are on the Bid Form. Any deviation from stated specifications must be noted. Alternative limits and coverage options may be submitted for consideration, but must be clearly noted as alternate proposal.

#### **8.1 Coverage**

##### **8.1.1 Property Insurance Coverage**

Coverage shall be provided in blanket form on all real and personal property. Coverage is to protect against risk of direct physical loss. Property coverage shall also protect against the need for additional expenses in the event of loss or the loss of income resulting from direct physical loss. This coverage shall include electronic data processing equipment. Current coverage is provided by Travelers Insurance; agent of record is Brian McSherry of the McSherry Agency, Pontiac, Illinois.

<b>Current Limits of Insurance</b>	Limits of Insurance
<i>Blanket Description of Coverage or Property</i>	
Building(s) and Business Personal Property (The current Asset Appraisal Report (Exhibit A), provided by Industrial Appraisal Company shows a grand total of \$73,252,098. Proposals should be based on this updated amount.)	\$96,712,679
<i>Coinsurance</i>	
Building(s) and Business Personal Property	90%
<i>Valuation Provision</i>	
Replacement Cost	
<i>Additional Covered Property at Undescribed Premises</i>	
At any "exhibition" premises	\$50,000
At any other not owned, leased or regularly operated premises	\$50,000
<i>Personal Property in Transit</i>	\$50,000
<i>Deluxe Property Coverage – Additional Coverages &amp; Coverage Extensions</i>	
Accounts Receivable	
At all described premises	\$100,000
In transit or at all undescribed premises	\$100,000
Appurtenant Buildings & Structures	\$100,000
Claim Data Expense	\$25,000
Covered Leasehold Interest – Undamaged	
Improvements & Betterments	\$100,000
Debris Removal	\$250,000
Deferred Payments	\$25,000
Duplicate Electronic Data Processing Data and Media	\$50,000
Electronic Data Processing Data and Media	
At all described premises	\$50,000
Employee Tools	
In any one occurrence	\$25,000
Any one item	\$2,500
Expediting Expense	\$250,000
Extra Expense	\$25,000

Fine Arts	
At all described premises	\$250,000
In transit	\$25,000
Fire Department Service Charge	Included
Fire Protective Equipment Discharge	Included
Green Building Alternatives – Increased Cost	
Percentage 5%	
Maximum amount – each building	\$100,000
Green Building Reengineering and Recertification Expense	\$25,000
Limited Coverage for Fungus, Wet Rot or Dry Rot	
Annual Aggregate	\$25,000
Loss of Master Key	\$25,000
Newly Constructed or Acquired Property	
Building – each	\$2,000,000
Personal Property at each premise	\$1,000,000
Non-Owned Detached Trailers	\$25,000
Ordinance or Law Coverage	\$250,000
Outdoor Property	
Any one tree, shrub or plant	\$2,500
Outside Signs	
At all described premises	\$100,000
At all undescribed premises	\$5,000
Personal Effects	\$50,000
Personal Property at Premises Outside of Coverage Territory	\$50,000
Personal Property in Transit Outside of Coverage Territory	\$25,000
Pollutant Cleanup and Removal – Annual Aggregate	\$100,000
Preservation of Property	
Expenses to move and temporarily store property	\$250,000
Direct loss or damage to moved property	Included
Reward Coverage	
25% of covered loss up to a maximum of	\$25,000
Stored Water	\$25,000
Theft Damage to Rented Property	Included
Undamaged Parts of Stock in Process	\$50,000
Valuable Papers and Records – Cost of Research	
At all described premises	\$100,000
In transit or at all undescribed premises	\$100,000
Water or Other Substance Loss – Tear Out and Replacement Expense	Included

“Included” means included in applicable Covered Property Limit of Insurance.

*Deluxe Business Income (and Extra Expense) Coverage – Described Premises*

All Locations / All Buildings	\$1,000,000
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<i>Coinsurance</i>	
Business Income (and Extra Expense) Coverage	100%
Rental Value	Included
Ordinary Payroll	Included
<i>Deluxe Business Income – Additional Coverages and Coverage Extensions</i>	
Business Income from Dependent Property	
At Premises Within the Coverage Territory	\$250,000
At Premises Outside of the Coverage Territory	\$100,000
Civil Authority	
Coverage Period	30 days
Coverage Radius	100 miles
Claim Data Expense	\$25,000
Contract Penalties	\$25,000
Extended Business Income	
Coverage Period	180 days
Fungus, Wet Rot or Dry Rot – Amended	
Period of Restoration	
Coverage Period	30 days
Green Building Alternatives – Increased	
Period of Restoration	
Coverage Period	30 days
Ingress or Egress	\$25,000
Coverage Radius	1 mile
Newly Acquired Locations	\$500,000
Ordinance or Law – Increased Period of Restoration	\$250,000
Pollutant Cleanup and Removal – Annual Aggregate	\$25,000
Transit Business Income	\$25,000
Undescribed Premises	\$25,000
<i>Utility Services</i>	
Direct Damage – in any one occurrence	\$50,000
Coverage provided for the following	
Water Supply	
Communication Supply	
Power Supply	
Coverage for Overhead Transmission Lines	Excluded
<i>Deductible</i>	
Business Income – As respects Business Income Coverage, for which no other deductible is stated above or in the coverage description, a 72 hour deductible applies.	

Any other Covered Loss in any one occurrence \$5,000

**Asset Evaluation & Appraisal Report**

Attached hereto and made a part hereof by reference (labeled Exhibit A) is Industrial Appraisal Company's Asset Appraisal Report, dated May 8, 2013.

**Location Schedule**

Attached hereto and made a part hereof by reference (labeled Exhibit B) is the Schedule of Locations & Buildings.

**Detail Loss Report**

Attached hereto and made a part hereof by reference (labeled Exhibit C) is the Detail Loss Report, provided by Travelers Insurance, for the period 12/1/2009 to 8/8/2013.

**8.1.2 Inland Marine**

**Coverage**

Coverage shall include Radio & Transmission Towers / Antennas. Current coverage is provided by Travelers Insurance. Agent of record is Brian McSherry of the McSherry Agency, Pontiac, Illinois.

**Current Coverage, Limits of Insurance & Deductible**

	Limits of Insurance
<i>Broadcasters Equipment &amp; Media Coverage</i>	
Radio & Transmission Towers / Antennas	\$558,050
<i>Deductible</i>	\$1,000
<i>Covered Property and Limits of Insurance</i>	
<i>Contractors Equipment</i>	
Covered Items	
Listed Items (See Schedule – Exhibit D)	\$828,400
Unlisted Items	No Coverage
Leased or Rented Items (per item)	\$50,000
Coverage Extensions	
Newly Acquired Contractors Equipment	\$250,000
Replacement Items	
Rental Cost (per item)	\$5,000
Loss to any one "Replacement Item" (per item)	\$100,000
Maximum Amount of Payment	\$874,400
Flood Limit of Insurance	\$878,400
Flood Annual Aggregate Limit of Insurance	\$878,400
Earth Movement Limit of Insurance	\$878,400
Earth Movement Annual Aggregate	\$878,400

*Scheduled Property*

Covered Items (See Schedule – Exhibit D)	
Flood Limit of Insurance	\$795,730
Flood Annual Aggregate Limit of Insurance	\$795,730
Earth Movement Limit of Insurance	\$795,730
Earth Movement Annual Aggregate	\$795,730

*Deductible*

Contractors Equipment	
Basic Deductible	\$1,000
Flood Deductible	\$1,000
Earth Movement Deductible	\$1,000
Windstorm Deductible	\$1,000
Scheduled Property	
Basic Deductible	\$1,000
Flood Deductible	\$1,000
Earth Movement Deductible	\$1,000
Windstorm Deductible	\$1,000

**Contractors Equipment & Scheduled Property Schedule**

Attached hereto and made a part hereof by reference (labeled Exhibit D) is the Contractors Equipment & Scheduled Property Schedule.

**Detail Loss Report**

Attached hereto and made a part hereof by reference (labeled Exhibit C) is the Detail Loss Report, provided by Travelers Insurance, for the period 12/1/2009 to 8/8/2013.

**8.1.3 Public Agency Multi-Class Liability**

**Coverage**

Coverage shall be include Bodily Injury Liability, Property Damage Liability, Personal Injury Liability, Advertising Liability, Errors or Omissions Liability, and Civil Rights Liability. Any additional or alternate coverage recommended shall be listed as alternates on the bid form. Current coverage is provided by Bliss McKnight; agent of record is Brian McSherry of the McSherry Agency, Pontiac, Illinois.

**Current Limits of Liability**

Limits of Insurance

Coverage Part Aggregate	\$10,000,000
General Liability Per Occurrence	\$5,000,000
Fire Damage Per Occurrence	\$5,000,000
Deductible	\$2,500

### **9.3.3 Loss Run Report**

Attached hereto and made a part hereof by reference (labeled Exhibit E) is the Loss Run Report, provided by Bliss McKnight, Inc., for the period 12/1/2009 to 8/9/2013.

### **8.1.4 Wrongful Employment Practices Liability**

#### **Coverage**

Coverage shall include Wrongful Employment Practices Liability. Any additional or alternate coverage recommended shall be listed as alternates on the bid form. Current coverage is provided by Bliss McKnight; agent of record is Brian McSherry of the McSherry Agency, Pontiac, Illinois.

<b>Current Limits of Liability</b>	<b>Limits of Insurance</b>
Coverage Part Aggregate	\$10,000,000
Designated Wrongful Employment Practices Liability Per Occurrence	\$5,000,000
Deductible	\$2,500

#### **Loss Run Report**

Attached hereto and made a part hereof by reference (labeled Exhibit E) is the Loss Run Report, provided by Bliss McKnight, Inc., for the period 12/1/2009 to 8/9/2013.

### **8.1.5 Employee Benefits Errors or Omissions Liability**

#### **Coverage**

Coverage shall include Employee Benefits Errors & Omissions Liability. Any additional or alternate coverage recommended shall be listed as alternates on the bid form. Current coverage is provided by Bliss McKnight; agent of record is Brian McSherry of the McSherry Agency, Pontiac, Illinois.

<b>Current Limits of Liability</b>	<b>Limits of Insurance</b>
Coverage Part Aggregate	\$10,000,000
Employee Benefits Errors or Omissions Liability Per Occurrence	\$5,000,000
Deductible	\$2,500

### **Loss Run Report**

Attached hereto and made a part hereof by reference (labeled Exhibit E) is the Loss Run Report, provided by Bliss McKnight, Inc., for the period 12/1/2009 to 8/9/2013.

#### **8.1.6 Auto**

##### **Coverage**

Coverage shall be provided for "Autos" and shall include Auto Liability, Uninsured and Underinsured Motorists, Comprehensive and Collision Coverage. Any additional or alternate coverage recommended shall be listed as alternates on the bid form. Current coverage is provided by Bliss McKnight; agent of record is Brian McSherry of the McSherry Agency, Pontiac, Illinois.

<b>Current Limits of Liability</b>	<b>Limits of Insurance</b>
Auto Liability Per Occurrence	\$5,000,000
Uninsured Motorists Coverage	\$100,000
Underinsured Motorists Coverage	\$100,000
Comprehensive Coverage	(Based on Vehicle)
Deductible for Comprehensive	\$500
Collision Coverage	(Based on Vehicle)
Deductible for Collision	\$1,000

### **9.6.3 Loss Run Report**

Attached hereto and made a part hereof by reference (labeled Exhibit E) is the Loss Run Report, provided by Bliss McKnight, Inc., for the period 12/1/2009 to 8/9/2013.

### **9.6.4 Schedule of Automobiles**

Attached hereto and made a part hereof by reference (labeled Exhibit F) is the Schedule of County owned Vehicles.

#### **8.1.7 Workers Compensation**

##### **Coverage**

Workers Compensation coverage shall be provided in accordance with the statutory requirements of the State of Illinois. Endorsements shall include Voluntary Compensation, Broad Form All States for Employee Travel, Longshoremen's and Harbor Worker's Compensation Act Coverage, Maritime Coverage, Federal Employers' Liability Act Coverage, Foreign Voluntary Workers' Compensation and Employers' Liability for Traveling Employees. Premiums shall be based on the anticipated annual payroll amounts, attached hereto and made a part hereof by reference (labeled Exhibit G). Current coverage is provided by Illinois Public Risk Fund;

agent of record is Brian McSherry of the McSherry Agency, Pontiac, Illinois.

<b>Current Limits of Insurance</b>	Limits of Insurance
Bodily Injury by Accident (ea. Accident)	\$2,500,000
Bodily Injury by Disease (policy limit)	\$2,500,000
Bodily Injury by Disease (ea. Employee)	\$2,500,000

### **Loss Run Summary Report**

Attached hereto and made a part hereof by reference (labeled Exhibit H) is the Loss Run Summary Report, provided by Illinois Public Risk Fund, for the period 12/15/2009 to 8/22/2013.

### **8.2 Claims Adjustment Services**

The Agent must represent the interest of Livingston County in resolving any disputed claims. If adjusters other than company adjusters are to be used on claims this should be disclosed in the proposal.

### **8.3 Loss Control & Related Services**

The Agent shall provide assistance in developing crisis management and contingency plans as requested. Periodic loss control surveys, including development of recommendations to prevent the frequency and/or reduce the severity of losses shall also be provided. The Agent shall provide loss control training as the need arises to applicable County staff members.

### **8.4 Reporting & Delivery Requirements**

The Agent shall provide binders or other evidence of insurance within five working days of the effective date of any insurance policies. These should outline coverages, including limits and deductibles. Endorsements to any policy should be delivered within thirty days of agreement of the endorsement.

The Agent shall meet with the County when each policy is delivered and no less than 120 days prior to the renewals/anniversary of any policy. These meetings are to review exposures, coverage, premiums, losses and other items to verify the adequacy of insurance in anticipation of policy renewal or anniversary. No less than sixty days prior to the expiration or anniversary of any existing coverage, the Agent will present recommendations concerning the renewal.

The Agent shall provide Loss Control Reports as requested by the County. Said reports shall be delivered within 15 days unless otherwise agreed upon.

## **9. Proposal Format & Submission Requirements**

Three copies of each proposals are due to the County Board Office located within the Historic Livingston County Courthouse, 112 W. Madison St., Pontiac, IL 61764, no later than **2:00 p.m. on Friday, October 25, 2013**. Any proposal submitted after the 2:00

p.m. deadline will not be accepted. Proposals must be in a sealed envelope addressed as follows:

Livingston County Board Office  
“Insurance Proposal”  
112 W. Madison St.  
Pontiac, IL 61764

The proposals will be opened at 2:00 p.m. in the Committee Room of the Historic Livingston County Courthouse. You may be (but are not required to be) present during the opening of the bids.

Proposals shall be as thorough and detailed as possible so that Livingston County may properly evaluate the services offered. Agents are required to submit the following items as part of their proposal.

### **9.1 Narrative Statement**

A narrative statement as to the Agent’s qualifications to perform the work listed in the Requirements. This narrative statement should address the following.

9.1.1 Description of the background and experience of the Agent and his company. This should include the number of years performing this service. This should also include any experience dealing with units of local government.

9.1.2 Names, address, telephone numbers and individual contacts of at least three current accounts of similar size and complexity handled by the Agent and the servicing office.

9.1.3 Resumes of staff personnel to be assigned to this contract. This should describe their anticipated roles in serving the account. Include an organizational chart showing internal relations as well as relations with any insurers.

9.1.4 If more than one program of coverages is being submitted by the Agent, describe the advantages and disadvantages of the different approaches as well as the Agent’s recommendations and related justifications.

### **9.2 Proposed Scope of Work**

A description of the proposed scope of work and the Agent’s implementation and performance of the contract.

9.2.1 Proposed insurance coverage forms with justification for each.

9.2.2 Claims handling procedures and guidelines, including claim reporting thresholds.

9.2.3 Description of the Agent’s loss control support and services to be provided.

9.2.4 Cost of insurance and related services for each coverage. Proposals shall be submitted on the enclosed LIVINGSTON COUNTY INSURANCE PROPOSAL SUBMITTAL FORM. All charges must incorporate routine office and administrative charges including, but not limited to postage, travel, office supplies, telephone charges, issuing certificates of insurance, and report preparation shall be included in the bid price. Any additional charges, must be disclosed.

#### **10. Questions Concerning this Request for Proposals**

Any questions regarding the above procedure or contents of this RFP must be made in writing and directed to:

Alina Hartley, Administrative Resource Specialist  
Livingston County Board Office  
112 W. Madison Street  
Pontiac, IL 61764  
(815)844-6378  
[ahartley@livingstoncountyil.gov](mailto:ahartley@livingstoncountyil.gov)

**Questions must be received in writing no later than October 4, 2013.** Responses to each question will be provided to all Agents who have provided contact information to the County Board Office.

#### **11. Proprietary Information**

Any restrictions on the use of data contained within a proposal and all confidential information must be clearly stated at the top and bottom of each page of the proposal. Proprietary information submitted in a proposal, or in response to the RFP, will be handled in accordance with applicable Illinois statutes.

To the extent permitted by law, it is the intention of Livingston County to withhold the contents of the proposals from public view until such time as competitive or bargaining reasons no longer require non-disclosure, in the opinion of Livingston County. At that time, all proposals will be available for review in accordance with the Illinois Freedom of Information Act.

#### **12. Evaluation of Proposals**

Proposals will be reviewed to ensure that they meet minimum requirements for proposal format, contractor stability, references provided, etc. A review of the qualifying proposals will identify potential Agents that most closely meet the needs of Livingston County. Functional capabilities, operating efficiency, services provided and overall cost will be among the criteria considered in evaluating proposals.