

OHIO TURNPIKE COMMISSION

Resolution Authorizing the Purchase of Insurance Policies Pursuant to Request for Proposals for the Commission's Comprehensive Property and Casualty Insurance Program

WHEREAS, the Commission issued a Notice of Request for Proposals for Insurance Broker Market Assignments on March 18, 2008, whereby interested insurance agent/brokerage firms could request that the Commission assign certain insurance markets to them to obtain proposals for coverage under the Commission's comprehensive casualty and/or property insurance program; and

WHEREAS, the Commission received requests for market assignments from ten (10) insurance agent/brokerage firms on or before March 25, 2008, and markets were assigned to all of the agents/brokerage firms that requested such assignments during a pre-bid conference held on April 3, 2008; and

WHEREAS, the Commission issued a Request for Proposals (RFP) for the Commission's Comprehensive Casualty and Property Insurance Program on April 3, 2008, and markets were assigned to all of the agents/brokerage firms that requested assignments during a pre-bid conference held that same day; and

WHEREAS, responses to the RFP were submitted on or before May 15, 2008 by eight (8) agent/brokerage firms on behalf of different insurance carriers, and such responses have been reviewed and analyzed by Crain, Langner & Company of Richfield, Ohio, the Commission's independent insurance consultant, and the Commission's general counsel and risk management coordinator; and

WHEREAS, Crain, Langner & Co. has made a recommendation for the award of such insurance policies based upon its review and analysis of the proposals received, and the Commission's General Counsel and Risk Management Coordinator concur with the recommendation; and

WHEREAS, the Commission has been advised by the General Counsel that the RFP process was conducted in a manner that was fair and equitable to all participating insurance agents/brokerage firms and insurance carriers and that the Commission may lawfully purchase the respective insurance policies; and

WHEREAS, the Commission's independent consultant, General Counsel and Risk Management Coordinator recommend that the best interests of the Commission would be served by the acceptance of the proposals submitted by the following agent/brokerage firms on behalf of insurance carriers for policies commencing on July 1, 2008 at the corresponding premium quotes submitted as follows:

1. Public Entity General and Automobile Liability Insurance, including terrorism coverage, proposed by Arthur J. Gallagher Risk Management Services, Inc., on behalf of St. Paul Fire & Marine/Travelers Insurance for an annual premium of \$191,880;
2. Multi-Peril/Property Insurance, including terrorism coverage, proposed by The Hylant Group on behalf of Affiliated F.M. Insurance Company for an annual premium of \$237,987 representing a cost reduction of 19%;
3. Broad Form Money and Securities Insurance proposed by Gardiner Allen DeRoberts Insurance LLC on behalf of Chubb/Federal Insurance for an annual premium of \$40,375 representing a cost reduction of 5%;

4. Public Officials/Errors and Omissions Insurance proposed by Arthur J. Gallagher Risk Management Services, Inc., on behalf of St. Paul Fire & Marine/Travelers for an annual premium of \$42,738 representing a cost reduction of 38%;
5. Bridges and Use and Occupancy Insurance, including terrorism coverage, proposed by The Hoffman Group on behalf of Travelers Property Casualty Company of America for an annual premium of \$62,879; and
6. Umbrella/Excess Liability Insurance Coverage, including terrorism coverage, proposed by Arthur Gallagher on behalf of Travelers for an annual premium of \$57,753, Wachovia Insurance Services on behalf of North River and Great American Insurance Companies for an annual premium of \$100,928 representing a cost reduction of 49%.

NOW, THEREFORE, BE IT

RESOLVED that the Commission has duly considered such recommendations of its independent insurance consultant, as well as the recommendation of its general counsel and risk management coordinator, and hereby selects and authorizes the executive director and general counsel to purchase the above-specified insurance policies through Arthur J. Gallagher Risk Management Services, Inc., for public entity general and automobile liability insurance, The Hylant Group for multi-peril property insurance, Gardiner Allen DeRoberts Insurance LLC for broad form money and securities insurance, Hoffman Group for bridge use and occupancy insurance, and Arthur J. Gallagher Risk Management Services, Inc., for public officials/errors and omissions and Arthur Gallagher Risk Management Services, Inc. and Wachovia Insurance Services for umbrella/excess liability insurance in accordance with the terms and conditions set forth in the proposals and at the premiums quoted by the respective agent brokerage firms.

(Resolution No. 27-2008 adopted June 16, 2008)