

Okolona Fire Protection District General Information Insurance Specifications

The Okolona Fire Protection District is accepting proposals for insurance coverage. By submitting a proposal, a company stipulates they have read and understand all the information that is being provided, and the proposal is submitted in good faith that such information has been read and understood by the proposer. The board of trustees reserves the right to reject any and all proposals, and to accept the proposal it feels is in the best interests of the Okolona Fire Protection District.

The Okolona Fire Protection District is a typical consumer of insurance. We do not have any special knowledge of the insurance industry. This includes the levels to which insurance policies provide coverage, or exclusions. It is expected that proposing companies propose insurance that provide adequate coverage for losses that the fire district is subject to.

The named insured is to be:

1. The Okolona Fire Protection District
2. The Okolona Fire Department
3. The Okolona Fire Protection District Holding Company
4. The Okolona Fire Department Auxiliary
5. Black Mudd Fire Protection District¹
6. BMFD Inc, a Holding Company¹

The words "fire department" or "fire district" shall be taken to mean the named insured.

The Fire District is a fire protection district that is organized pursuant to Chapter 75 of the Kentucky Revised Statutes. We engage in the typical fire department activities, such as fire suppression, inspections, auto accident response (victim extrications, first responder care, and fluid spills), hazardous material incident response, and so on. We do not operate an ambulance service, many of our members are emergency medical technicians, who provide first responder emergency medical care pursuant to an arrangement of mutual aid with Jefferson County Emergency Medical Services. We also have an Explorer Post, which is associated with the Boy Scouts of America.

The fire department consists of some 45 full and part time employees, 30 volunteer members, 10 auxiliary members and 20 explorer members.

Since we are a taxing district, our funding is provided from the community tax base. We do not engage in fund raising activities, except for the WHAS Crusade for Children. Additionally we may perform several functions of public relations nature. Examples of these include flag installation on flag poles, washing off parking lots, etc.

It is expected that insurance protection shall cover all activities in which we participate.

Any insurance company authorized to conduct business within Kentucky is invited to submit their proposals for insurance coverage.

The proposed insurance package shall be broken down into different packages. Each package shall have individual premiums. The fire district, if in its opinion of the best interests of the fire district, may select individual packages, and not the entire proposal. The premium summary must be on the attached form so we can make proper comparisons.

¹ The Black Mudd Fire Protection District was merged into the Okolona Fire Protection District on July 1, 2003

Our assumption will be that your proposal is insuring us for any losses. If your policies have exceptions, whether obvious or “fine print”, we ask you to identify them on a separate “Exclusions or Exceptions” page.

Each company making proposals shall submit specimen policies. The fire district understands the exclusions on the specimen policy may be different from that being specified, however any exclusions that will be applicable to the Okolona Fire District must be clearly identified in the proposal.

Any exceptions or deviations from what is being specified shall be clearly stated or identified. If this is not done, we will assume that the proposer will provide the coverage for that specified.

We will NOT sign any letters stipulating Agents of Record, until after proposal acceptance.

Additionally, it is contemplated that the Edgewood Fire Protection District will merge with the Okolona Fire Protection District on July 1, 2005. However, this merger has not been finalized, as it is subject to some legal processes and must be approved by the Louisville Metro Mayor.

IMPORTANT NOTICE CONCERNING PROPOSALS - PLEASE READ CAREFULLY:

Any prospective proposal MUST review all current insurance documents. Prospective proposers are required to do this so that their proposals will provide at least the same coverage as we now have. *Any proposals which would not cover currently insured perils, have additional exclusions, or reduced limits of coverage, must clearly state this on a separate page.* This is to help us know whether we are receiving the same or less coverage.

Additionally, we are asking for two (2) separate and distinct submissions of proposals.

The first proposal is intended to allow us time to review coverages, limitations and exclusions. We ask proposing insurance companies to send us their full proposals **WITHOUT** any pricing, no later than February 17, 2005. This proposal would include sample policies, statements of exceptions, exclusions, limitations, deductibles, retained limits and so forth. Please include any rating information relating to the insuring company, such as that from Standard and Poores, A.M. Best, etc.

The second proposal would include all of the above, and **INCLUDES** pricing. This second proposal must be received by 7:00 PM on March 3, 2005. These proposals are to be sealed, and will be opened at the Okolona Fire Protection District Board of Trustees Meeting, which is scheduled to begin on this date and time. Representatives of proposing companies are welcome to attend to observe the opening of these sealed proposals. Please be sure that this proposal, which includes the pricing information, is sealed and marked “Sealed Insurance Proposal”.

The board of trustees may elect to NOT hear verbal presentations on March 3. There may be separate meetings scheduled and allow each proposer to make separate presentations, given the complexity of insurance coverage. Any meeting schedule will be developed and shared with proposers as soon as practical.

Both proposals should be delivered to the Okolona Fire District at 8501 Preston Highway, Louisville, Kentucky, 40219. For further information, call Chief Richard Carlson at (502) 964-5111 during normal business hours.

All proposals must be valid until at least April 15, 2005.

The Okolona Fire Protection District Board of Trustees reserves the right to accept or reject all bids, or to accept the bid which it believes is in the best interests of the fire district.

Important Points to Emphasize:

1. Prospective bidders must review current insurance contracts, declaration sheets and any other related documents to assure us that we are receiving at least the same level of coverages. If your proposal does not provide the same coverages, please clearly state this in a separate page.
2. You must submit specimen policies, declaration sheets, exclusion sheets by February 17, 2005 so we can review these documents prior to the opening of the proposals having the pricing information.
3. The above proposal should not have pricing information. The proposal with pricing is to be submitted separately and is due by March 3, 2005.
4. The board of trustees reserves the right to reject any and all proposals, and to accept the proposal which it deems in the best interest of the fire district.
5. We are not insurance people and we do not know all the nuances of insurance. Thus we may not have specified or noted something that it is prudent for us to have. We are relying upon the insurance proposers to help us ensure we have the proper coverages.
6. By submitting a proposal, we will take it to mean you understand the above.

Property Coverage

Schedule of Locations

1. Fire station at 8501 Preston Highway, Louisville, Kentucky
2. Fire station at 10508 Preston Highway, Louisville, Kentucky
3. Fire station at 1714 Rangeland Road, Louisville, Kentucky, including a Training Tower.

<u>Loc.</u>	<u>Buildings</u>	<u>Contents</u>	<u>Loss of Income</u>	<u>Extra Expenses</u>
1.	\$4,500,000	\$671,200	\$10,000	\$10,000
2.	\$2,000,000	\$100,000	\$10,000	\$10,000
3.	\$2,500,000	\$125,000	\$10,000	\$10,000

Note: The successful insurance carrier must verify that the above property values are reasonable replacement costs. The figures are provided only for quotation purposes, please base your quotes on these amounts (you may also provide an optional amount if you feel the amounts specified are unrealistic). It is incumbent upon the successful insurance carrier to ensure the fire district has sufficient coverage. The property must be valued for guaranteed replacement costs.

There must be an endorsement to cover commandeered property of others, with a limit of \$50,000 per occurrence, with a \$250 deductible.

Additionally, if the current carrier submits a proposal, there must be an "Inflation Guard" clause applicable if the district chooses to renew policies with the current carrier.

Please state any co-insurance requirements in your proposal.

There are aboveground diesel fuel dispensing units at locations 1 and 3. Coverage for this equipment must be included (all necessary perils).

Insurance coverage must also include Debris Removal, Preservation of Property, Pollution cleanup and removal, Newly acquired or constructed property, Personal effects and property of others, Valuable papers and records, Property off premises and Outdoor property.

Coverage for Replacement cost is required.

Coverage must be Cause of Loss Special Form for all risks of direct physical loss.

Please provide a quotation for Glass Insurance (unless such coverage is included in some other package.)

Systems Breakdown (Boiler and Machinery) Comprehensive coverage shall provide for loss related to explosion or breakdown of heating, ventilation and air conditioning systems, air cascade units, electrical and business systems. Business systems include telecommunications equipment, computer equipment and copier equipment.

Please provide a quotation for optional Differences In Conditions Insurance for flood, earthquake and building collapse.

Inland Marine Insurance shall be provided for portable equipment, mobile equipment, property held by bailees and means of transportation and communication. Also to be covered is personal property of members lost in the line of duty. Limit of portable equipment insurance to be \$1,000,000.

There must be Blanket Replacement Cost coverage for all portable firefighting equipment, to include \$25,000 for non-owned equipment temporarily in the possession of the fire department. Coverage must be included for all causes of physical loss, with a \$250 deductible to each occurrence, and not each claim.

There must be a personal effects coverage for each member's personal effects that may be damaged or destroyed while the member is performing authorized duties. This amount shall be \$2000, and be for replacement costs, with no deductible.

There shall be a waiver of the deductible for other portable equipment, so that if a loss occurs involving a combination of property, then the highest deductible will apply. There shall be no multiple deductibles, in the event of a single incident of loss.

Crime Coverage

Surety Bonds

<u>Bond Form</u>	<u>Covering</u>	<u>Amount of Coverage</u>
Position Schedule	Treasurer	\$1,250,000 ²
Position Schedule	Chairman	\$1,250,000 ²
Position Schedule	Board Secretary	\$1,250,000 ²
Position Schedule	Department Secretary	\$1,250,000 ²

Crime coverage limit to be \$1,000,000 with deductible of \$250.

Forms of coverage which must be included (for the purposes of these specifications, employee shall be taken to mean career employees, volunteer members, auxiliary members explorer members and other individuals deputized to assist during emergencies): Employee Dishonesty ISO Form A; Forgery or Alteration Form B; Theft, Disappearance and Destruction Form C; Robbery and Safe Burglary Form D; Premises Burglary Form E; Computer Fraud Form F; Premises Theft and Robbery Outside the Premises Form H; Securities Deposited with others Form J; Liability for Guest's Property-Premises Form L; Public Employee's Dishonesty Form P; Robbery and Safe Burglary Money and Securities Form Q.

² **Error! Main Document Only.** These bond limits are determined to be 30% of the districts revenues. State law requires the mayor to determine the amount of bond to be provided by those who have access to the district's funds, and the mayor has set that amount to be 30% of the revenue.

Business Auto and Automobile Physical Damage

Unless stated by ACV (Actual Cash Value) Automobile Physical Damage coverage must be provided (agreed valued). This coverage will result in the lesser of 1) the cost to repair the damage to the vehicle, 2) the cost to replace the damaged vehicle or part, without depreciation, 3) the cost to replace the vehicle with a comparable vehicle pursuant to specifications set out by the fire department or 4) payment of the agreed value shown below. Comprehensive deductibles shall be \$100 and collision deductible shall be \$500.

<u>Veh. No.</u>	<u>Unit No.</u>	<u>Year, Make-Body Type</u>	<u>Agreed Insurable Value</u>
1.	8031	2001 Pierce Rescue Pumper	\$440,000
2.	8032	1991 Pierce 50' Sqrt	\$550,000
3.	8033	1996 Pierce Rescue Pumper	\$325,000
4.	8034	1981 Gruman Pumper	\$325,000
5.	8035	1994 Pierce Rescue Pumper	\$325,000
6.	8036	1998 Seagrave Pumper	\$325,000
7.	8037	1981 Emergency One Pumper	\$325,000
8.	8051	1991 Pierce 65' Tele-sqrt	\$600,000
9.	8052	1972 Pierce Snorkel	\$700,000
10.	8053	1972 Guardian Ladder Truck	\$600,000
11.	8072	1996 Ford Brush Unit	\$ 40,000
12.	8081	1986 Ford Rescue Squad	\$200,000
13.	83	Ford Antique Unit	\$ 20,000

The following are vehicles to be insured at Actual Cash Value:

14.	8092	2001 Ford Pickup truck
15.	8004	2002 Ford Crown Victoria
16.	8007	2005 Ford Expedition
17.	8003	2005 Ford Expedition
18.	8002	2000 Ford Crown Victoria
19.	8011	2000 Ford Crown Victoria
20.	8001	2001 Ford Crown Victoria
21.	8090	2003 Ford Expedition
22.	8091	1999 Ford Pickup
23.	6033	1972 Guardian Pumper
24.	8005	2002 Ford Explorer
25.	8008	1999 Ford Crown Victoria
26.	8013	2000 Ford Crown Victoria
27.	8093	1987 Ford Pickup truck
28.	8006	1996 Jeep Cherokee

Also included are two (2) trailers housed at station one, which is used to haul equipment, replacement value \$1,300 each.

Liability coverage with a limit of \$1,000,000 must be provided, which includes fellow member liability. Associated with this is Personal Injury Protection, Uninsured and Underinsured motorists.

Also to be included is hired or borrowed vehicles.

General Liability

Limit

\$2,000,000

Personal Injury, Advertising Injury, Bodily Injury and Property damage	\$2,000,000
Fire Damage Legal Liability Limit (any one fire)	\$50,000
Medical Expense Limit (Any one Person	\$10,000

The following extensions must be included - Volunteers/employees as additional insureds, Intentional acts, Professional Health Care, Good Samaritan liability, Personal injury resulting from employment, Broad form property damage, Products and completed operations, Pollution liability (premises, operations, completed operations), Host Liquor liability, Liquor Law temporary event, Non-owned watercraft, Contractual liability, Fellow Volunteers/Employees Liability, and employee benefits liability.

Coverage must also be provided for property in the insured's care, custody or control, Employer's liability (not Worker's Compensation), contractual liability and mobile equipment, Management, Directors and Officers, Errors and Omissions and Contingent Liability.

Also included, where appropriate, there shall be Prior Acts Coverage ("Tail coverage").

Umbrella/Excess Liability

Coverage Policy Type	Liability Limits Umbrella
Each Occurrence	\$1,000,000*
Policy Annual Aggregate	\$1,000,000*

(*Please provide options for \$2,000,000 coverage)

Okolona Fire Department Insurance Proposal Summary

Name and address of Insurance Company: _____

Name and telephone of Insurance Agent Servicing Policy: _____

Names and telephones of other associated agents: _____

Premium Summary by Category:	Specified Amount	Option Amount
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Property Coverage:	_____	_____
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Differences In Conditions	_____	_____
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Glass Insurance	_____	_____
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Crime Coverage:	_____	_____
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Business Auto & APD:	_____	_____
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General Liability:	_____	_____
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Umbrella/Excess Liability:	_____	_____
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