

KENTUCKY MUNICIPAL ENERGY AGENCY

Public Officials Liability and Other Insurance Renewal – KLCIS

Memorandum

To: Ronald W. Herd, Chairman

From: Terrance P. Naulty, II, Treasurer
Jason Alban, Manager of Treasury, OMU

Date: February 17, 2017

Subject: Comprehensive Insurance Renewal: Public Officials Liability (POL) & Other Insurance

No bid in 2017 due to dollar amount under \$20,000 (Kentucky Model Procurement Code); and no material change in KyMEA's business model for the renewal period, 04/01/17 – 04/01/18.

Primary Insurance coverage requested for proposals under a Competitive Sealed Bid in 2016 under Bid #2016-1:

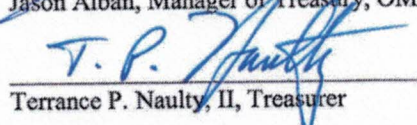
KYMEA initiated a competitive bid process commencing on February 1, 2016, with formal bids ultimately received on March 1, 2016. Assigned markets and bid specifications were sent to 6 potential bidders after a *Letter of Interest* was issued to the 7 broker/agent participants and/or direct insurance writers that had expressed interest in proposing coverage for POL/EPL under OMU's comprehensive P&C Insurance bid already underway. This resulted in the same 15 unique insurance markets requested for this line. Subsequently, 4 sealed bids were received for the opening.

Evaluation of proposals revealed the most competitive (and comprehensive) bid from Roeding Group Companies, as agent for Kentucky League of Cities Insurance Services (KLCIS). Not only did they propose POL coverage with EPL, they did so in conjunction with General Liability (GL) coverage, and at the lowest cost for requested limits. In addition, they offered the most optionality for limits/deductibles, and additional coverages as stated, but also \$1M Data Breach and Privacy Liability (Cyber) coverage for no additional premium, \$1M Non-owned/Hired Business Auto Liability coverage for \$155.00 additional premium, and \$25k/\$50k Crime/Employee Dishonesty for \$627.15.

Therefore, pursuant to KRS 45A.385 Small purchases by local public agencies, it is recommended to renew the POL and Other Insurance with Roeding/KLCIS at the limits/deductibles listed below, including these existing coverages, for a total premium of \$7,837.15 (\$85.00 premium reduction over the expiring; plus any applicable taxes/surcharges, which were \$0.00 in 2016):

- POL/EPL/GL (\$7,055.00): \$10M Limit; \$10k Ded. POL/EPL; \$0k Ded. GL
- Cyber & Auto Liab. (\$155.00): \$1M Limit Each; \$5k Ded. Cyber; \$0k Ded. Auto Liability
- Crime Coverage (\$627.15): \$50k Limit Employee Dishonesty; \$25k Limit Crime; \$100-\$250 Ded.


Jason Alban, Manager of Treasury, OMU


Terrance P. Naulty, II, Treasurer

Recommended for Approval:


Ronald W. Herd, Chairman

2/17/17
Date

2/17/17
Date

2/21/2017
Date