

Peach County School System

Bid Specifications

Liability and Property Insurance Fleet Insurance Optional Quote for Student Athletic Insurance

April 10, 2015

SPECIAL NOTE TO BIDDERS

Be sure your name, address, telephone number, and fax number have been recorded with the School System so you will receive copies of any amendments or additions to these Bid Specifications.

In addition, all requests for additional information must be made in writing and e-mailed or faxed to Susan Perry at sperry@peachschools.org or 478-825-9970. In order to allow all bidders to use the same information, requests for information will not be honored after April 24, 2015.

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GENERAL CONDITIONS

1. The following data pertaining to insurance is intended to form the basis for the School System's property and casualty insurance for the year beginning July 1, 2015.
2. In order to allow all bidders to use the same information, requests for information will not be honored after April 24, 2015.
3. It is critical that the school system administration be kept apprised of developing claims experience under all policies. Therefore, it is a condition that an itemized listing of losses be provided to the administration on a quarterly basis. The report should be cumulative to year end, and should include at least date of accident, description, type of insurance, whether claim is open or closed, and estimated incurred value as of date of report. This report should be updated annually for at least two years following the expiration of the policy.
4. Agent must provide information needed by the school system for compliance with GASB-10 disclosure of liabilities and must provide information needed to comply with Georgia Department of Education Pupil Transportation Insurance reimbursement requirements.
5. Agent must provide timely analysis of contractual liability risks that may be assumed by the school system.
6. Agent must provide training to school system personnel in "best practices" for liability claims reporting.
7. Agent must provide professional guidance for maintenance of appropriate coverages, assist school system in identifying new and emerging risks, and provide services necessary for complete and accurate reporting of property values to underwriters.
8. This material in this bid package contains (1) coverage and underwriting data, (2) bid forms to be used in submitting bid responses.
9. It is not essential that a bid be submitted for each coverage or each option. If, however, your bid is conditional upon writing all of the insurance on which you have made a bid, or on some combination of coverages, this should be clearly indicated.
10. Alternatives or substitutes in addition to those requested for any part of the program are invited as long as they are identified and the reason for the change is indicated.
11. All data represents the best information available at this time; however, it is not warranted that all information is correct and respondents should assure themselves on any material they question.

12. It is requested that quotations be provided based on the information contained in the Bid Specifications. Applications will be completed after the award of the insurance.
13. It is mandatory that the bid forms be used in submitting bid responses. The bid response must include the answer to all questions and must include the name of a person who can be contacted in the event of any question on the bid. Failure to use the bid forms may disqualify the bid.
14. Each bid response must include the name of the insurance carrier and its most recent Best's rating. All coverages must be in compliance with the Georgia Statutes. The insurance carrier must have a Best's rating of A, Class X or better. For self-insurance funds, a complete copy of the most recent financial report filed with the Georgia Insurance Department and most recent independently audited financial statements must be included. Other information may be required, including details of risks retained and transferred, excess insurance descriptions and descriptions of loss reserving and forecasting policies and practices and investment policies and practices.
15. Bids are to be received by **2:00 PM on April 30, 2015**. Bid opening will take place in the Board Room at the Peach County Board of Education Office located at 523 Vineville Street, Fort Valley, Georgia.
16. Bids received after this time and date will not be opened or considered and will be returned to the bidder.
17. Bids should be in a sealed enveloped marked "Insurance Bid" in the lower left corner. The School System accepts no responsibility for the premature opening of envelopes that are not properly marked.
18. Payment terms for any and all plans and options should be included with bids.
19. For information concerning the bid specifications or to request an inspection please contact:

Mrs. Susan Perry
Peach County School System
523 Vineville Street
Fort Valley, GA 31030
Voice 478-825-5933 Fax 478-825-9970 sperry@peachschoools.org
20. The Board reserves the right to (1) reject any and all bids; (2) accept any alternative bid presented which, in its opinion, would best serve the interest of the School System; (3) give full and proper consideration to the reputation, knowledge, experience and servicing facilities of the insurance agency presenting the bid; (4) waive any formality or informality in the bid submission; (5) select the agency of their choice, if more than one bid is offered on behalf of the same insurance company.
21. All forms, loss runs and property schedules are available electronically and will be emailed upon request.

REQUESTED SPECIAL ENDORSEMENTS

ENDORSEMENT NUMBER 1 – NOTICE OF CANCELLATION

IT IS AGREED THE CANCELLATION CONDITION OF THE POLICY IS AMENDED TO PROVIDE THAT, WITH RESPECT TO CANCELLATION BY THE COMPANY, EXCEPT FOR CANCELLATION FOR NONPAYMENT OF PREMIUM, THE EFFECTIVE DATE OF CANCELLATION SHOULD BE NOT LESS THAN 90 DAYS AFTER THE MAILING OF NOTICE THEREOF.

IT IS FURTHER AGREED THAT THE COMPANY WILL GIVE THE INSURED NOT LESS THAN 90 DAYS NOTICE OF ITS INTENT NOT TO RENEW THIS POLICY.

ENDORSEMENT NUMBER 2 – NOTICE OF OCCURRENCE

IT IS AGREED THAT THE CONDITION ENTITLED "INSUREDS DUTIES IN THE EVENT OF OCCURRENCE, CLAIM OR SUITE" IS AMENDED TO READ:

(A)IN THE EVENT OF AN OCCURRENCE, WRITTEN NOTICE CONTAINING PARTICULARS SUFFICIENT TO IDENTIFY THE INSURED AND ALSO REASONABLY OBTAINABLE INFORMATION WITH RESPECT TO THE TIME, PLACE AND CIRCUMSTANCES THEREOF, AND THE NAMES AND ADDRESS OF INSURED AND OF AVAILABLE WITNESSES, SHALL BE GIVEN BY OR FOR THE NAMED INSURED TO THE COMPANY OR ANY OF ITS AUTHORIZED AGENTS AS SOON AS PRACTICABLE AFTER THE SUPERINTENDENT HAS ACTUAL KNOWLEDGE OF THE OCCURRENCE.

IF, HOWEVER, A CLAIM IS LATE BEING REPORTED, THE CLAIM WILL NOT BE DENIED UNLESS THE LATENESS PREJUDICES THE INTEREST OF THE COMPANY.

IT IS FURTHER AGREED THAT NOTICE TO THE AGENT/BROKER REPRESENTS NOTICE TO THE COMPANY.

ENDORSEMENT NUMBER 3 – UNINTENTIONAL ERRORS AND OMISSIONS

IT IS AGREED THAT FAILURE OF THE INSURED TO DISCLOSE ALL HAZARDS EXISTING AS OF THE INCEPTION DATE OF THE POLICY SHALL NOT PREJUDICE THE INSURED WITH RESPECT TO THE COVERAGE AFFORDED BY THIS POLICY PROVIDED SUCH FAILURE OR OMISSION IS NOT INTENTIONAL.

ENDORSEMENT NUMBER 4 – OVERLAP

IN THE EVENT OF A DISPUTE BETWEEN TWO OR MORE INSURERS AS TO WHICH POLICY OR POLICIES APPLY(IES) TO AN INSURED LOSS, THIS COMPANY SHALL INDEMNIFY THE NAMED INSURED FOR ANY LEGAL OR OTHER EXPENSES INCURRED BY THE NAMED INSURED IN DETERMINING WHICH INSURER(S) BEAR(S) LEGAL RESPONSIBILITY FOR THE LOSS. HOWEVER, SUCH INDEMNIFICATION SHALL BE MADE ONLY IF IT IS DETERMINED THAT PAYMENT OF SAID LOSS SHALL BE PAID UNDER THIS POLICY. IF SUCH LOSS IS SHARED BY MORE THAN ONE INSURER, INDEMNIFICATION SHALL BE PROPORTIONAL TO PAYMENT OF THE LOSS.

INSTRUCTIONS REGARDING USE AND SUBMISSION OF BID FORMS

The bid forms have been prepared to provide interested parties with a checklist of items and to assure prompt and accurate consideration of all bids. It is, therefore, mandatory that the bid forms be used.

The bid forms must include all essential information. The cover page of the bid should include the name of a person who can be contacted in the event of any question on the bid. Failure to use the bid forms may disqualify the bid.

Premiums must include all charges – e.g., all commissions, service fees, interest charges, claims handling fees, etc. Annual premiums should be shown.

It is not necessary that you make a bid on all options or coverages.

The student athletic insurance is an optional insurance coverage for the Board of Education to consider. If the coverage is purchased, the total premium will be paid by the Board of Education. There is a bid form included in the package but requires more extensive information since there are no set specifications for this type coverage.

Bid responses are due by 2:00 PM, April 30, 2015. Bid responses shall be delivered to the following address:

Peach County Board of Education
523 Vineville Street
Fort Valley, GA 31030
Attention: Mrs. Susan Perry

Bids will be opened in the Board Room at the Peach County Board of Education Office located at 523 Vineville Street, Fort Valley, Georgia at 2:00 p.m. on April 30, 2015.

PEACH COUNTY BOARD OF EDUCATION
AUTOMOBILE LIABILITY INSURANCE

<u>LIABILITY</u>	<u>LIMITS OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Bodily Injury and Property Damage	\$1,000,000	-0-
Medical Payments	\$ 5,000	-0-
Uninsured/Underinsured Motorists	\$100,000	-0-

COVERAGE:

Insurance is to be provided on all owned and leased automobiles used by Peach County Schools with automatic coverage on all newly acquired vehicles. The vehicle and equipment inventory listing includes an insurance code column. The insurance code number indicates insurance coverage requirements as follows:

1. Buses and other vehicles requiring full coverage.
2. Spare buses and other vehicles requiring liability, medical, and uninsured/underinsured coverage only.

ENDORSEMENTS:

1. Special Endorsements 1, 2, 3, and 4
2. Employees as Insureds – CA9933.
3. Social Services Agencies – Volunteers as Insureds CA9934.
4. Definition of Insured to include elected public officials, agents, and employees of Peach County School System.
5. Named Insured is Peach County School System.

PEACH COUNTY BOARD OF EDUCATION
AUTOMOBILE PHYSICAL DAMAGE

COVERAGE	DEDUCTIBLE
Comprehensive	\$500 each unit
Collision	\$500 each unit

Insurance is to be provided on all vehicles as identified by the insurance code column number indicator. Cost new is shown on vehicle schedule.

ENDORSEMENTS:

Special Endorsements 1, 2, 3, and 4.

PEACH COUNTY BOARD OF EDUCATION
COMMERCIAL GENERAL LIABILITY SPECIFICATIONS

<u>LIABILITY</u>	<u>LIMITS OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Policy Aggregates: Products/Completed Operations Aggregate	\$3,000,000	None
General Aggregate	\$3,000,000	None
Products/Completed Operations – Any one Occurrence Subject to Products Aggregate	\$1,000,000	None
Premises-Operations– Any one occurrence Subject to General Aggregate	\$1,000,000	None
Personal or Advertising Injury – Any one Person or Organization Subject to General Aggregate Limit	\$1,000,000	None
Employee Benefits – Each Claim (7/1/13 Retro Date – previously on Occurrence Form)	\$1,000,000 each claim \$3,000,000 aggregate	\$1,000
Medical Payments	N/A	None

Include the mandatory coverage endorsements as outlined in the General Instructions.

Definition of Insured should include Peach County Public Schools, the Peach County School Board, Elected or Appointed Members, Related Boards, Committees and Departments, Executives, Directors, Officers, Governors, Trustees, Employees, Student Teacher, Aides, Volunteers, and ROTC Officers of each school all while acting within their scope of duties for the School Board whether compensated or not.

Include the following coverages/terms:

- Blanket Contractual – all oral or written contracts, including purchase order agreements and easement agreements.
- Pollution coverage from heat, smoke or fumes from a hostile fire or chemistry lab accident.
- Independent Contractors.
- Contractual liability exclusion amended for personal injury and advertising injury to cover “all contracts or agreements.”
- Cross-suits liability.
- Worldwide coverage.
- Blanket waiver of subrogation as required by written contract.
- Watercraft, non-owned up to 50 feet.
- Defense/Supplementary payments in addition to the policy limits.
- Volunteers (CG 20-21).
- Care, Custody and Control exclusion to be deleted for art or other personal property exhibited on our premises.

- Corporal punishment.
- Injuries to participants or spectators participating in or attending athletic events
- Intentional acts if the liability arises solely from the use of reasonable force to protect persons or property.
- It is understood that many activities may have governmental immunity, but it is the intent of this insurance to provide protection in the event such immunity does not exist, and further to protect appointed or elected officials and employees for any liability they may have arising out of their acts as officials or employees of Peach County Board of Education.
- Incidental malpractice (including first aid rendered or failure to render) by nonprofessionals. Coverage should be included for School Board's (or other "insureds") vicarious liability for actions of school nurses, psychologists/counselors and therapists.
- Include Professional Liability coverage for students and teachers participating in Health Occupations II, school psychologists/counselors, and nurses. Coverage should extend to the School Board. It may be excess of any collectible insurance maintained by the individuals.
- Liability for "Failure to Protect" from outside influences, criminal conduct, etc.
- Amend the pollution exclusion to state the exclusion will not apply to "bodily injury" or "property damage" arising out of sewage that backs up in the Named Insured's sewer system; extend coverage for release of smoke or gas due to failure of heating or AC system.
- There must be coverage for "Abuse and Molestation" unless such coverage is clearly identified under the School Board Legal Liability policy/form. Include coverage for the vicarious liability the school board, school system, superintendent or other employees may have as the result of alleged physical sexual abuse by others.

PEACH COUNTY BOARD OF EDUCATION
SCHOOL BOARD LEGAL LIABILITY SPECIFICATIONS

LIMITS OF LIABILITY FOR LEGAL EXPENSE AND DAMAGES	
Each Loss	\$1,000,000
Annual Aggregate	\$2,000,000
DEDUCTIBLE	
Each Claim	\$2,500

ADDITIONAL LIABILITY LIMIT FOR ABUSE OR MOLESTATION INCLUDING SEXUAL MISCONDUCT OR SEXUAL MOLESTATION	
Each Loss	\$1,000,000
Annual Aggregate	\$3,000,000
DEDUCTIBLE	
Each Claim	None

Include the mandatory coverage endorsements or similar wording as outlined in the General Instructions:

Include the following coverage extensions and endorsements:

- Named Insured wording: Peach County Public Schools, Peach County Board of Education, the Peach County School Board, Elected or Appointed Members, Related Boards, Committees and Departments, Executives, Directors, Officers, Governors, Trustees, Employees, Student Teachers, Aides, Volunteers, ROTC officers all while acting within their scope of duties for the School Board whether compensated or not.
- Coverage will be on a primary basis.
- Proposal must include an option for extending our reporting period for no less than 24 months. The extended reporting period should be available at our option whether the insurer cancels or we cancel coverage. We must be given at least 30 days after termination to accept this option.

Coverage must apply to:

- Intentional acts, unless performed with intent to do malice
- Defense costs will be paid outside the policy limit and deductible.
- Cross liability coverage.
- Civil Rights Actions
- Punitive Damages
- Salary Awards, except back pay.
- Sexual Abuse/Molestation
- Sexual Harassment
- Discrimination and Employment Related issues
- Prevailing Party's Legal Expenses
- Fraud, Dishonesty or Deliberate Violation of Federal or State Statute
- Bond Issues or Tax Collections
- Contracts for Procurement, Construction, Architects or Engineers

PEACH COUNTY BOARD OF EDUCATION
PROPERTY DAMAGE AND TIME ELEMENT COVERAGE SPECIFICATIONS

Provide "All Risks" / Open Perils coverage on the following:

Coverage is requested for:	Insurance Limit Requested:
Blanket Real & Personal Property, Business Interruption and Boiler & Machinery (including Extra Expense)	\$114,212,322 Building \$7,852,794 BPP
Extra Expense Including Consequential Loss	\$500,000
Property in Transit	\$50,000
Electronic Data Processing Data & Media / Extra Expense	\$100,000
Newly Acquired Property (Real & Personal)	\$5,000,000 Building \$2,000,000 BPP
Errors & Omissions in Reporting	
*Flood - Offer as Option	
Misc. Unnamed Locations	\$100,000
Utility Services Interruption (Off Premises) including Overhead Transmission Lines (Property Damage & Business Interruption)	\$50,000
Accounts Receivable	\$100,000
Fine Arts	\$100,000
Valuable Papers	\$100,000
Debris Removal	\$250,000
Pollution Clean-up & Removal	\$50,000
Outside Signs	\$100,000
Deductibles: Property Damage Musical Instrument EDP and Media Equipment Contractors Equipment	\$2,500

COVERAGE:

The following coverage features, extensions or other appropriate coverage must be provided.

- Blanket, all owned property.
 - "All risk" protection (ISO Special Form acceptable)
- Replacement cost coverage including improvements and betterments at owned, leased, and/or rented locations.
- Replacement cost valuation shall include replacement new of unlike kind and quality when replacement of like kind and quality cannot be accomplished to restore the appearance and function that existed prior to the loss.

- Extend replacement cost coverage to include permission to rebuild or replace any real property at another location.
 - Agreed Value Clause eliminating all coinsurance requirements for Direct Damage and Time Element coverage should be included.
 - Covered property should be Full collapse coverage (including collapse resulting from design error and faulty workmanship or materials after completion of construction).
- Federal Terrorism Risk Protection coverage is currently provided for limit of \$1,000,000 each occurrence; proposals that provide similar protection or for higher limits or full policy limits should be clearly identified and the cost of all alternatives must be clearly stated.
 - No exclusion for loss due to violent acts of students (“Columbine” incidents)
 - Radioactive contamination, resulting loss only direct damage.
- Spoilage of perishable goods resulting from mechanical breakdown.
- Spoilage of perishable goods resulting from power failure originating on or off premises.
- Claim Preparation Expense Coverage - Property Losses. Suggested wording is: "This policy covers reasonable fees of outside accountants, excluding the expenses of any public adjuster, as well as salary, department overhead, and travel of Insured's employees, to the extent such fees are not included in the loss otherwise payable, for providing, preparing, and certifying details of a claim resulting from a loss covered under this policy."
 - Include the manuscript endorsements as outlined in the general information.
- Loss Adjustment Endorsement if the Boiler & Machinery is offered separately.
- Coverage for property of others should be valued at replacement cost.
- Amendment of the vacancy and un-occupancy provisions to allow for full coverage for any properties that may become vacant or unoccupied.
- 180 days automatic coverage on newly acquired real or personal property subject to limit specified.
 - Utility Services Interruption: This coverage part, subject to all provisions and without increasing the total blanket limits, also insures against loss resulting from damage to or destruction by the perils insured against of: electrical, steam, gas, water, telephone, and other transmission lines and related plants, substations, and equipment situated on or outside of the premises.
 - Building Ordinance Extension:
 - Loss to undamaged portion of building Policy Limit
 - Demolition Cost Policy Limit
 - Increased Cost of Construction Policy Limit
- Claims Preparation Expense: \$10,000 (excludes expense of public adjuster)

OPTIONS:

- The following coverage should be quoted separately if an additional premium applies.
 1. Flood coverage including seepage of water, sewer backup, mudslide, hurricane, and other water damage. Indicate if there are any zone restrictions, and what they are.

PEACH COUNTY BOARD OF EDUCATION
BOILER & MACHINERY SPECIFICATIONS

Comprehensive form is to be provided with a limit of \$1,000,000, including:

- Expenditure Expenses
- Ammonia Contamination
- Water Damage
- Hazardous Substance
- Agreed Amount Endorsement
- Loss adjustment endorsement if the coverage is written separately
- School complex considered one location
- Coverages should be no more restrictive than the ISO BM0025 form
- Covers all locations
- Definition of “accident” should be “a sudden and accidental occurrence to the object or part thereof, which results in damage to the object and necessitates repair or replacement of the object or part thereof.”
- Include an “In Use or Connected Ready for Use” endorsement with the following wording: “Any object or part of an object that is being assembled, dismantled, reassembled, transported, or is in storage, while at a covered location, will be considered ‘connected ready for use’ and coverage will apply.”

Deductible of \$1,000 shall apply.

PEACH COUNTY BOARD OF EDUCATION
MOBILE EQUIPMENT SPECIFICATIONS

Covered Property	Limit	Deductible
Commercial Articles		
Musical Instruments	\$180,000	\$500
Contractors Equipment	\$47,000	\$500
Cameras/Projection Machines and Related Equipment	Included in property	
Newly Acquired Property		
Property at Newly Acquired Locations		
Property at Unnamed Locations	\$570,175	\$500
Property in Transit	\$570,175	\$500
Rental Reimbursement		

Include the mandatory endorsements or similar wording, as outlined in the General Instructions

Your proposal should include the following:

- "All Risk"/Open Perils coverage
- Replacement cost coverage
- Agreed Value Endorsement or other waiver of coinsurance
- Worldwide territory
- 90 days automatic coverage on newly acquired equipment
- Flood (state any zone restrictions)
- Earthquake
- Policy should allow insured to waive rights of subrogation

PEACH COUNTY BOARD OF EDUCATION
CRIME INSURANCE SPECIFICATIONS

Provide the following coverages and limits:

Risk Covered	Limits/Deductibles
Public Employee Dishonesty and Faithful Performance of Duty	\$150,000 / \$2,500
Forgery or Alteration	\$100,000 / \$2,500
Theft, Disappearance & Destruction of Money & Securities	
Inside the Premises	\$25,000 / \$2,500
Outside the Premises	\$25,000 / \$2,500
Premises Burglary	Include
Computer Fraud	Include
Finance Director Bond	\$50,000
Superintendent Bond required by the state statute to be individually bonded	\$50,000

Include mandatory endorsements or similar wording as outlined in the general instructions. Proposal should include the following coverages:

- Worldwide territory
- Period of discovery extended to 3 years
- Definition of "premises" to cover the exterior within 1,000 feet of the location
- Superintendent Bond to be filed with magistrate court

Employee Dishonesty and Faithful Performance

Coverage for the following should be included:

- Faithful performance insuring agreement
- Superintendent of Schools included as employee
- Director of Finance and all finance staff
- All school principals
- All school bookkeepers
- Retired employees
- Volunteer workers and part-time employees
- Other employees
- Independent contractors
- Terminated employees for 90 days after termination
- Losses sustained as a result of dishonest acts by employees of outside service providers
- Students that are assigned to be in charge of funds.
- All compensated and non-compensated Board members and elected and appointed officials
- Limits apply per loss and per employee

PEACH COUNTY BOARD OF EDUCATION
STUDENT ATHLETIC INSURANCE SPECIFICATIONS

COVERAGE:

The coverage should include all middle and high school students participating in the Peach County Schools sports programs including marching band and cheerleading. The estimated number of participants for all sports programs is 300. Of this number, approximately 150 will participate in football. The response should include a minimum of the following information:

- Maximum amount of coverage
- Deductibles
- Detailed listing of benefits payable under the plan
- Other

This coverage is an option only for consideration by the Peach County Board of Education.