

ORDINANCE NO. 013-52

AN ORDINANCE AUTHORIZING  
THE PURCHASE OF INSURANCE  
FOR ART AT SEVEN STATIONS  
ON RED LINE NORTH

WHEREAS, In January 2009, the Chicago Transit Authority ("Authority") entered into a contract with Mesirow Insurance Services, Inc. ("Mesirow"), a division of Mesirow Financial, to provide professional insurance brokerage services; and

WHEREAS, The Authority has released a Request for Proposals for creation and fabrication of art projects at seven rail stations on the Red Line North including the Argyle, Berwyn, Thorndale, Granville, Morse and Jarvis Stations; and

WHEREAS, Mesirow engaged in a brokerage process common to the insurance brokerage industry for both general liability insurance coverage and fine arts installation insurance coverage for the art projects at these seven Red Line North stations; and

WHEREAS The fine arts installation insurance policy will provide insurance coverage from the time the Authority enters into a contract with each artist through installation of all seven art projects; and

WHEREAS, The general liability insurance policy will provide insurance coverage for damage, or injury to persons or property for ten years after installation of the seven art projects; and

WHEREAS, Purchase of both policies of insurance by the Authority will streamline administrative efficiencies, provide added liability protection to the Authority as the named insured, and is more economical than purchasing insurance coverage separately for each station; and

WHEREAS, The art projects will be enrolled in the Authority's Blanket Railroad Protective Insurance Liability Program through installation of the art projects; and

WHEREAS, Staff recommends the purchase of a General Liability Insurance policy from United Specialty Insurance Company and the purchase of a Fine Arts Installation Insurance policy from Traveler's Insurance Company; and

WHEREAS, The cost of all three types of insurance coverage will not exceed Fifty-five Thousand Dollars (\$55,000) for a one year term; now, therefore:

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BE IT ORDAINED BY THE CHICAGO TRANSIT  
BOARD OF THE CHICAGO TRANSIT AUTHORITY:

SECTION 1. The Chairman of the Board, or his designee, is hereby authorized to enter into a General Liability Insurance Policy for a one year term with United Specialty Insurance Company for a premium that will not exceed Forty-two Thousand Seven Hundred Sixty Dollars (\$42,760) plus surplus lines taxes.

SECTION 2. The Chairman of the Board, or his designee, is hereby authorized to purchase Fine Arts Installation Insurance from Travelers Insurance Company for a one year term for a premium that will not exceed Two Thousand Seven Hundred Fifty Dollars (\$2,750).

SECTION 3. Enrollment of the art projects in the Blanket Railroad Protective Insurance Liability Program will not exceed One Thousand Eight Hundred Ninety Seven Dollars (\$1,897) plus surplus lines taxes.

SECTION 4. The purchase of both policies of insurance plus enrollment of the seven art projects in the Authority's Blanket Railroad Protective Liability Insurance Program and the payment of all applicable taxes will not exceed Fifty Five Thousand Dollars (\$55,000) in cost, which will be paid from the budget for art at the seven stations, which is federally funded.

SECTION 5. This ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

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Chairman

April 19, 2013

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Assistant Secretary

April 19, 2013