

ORDINANCE NO. 019-88

AN ORDINANCE AUTHORIZING
THE PURCHASE OF BLANKET
RAILROAD PROTECTIVE
LIABILITY INSURANCE FOR
POLICY YEAR NOVEMBER 1,
2019 THROUGH OCTOBER 31,
2020

WHEREAS, On November 13, 2008, the Authority authorized a contract with Mesirow Insurance Services, Inc. ("Mesirow") to provide professional insurance brokerage services, which has subsequently been renewed through January 2021; and

WHEREAS, In Ordinance No. 009-102, dated September 9, 2009, the Transit Board established the Blanket Railroad Protective Liability Insurance Program ("Program") in which the Authority purchases Railroad Protective Liability Insurance with capital funds and allocates the costs of the insurance among the construction projects that are performed within fifty (50) feet of the Authority's railroad right-of-way property; and

WHEREAS, Mesirow engaged in a brokerage process common to the insurance brokerage industry for the policy year November 1, 2019, through October 31, 2020, and recommends the purchase of Blanket Railroad Protective Liability Insurance from Aspen Specialty Insurance Company for a deposit premium of Eleven Thousand Two Hundred Two Dollars (\$11,202.00) and a projected annual premium, including taxes, in an amount not to exceed Five Hundred Thousand Dollars (\$500,000.00); and

WHEREAS, This insurance policy permits construction contractors on Authority projects to pay for Railroad Protective Insurance at a reduced premium rate; and

WHEREAS, This insurance policy offers first-party insurance coverage to the Authority for liability and property claims arising out of construction of the projects enrolled in the Program; and

WHEREAS, The Authority allocates the insurance costs to the respective construction projects and does not incur any out-of-pocket expenses for this program; and

WHEREAS, The insurance policy also permits contractors with whom the Authority enters into short-term rights of entry for work on Authority property to purchase Railroad Protective Liability Insurance through the Program; 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 Chicago Transit Board, or his designee, is hereby authorized to enter into an insurance contract for Blanket Railroad Protective Liability Insurance with Aspen Specialty Insurance Company to run from November 1, 2019, through October 31, 2020, for a deposit premium of Eleven Thousand Two Hundred Two Dollars (\$11,202.00) and a projected annual premium, including taxes, not to exceed Five Hundred Thousand Dollars (\$500,000.00).

SECTION 2. The Chairman, or his designee, is further authorized to take such actions and execute such documents as may be necessary to implement the objectives of this ordinance.

SECTION 3. This ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

Chairman

October 10, 2019

Assistant Secretary

October 10, 2019