

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

 X Resolution or Ordinance (Blue) _____ Waiver of First Requested

Recommendations of Boards, Commissions & Committees (Green)
Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: Scott Niehaus, Village Manager

DATE: March 8, 2016 (COW) (B of T) **Date:** March 17, 2016

TITLE: Hill Avenue Bridge
To purchase an Insurance Policy for Environmental/Pollution Liability for Nicor's Grant of Easement Agreement

SUBMITTED BY: Dave Gorman, P.E., Assistant Director of Public Works *DPK*

BACKGROUND/POLICY IMPLICATIONS:

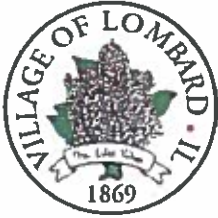
To fulfill the insurance policy requirement of Nicor's Grant of Easement Agreement for the Hill Avenue Bridge project.

FISCAL IMPACT/FUNDING SOURCE:

Total Acquisition Amount: \$25,664.00
Total CIP Budget Amount: \$25,000.00
NWS Project Number: ST 15 07
Account: 410.710.725.75420

Review (as necessary):
Village Attorney X _____ Date _____
Finance Director X _____ Date _____
Village Manager X _____ Date _____

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.



To: Scott Niehaus, Village Manager
Through: Carl Goldsmith, Director of Public Works
From: Dave Gorman, Assistant Director of Public Works
Date: March 8, 2016
Subject: Environmental/Pollution Liability Insurance Policy for
the Hill Avenue Bridge Project

Attached please find a resolution to authorize the purchase of an insurance policy for the environmental/pollution liability required by Nicor's Grant of Easement Agreement (NGEA) for the Hill Avenue Bridge project.

A permanent easement must be obtained from Nicor Gas Company for the Hill Avenue Bridge project. The Board of Trustees approved the NGEA on March 3, 2016. Section 9 of the NGEA requires insurance policies to cover Workers Compensation, Commercial General Liability, Automotive Liability, Excess Liability/Umbrella and the Environmental/Pollution Liability. The Village's current insurance policies provide all of the coverage except the Environmental/Pollution Liability.

Due to the time restraints, there was insufficient time to obtain quotes for the insurance coverage. Therefore, an expedited proposal was obtained through Arthur J. Gallagher Risk Management Services, Inc., the insurance broker who currently secures all of the Village's insurance policies. Navigators Environmental is the proposed insurance policy provider.

Staff recommends that the Board of Trustees authorize the purchase of the insurance policy for the environmental/pollution liability at a cost of \$25,664.00 to cover a time period of March 2, 2016 to May 31, 2017.

Please present this resolution to the President and Board of Trustees for their review at their regular meeting on March 17, 2016.

RESOLUTION

R _____ 16

A RESOLUTION AUTHORIZING ACCEPTANCE OF A PROPOSAL

WHEREAS, the Corporate Authorities of the Village of Lombard have received a proposal for Arthur J. Gallagher Risk Management Services, Inc. regarding the insurance policy for Environmental/Pollution Liability for Nicor's Grant of Easement Agreement for Hill Avenue Bridge project as attached hereto and marked Exhibit "A", and

WHEREAS, the Corporate Authorities deem it to be in the best interest of the Village of Lombard to approve such proposal.

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LOMBARD, DU PAGE COUNTY, ILLINOIS as follows:

SECTION 1: That the Village Manager be and hereby is authorized to accept the proposal on behalf of the Village of Lombard said proposal as attached hereto.

Adopted this 17th day of March, 2016.

Ayes: _____

Nays: _____

Absent: _____

Approved this 17th day of March, 2016.

Keith Giagnorio
Village President

ATTEST:

Sharon Kuderna
Village Clerk

Exhibit A



Arthur J. Gallagher & Co.

Arthur J. Gallagher Risk Management Services, Inc.
 300 S. Riverside Plaza, Suite 1900
 Chicago, IL 60606

CHAAM2

Phone: (312)704-0100 Fax: (312)803-7443

Village of Lombard
 255 E Willson Ave
 Lombard, IL 60148

Invoice # 1672137	Page 1 of 1
Account Number	Date
VILLOFL-12	3/3/2016
BALANCE DUE ON	
3/3/2016	
AMOUNT PAID	Amount Due
	\$25,664.00

Environmental Liability	PolicyNumber: CH16ECP306897C	Company: Navigators Specialty Insurance Company	Effective: 3/2/2016 to 5/31/2017
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Item #	Trans Eff Date	Due Date	Trans	Description	Amount
8832320	3/2/2016	3/3/2016	NEWB	New Policy	\$24,749.00
8832323	3/2/2016	3/3/2016	SLTX	Surplus Lines Taxes	\$866.00
8832325	3/2/2016	3/3/2016	STFX	Stamping Fees	\$49.00
Total Invoice Balance:					\$25,664.00

Good for the environment. Less paper for you!

Our clients tell us that receiving both a statement and an invoice is duplicative. And we've listened.

Arthur J. Gallagher will only send you an invoice.

If at any time you need a statement, please contact your Client Service Team.

Please include invoice number with your remittance to expedite processing.

Please send your remittance to: Arthur J. Gallagher Risk Management Services, Inc.
 39735 Treasury Center
 Chicago, IL 60694-9700



Brett Schoech
 230 West Monroe Street, Suite 1575
 Chicago, IL 60606
 (612) 605-6066
 bschoech@navg.com

Date: March 2, 2016

To: Anthony Lehen
 Arthur J Gallagher Risk Mngt Serv Inc
 300 S Riverside Plz Ste 1900
 Chicago, IL 60606-6698

Via Email: anthony_lehen@AJG.com

Contractors Pollution Liability Toolkit II Binder

Dear Anthony:

Thank you for the business and Navigators Environmental is pleased to provide this insurance binder for Village of Lombard as follows:

Policy Number: CH16ECP306897IC
Named Insured: Village of Lombard
 255 E Willson Ave
 Lombard, IL 60148
Company: Navigators Specialty Insurance Company
 1 Penn Plaza
 New York, NY 10019

Navigators Specialty Insurance Company Rate 'A' (Excellent) by A.M. Best

Policy Coverage: Contractors Pollution Liability Toolkit II
 NAV ECP-O TLKT II (03/13)

ONLY THOSE COVERAGES SCHEDULED BELOW WITH ACTUAL LIMITS OF LIABILITY ARE INCLUDED IN THIS PREMIUM INDICATION						
Bound Option: Coverages & Limits of Liability ¹						
Policy Coverage Type:	Project		Insured's Exposure Basis:		\$2,008,321	
Coverage	Each Incident	Coverage Section Aggregate	Policy Aggregate	Deductible	Policy Term (Yrs)	Premium Excluding Terrorism
A – Operations Pollution Liability	\$5,000,000	\$5,000,000	\$5,000,000	\$25,000	1	\$24,749
B - Site Pollution Liability	N/A	N/A		N/A		
C - Environmental Crisis Management	\$50,000	\$50,000		N/A		
Policy Period:	03/02/2016 To 05/31/2017					
Bound Option Comments:						

¹: All coverages, limits, sub-limits and endorsements referenced herein are subject to (and not in addition to) the Policy Aggregate Limit shown above. The limits on multi-year policies do not reinstate annually.

Minimum Earned Premium: 100.00%

Broker Commission: 17.50%

Policy Forms and Endorsement Schedule List*:

The coverage descriptions provided herein are only a brief synopsis of the coverage being afforded, please refer to the actual policy and endorsements for coverage specifics.

Option	Form Title	Form Number
All	Cover Letter	Cover Letter (04/13)
All	NAV ENV Policy Jacket (Non NY)	NAV NSIC ENV POLICY JCKT (01/11)
All	Notice of Claim Form	NENV CN 01 (11/12)
All	Emergency Response Policy Holder Notice	NAV ENV ERS (02/11)
All	OFAC ENDORSEMENT	NAV-ML-002 (11/12)
All	Common Policy Declarations	NAV ECP-O TLKT II DEC (03/13)
All	Contractors Pollution Liability Toolkit II	NAV ECP-O TLKT II (03/13)
All	Full Terrorism Exclusion (Including Certified Act of Terrorism) Endorsement	NENV 8087 (01/15)
All	Claim Reporting Notice Endorsement	NENV CN 02 (04/15)
All	Illinois Civil Unions Amendatory Endorsement	NENV 001 IL (03/13)
All	Completed Operations Extension Endorsement	NENV 8048 (09/13)
	10 yrs of completed ops coverage included, per IL Statute of Repose requirements.	
All	Schedule Project Endorsement	NENV 8047 (03/13)
	Scheduled Project Means: Removal and replacement of the Hill Avenue bridge over the East Branch DuPage River including abutments and pier, roadway reconstruction of Hill Avenue leading to the bridge on either side, reconstruction/relocation of existing driveways, storm sewer and drainage structures, combination concrete curb and gutter, pavement markings, hot-mix asphalt shoulders, mill and resurface, earth excavation, erosion control systems, landscaping, as well as all incidental and collateral work necessary to complete the improvements.	
All	Additional Insureds Endorsement - Primary Non-Contributory	NENV 8001 (03/13)
	Where required by written contract	
All	Illinois Service of Suit	NENV 8100 (03/13)

TERRORISM INSURANCE COVERAGE OPTION:

The Terrorism Risk Insurance Program Reauthorization Act of 2007 requires insurance companies to offer limited terrorism coverage. The premium presented in this binder does not include this coverage.

SUBJECTIVITIES:

In order for this Binder letter to be valid and bindable, the following information must be received by the following date:

Within 10 Days of Binding Coverage

Option	Subjectivity
All	Copy of the construction contract between the Village of Lombard and the GC.

ADDITIONAL CONDITIONS:

This Binder is valid from the date of Binder or the effective date, whichever comes first.

The terms and conditions of this Binder may differ from specifications originally requested. Please call if you have any questions.

Any policy that may be issued as a result of this Binder, shall not apply to the extent that any offer to provide insurance, or the actual providing of insurance, would be in violation of the laws of the United States including, but not limited to, U.S. economic or trade sanction laws or export control laws administered by the U.S. Treasury, State, and Commerce Department. In the event that any such laws or prohibitions would apply, this Binder is void ab initio.

Navigators Specialty Insurance Company does not accept, review, reject or approve certificates of insurance. Any requests for amendments to coverage must be made in writing to Navigators Specialty Insurance Company. We will not amend policy conditions prior to the date of written request.

Your office is responsible for collection and payment of Surplus Lines taxes and filings.

Disclosure: The insurance referenced herein is offered on a surplus lines basis. The insurance company listed on page 1 of this document is not licensed in the state in which the policy will be delivered, but is an approved non-admitted insurer. Accordingly, there may not be any protection to the insured(s) under the state Insurance Guarantee Fund or Insurer Insolvency Fund, if applicable. Please consult your insurance broker with any questions on surplus lines coverage, non-admitted insurance, and/or state insurance guarantee or insolvency funds.

Sincerely,



Brett Schoech
bschoech@navg.com

Learn About Our Financial Strength: www.navg.com/navigators/aboutus_ratings.aspx



ENVIRONMENTAL

NOTICE OF CLAIM FORM

Please send notification to:

Email: SFCLAIMS@navg.com

Mail: Navigators Management Co., Inc.
Attn: Environmental Claims Division
1375 East Woodfield Road
Suite 720
Schaumburg, IL 60173

PLEASE SUBMIT ALL RELATED CORRESPONDENCE AND DOCUMENTATION RELATING TO THIS NOTICE

Date of Notice:

Policy Number:

CH16ECP306897IC

Policy Period:

Broker Name:	
Address:	
Email:	
Contact:	
Telephone:	

Named Insured:	
Insured Address:	
Email:	
Contact:	
Telephone:	

LOSS INFORMATION

Claimant:	
Claimant Address:	
Email:	
Contact:	
Telephone:	

Loss Date:

Loss Location:

Loss Description:

Internal Use Only: Date Received: _____

877 – NAVG – ENV *
(6284) (368)

ALERT Local Emergency Response Services
Follow Your Company's Emergency Response Procedures
Receive Assistance from Navigators Environmental Hotline

As a Navigators Environmental insured, you have access to our 24/7 emergency spill response support hotline to assist you in the event of an emergency involving the release of pollutants. Please be prepared to relay critical information to the system administrator, including location and nature of the release and response steps taken.

Q: What is Navigators Environmental Emergency Spill Response Hotline?

A: Navigators environmental emergency spill response hotline provides access to valuable guidance and advice during an emergency involving the release of pollutants, including response oversight and assistance in selection of an Environmental Remediation Contractor.

Q: What are my responsibilities?

A: Incident response is your responsibility. Using the response hotline does not take the place of prudent response steps, including notification of local authorities and following your company's emergency procedures.

Q. If I call the hotline, does that satisfy my claim reporting requirements?

A. No, it does not satisfy your claim reporting requirements. Please refer to your policy for Procedures When Reporting a Claim to Us.

Q. Does the policy pay for these services?

A: Access to the hotline for assistance in selecting a remediation consultant and guidance on an appropriate response is free to Navigators Environmental insureds. If remediation is required, you must contract directly with an environmental consultant for such services. Whether coverage applies to any claim will be determined by a review of the incident details and your insurance policy by Navigators Claims Department.

Q. Who Answers the Call?

A: Navigators Environmental has selected Hydro-Environmental Technologies, Inc. (HETI), to administer our emergency response hotline. HETI is a full service environmental company with highly skilled and knowledgeable staff of environmental consultants and engineers. HETI has been responding to environmental crises since 1986 with a track record of professionalism and expertise.

*** Pre-printed labels are available to include in your corporate Emergency Response Plan or to place in vehicles. Please contact your underwriter or email envendorsements@navg.com.**

The material in this policyholder disclosure does not bind the company in any manner. This policyholder disclosure is provided for informational purposes only, and is not intended to be a representation of coverage that may exist in any particular situation under a policy issued by Navigators Insurance Company or its wholly owned subsidiary, Navigators Specialty Insurance Company. All conditions of coverage, terms and limitations are defined and provided for in the policy. Programs or products may not be available in all states and policy features may vary by state. Please consult your insurance broker and review the policy for coverage limitations, restrictions, exclusions, terms and conditions.

OFAC ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

U.S. ECONOMIC AND TRADE SANCTIONS LIMITATIONS CLAUSE

No insurer shall be deemed to provide cover and no insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that insurer to any sanction, prohibition or restriction under the trade or economic sanctions, laws or regulations of the United States of America.

The United States of America trade or economic sanctions, laws or regulations shall include, but not be limited to, those sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control (OFAC).

All other terms, conditions and exclusions of this Policy remain unchanged.

ENDORSEMENT NO.: 2

Effective 12:01 AM Std Time: March 2, 2016

Issued to: Village of Lombard

Policy Number: CH16ECP306897IC

Company: Navigators Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CLAIM REPORTING NOTICE ENDORSEMENT

It is hereby agreed SECTION V. RIGHTS AND DUTIES OF INSURED AND US, paragraph 1. Claim Reporting, is deleted in its entirety and replaced by the following:

1. Claim Reporting

As a condition precedent to coverage under the policy, if an insured receives a **claim** or becomes aware of a **pollution incident** or **crisis management event** which may give rise to loss under this policy, the insured must notify us as soon as practicable utilizing any of the following methods:

- a. electronic mail to our Claims Department at RBCLAIMS@navg.com; or
- b. mail to our Schaumburg Claims Office at

Navigators Insurance
Attn: Environmental Claims Division
1375 East Woodfield Road, Suite 720
Schaumburg, IL 60173
United States of America

Notice to us should contain the following information:

- a. The current contact information of the person giving notice to us;
- b. The time, date and location of the **pollution incident** or **crisis management event**;
- c. A description of the circumstances giving rise to the **pollution incident** or **crisis management event** including how and when you became aware of the **pollution incident** or **crisis management event**;
- d. The names and addresses of any injured persons or witnesses; and
- e. All other information which is relevant to the **claim**, **pollution incident**, or **crisis management event**.

Thereafter, the insured is required to submit to us as soon as practicable, but in no event longer than sixty (60) days from the date of our request, any information related to the notice which we may reasonably request including but not limited to any relevant contracts, technical reports, laboratory data, field notes, or documents generated by an insured in the investigation of any potential loss hereunder, whether or not these materials are deemed by any insured to be relevant.

If a **claim** is made against any insured, you must promptly send us copies of any demands, notices, summonses or legal papers received in connection therewith.

If any insured reports any **claim** or **pollution incident** under this policy knowing such **claim** or **pollution incident** to be false or fraudulent, as regards to the amount or otherwise, this policy shall become null and void, and all coverage hereunder shall be forfeited.

All other terms, conditions, and exclusions shall remain the same.