

RESOLUTION NO. 2025-90

AUTHORIZING THE PURCHASE OF CASUALTY INSURANCE FROM VARIOUS INSURANCE UNDERWRITERS THROUGH USI INSURANCE SERVICES, LLC AND PRICE FORBES & PARTNERS LIMITED, OR THEIR SUCCESSORS, FOR A PERIOD OF 12 MONTHS, IN A TOTAL AMOUNT NOT TO EXCEED \$2,318,174 (INSURANCE AND GENERAL FUNDS, RISK MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Greater Cleveland Regional Transit Authority ("Authority") requires casualty insurance protection; and

WHEREAS, the casualty insurance program for the Authority includes the Excess Liability program, which encompasses General, Rail, and Auto Liability coverages, the Excess Workers' Compensation policy; and the Employment Practices Liability/Public Officials' Liability policy ("EPL"); and

WHEREAS, proposals from various underwriters were received on July 30, 2025 and were evaluated in accordance with the Authority's Policies and Procedures; and

WHEREAS, the submittal of a group of underwriters through USI Insurance Services, LLC ("USI"), with an office located at 1001 Lakeside Avenue, Cleveland, Ohio, 44114-1874, and Price Forbes & Partners Limited ("Price Forbes"), London, U.K., for Excess Liability and Workers' Compensation insurance for a period of 12 months with coverage up to the limit of \$95 million per occurrence, at an amount not to exceed \$2,318,174 was determined to be the most advantageous to the Authority, price and all factors considered; and

WHEREAS, the General Manager, Chief Executive Officer deems the acceptance of the submittal of various underwriters through USI and Price Forbes for a casualty insurance program, as modified by negotiations, to be the most advantageous to the Authority and recommends acceptance thereof to the Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the submittal of a group of underwriters through USI and Price Forbes, as modified by negotiations, for a casualty insurance program, is hereby accepted as the most advantageous to the Authority, price and all other factors considered.

Section 2. That the General Manager, Chief Executive Officer of the Authority be and she is hereby authorized to enter into a contract with USI and Price Forbes for casualty insurance coverages with the carriers, as agreed, and with such other carriers as the General Manager, Chief Executive Officer may deem appropriate, up to the limit of \$95 million per occurrence for year one from September 1, 2025 to September 1, 2026 at premiums not to exceed \$2,318,174.

Section 3. This program shall be payable from the Insurance Fund, Risk Management Department budget, in an amount not to exceed \$2,030,733 and the General Fund, Risk Management Department budget, in an amount not to exceed \$287,441 for a period of 12 months.

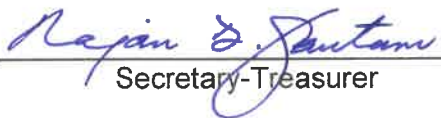
Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon compliance by the contractor to the Specifications and Addenda, if any, the Affirmative Action Plan adopted by the Board of Trustees, bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

Section 5. That this resolution shall become effective immediately upon its adoption.

Adopted: August 19, 2025



President

Attest: 

Secretary-Treasurer



TITLE/DESCRIPTION: CONTRACT: PURCHASE OF CASUALTY INSURANCE FROM VARIOUS INSURANCE UNDERWRITERS VENDOR: USI INSURANCE SERVICES, LLC AND PRICE FORBES & PARTNERS LIMITED, OR THEIR SUCCESSORS AMOUNT: NTE \$2,318,174 FOR A PERIOD OF 12 MONTHS	Resolution No.: 2025-90
	Date: August 6, 2025
	Initiator: Risk Management Department
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

1.0 **PURPOSE/SCOPE:** This action will provide the Greater Cleveland Regional Transit Authority ("Authority") with catastrophic casualty insurance protection for a period of 12 months.

2.0 **DESCRIPTION/JUSTIFICATION:** The Authority purchases a Casualty Insurance Program to protect its assets against catastrophic loss. The current Casualty Insurance Program expires September 1, 2025. The Casualty Insurance Program includes three policies: Excess Liability, Excess Workers' Compensation and Public Officials' & Employment Practices Liability ("EPL"). The Excess Liability program contains General Liability, Rail Liability, and Auto Liability coverage. Separate policies are purchased for EPL, as well as Excess Workers' Compensation.

This resolution requests authorization for the Excess Liability program and the Excess Workers' Compensation policy. Due to a favorable renewal price for the EPL policy, that line of coverage is within the General Manager, Chief Executive Officer's contract signing authority.

3.0 **PROCUREMENT BACKGROUND:** The Authority's casualty insurance brokers, USI Insurance Services, LLC ("USI") and its partner, The Rutledge Group, and Price Forbes & Partners Limited ("Price Forbes"), USI's London brokerage partner, approached several commercial insurance markets seeking proposals for participation in the insurance program. As SUI explained at the August 5, 2025 Audit, Safety Compliance and Real Estate Committee meeting, the commercial liability insurance market remains challenging. The markets are reacting to nuclear verdicts and inflation. Carriers are particularly focused on reviewing potential aggregation of losses.

As a result of this state of the market, USI advised the Authority, during our strategy meeting in July, to expect an approximate 15% increase in the premium for the large Excess Liability program. Their experience with similar account renewals this year reflected increases of 10-20%. Similarly, we were given a 5% projected premium increase for the Excess Worker's Compensation policy.

We are pleased to report that we have exceeded expectations on all three lines of coverage, as summarized below.

Final Program Results:

Final negotiations resulted in renewing the entire program limit of \$95 million in coverage with no reduction in coverage. The final premium commencing September 1, 2025 for the Excess Liability policy is \$2,030,733, an 8% increase over the expiring premium of \$1,878,664. This is \$128,581 or 7% under the budgeted amount of \$2,159,314.

The renewal premium commencing September 1, 2025 for the Excess Workers' Compensation policy is \$287,441. The Authority was able to generate some competition in this very limited marketplace and achieve a premium decrease of \$86. The renewal premium of \$287,441 is \$14,462. below the budgeted amount of \$301,903.

- 4.0 AFFIRMATIVE ACTION/ DBE BACKGROUND: Does not apply.
- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: This program shall be payable from the Insurance Fund, Risk Management Department budget, in an amount not to exceed \$2,030,733, and the General Fund Risk Management Department budget, in an amount not to exceed \$287,441 for a period of 12 months. The Authority maintains an Insurance Fund at a minimum level to pay severe losses within the self-insured retention. The intent is to utilize the interest income on the Insurance Fund to offset (and cover, if feasible) the annual liability insurance premium.
- 7.0 ALTERNATIVES: Reject this offer. Not adopting this resolution will put the Authority at risk of not having casualty insurance protection.
- 8.0 RECOMMENDATION: This insurance renewal program was discussed by the Board of Trustees at the August 5, 2025 Audit, Safety Compliance and Real Estate Committee meeting. It is recommended that the submittal of the underwriters through USI and Price Forbes, or their successors, as negotiated, be accepted and the resolution passed authorizing the General Manager, Chief Executive Officer to enter into a contract.
- 9.0 ATTACHMENTS: Attachment A – Casualty Insurance Renewal

Recommended and certified as appropriate to the
availability of funds, legal form and conformance with
the Procurement requirements.



General Manager, Chief Executive Officer

ATTACHMENT A
CASUALTY INSURANCE RENEWAL

August 1, 2025

Excess Liability Program: General, Auto and Rail Liability Insurance:

Coverage Limit: \$95 million per occurrence & \$95 million aggregate

Occurrence Reported Coverage Basis

Self-Insured Retention: \$5 million per occurrence

Underwriters:

Apollo Liability Consortium (Lloyds of London Syndicate)
Argo Re Ltd. (Bermuda)
Hamilton Re (Bermuda)
Hiscox (Lloyds of London Syndicate)
AEGIS Casualty Consortium (Lloyds of London Syndicate)
AXA XL - (Lloyds of London Syndicate)
Aspen (Lloyds of London Syndicate)
Ascot (Lloyds of London Syndicate)
Argenta (Lloyds of London Syndicate)
Gemini Insurance Company (U.S.)
MAP (Lloyds of London Syndicate)
Inigo (Lloyd's of London Syndicate)
Helix (Bermuda)
Munich Re Syndicate (Lloyds of London Syndicate)
AWAC (Bermuda)
QBE (Lloyds of London Syndicate)

Excess Workers' Compensation:

Coverage Limit: \$10 million each accident

(\$95 million excess of \$10 million: Above underwriters)

(\$10 million excess of self-insured retention: (Safety National)

Self-Insured Retention: \$750,000 per accident

Public Officials'/Employment Practices Liability:

Coverage Limit: \$5 million per claim and annual aggregate each policy year

Self-Insured Retention: Coverage A: zero; Coverage B: \$250,000 per claim; EPL: \$500,000 per claim

Carrier: National Union Fire Insurance Company of Pittsburgh, PA (AIG)