

**AGENDA**  
**REGULAR MEETING OF COUNCIL**  
**March 23, 2017**  
**6:30 PM**

1. ROLL CALL
2. READING OF MINUTES
3. REPORTS & COMMUNICATIONS FROM MAYOR & HEADS OF DEPARTMENTS AND INTERESTED PARTIES AND CITY CLERK'S NOTES:
  - 3.A AGENDA FOR THE CITY PLANNING COMMISSION MEETING HELD MARCH 22, 2017.  
  
[City Planning Comm 3-22-17.pdf](#)
  - 3.B CONTROLLER'S REPORT FOR MONTH ENDING FEBRUARY 28, 2017.  
  
[Controller's Report 2-28-17.pdf](#)
4. CITIZENS PARTICIPATION
5. INTRODUCTION OF ORDINANCES, RESOLUTIONS, APPOINTMENT AND/OR RE-APPOINTMENTS TO BOARDS & COMMISSIONS MOTIONS & REPORTS OF COMMITTEES:
  - 5.A A. MOTIONS
  - 5.B FOR INTRODUCTION – A RESOLUTION – AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A CONTRACT WITH KNOWLES ASSOCIATES LLC, FOR INSURANCE BROKERAGE SERVICES FOR A PERIOD OF THREE (3) YEARS WITH THE OPTION OF A

TWO-YEAR CONTRACT EXTENSION FROM APRIL 1, 2017 TO MARCH 31, 2020, AND A CONTRACT WITH CNA INSURANCE COMPANY, HARLEYSVILLE INSURANCE COMPANY, QBE SPECIALTY INSURANCE COMPANY, MARKEL AMERICAN INSURANCE COMPANY AND SAFETY NATIONAL INSURANCE COMPANY FOR CITY INSURANCE COVERAGES FOR A ONE (1) YEAR PERIOD FROM APRIL 1, 2017 THROUGH MARCH 31, 2018.

[Resolution-2017 City Insurance Coverage Knowles Associates.pdf](#)

- 5.C FOR INTRODUCTION - A RESOLUTION - AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A LEASE AGREEMENT WITH HORSEPOWER HARLEY DAVIDSON, INC. FOR THE LEASE OF FOUR (4) NEW 2017 POLICE PACKAGE MOTORCYCLES FOR THE CITY OF SCRANTON POLICE DEPARTMENT FOR A PERIOD OF THREE (3) YEARS FROM JUNE 1, 2017 THROUGH MARCH 31, 2020.

[Resolution-2017 Lease of \(4\) 2017 Police Pkg. Motorcycles with Horsepower Harley Davidson.pdf](#)

- 5.D FOR INTRODUCTION - A RESOLUTION - AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO AS CONTRACT WITH PMA MANAGEMENT CORP. FOR CITY OF SCRANTON SELF-INSURED WORKERS' COMPENSATION AND HEART AND LUNG CLAIMS THIRD PARTY ADMINISTRATION FOR A PERIOD OF THREE (3) YEARS FROM APRIL 1, 2017 THROUGH MARCH 31, 2020.

[Resolution-2017 Workers Comp & Heart & Lung Claims TPA Contract with PMA.pdf](#)

## 6. CONSIDERATION OF ORDINANCES - READING BY TITLE

- 6.A READING BY TITLE - FILE OF THE COUNCIL NO. 94, 2017 - AN ORDINANCE - AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO REALLOCATE A PORTION OF DEBT SERVICES MONEY TO BE USED FOR PAVING ONLY, AS SAID MONEY HAS BEEN REFUNDED TO THE CITY AND IS NO LONGER NEEDED FOR PAYMENT OF THE MARCH INSTALLMENT DUE ON THE 2012 SERIES A AND B BONDS DUE TO THE DEFEASENCE OF SAID BONDS WITH SEWER PROCEEDS.

[Ordinance-2017 Reallocate Portion of Debt Services Money for Paving Only.pdf](#)

## 7. FINAL READING OF RESOLUTIONS AND ORDINANCES

- 7.A FOR CONSIDERATION BY THE COMMITTEE ON PUBLIC WORKS - FOR ADOPTION - FILE OF THE COUNCIL NO. 93, 2017 - AN ORDINANCE - AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE A DEED OF EASEMENT AND RIGHT OF WAY GRANTING TO THE PENNSYLVANIA-AMERICAN WATER COMPANY THE EASEMENT, RIGHT OF WAY AND RIGHTS AS ARE SET FORTH BELOW WITH RESPECT TO THE PROPERTY, WHICH DEED OF EASEMENT AND RIGHT OF WAY SHALL BE IN THE FORM AS ATTACHED HERETO AS EXHIBIT "1".

[Ordinance-2017 Deed of Easement to PAWCO.pdf](#)

- 7.B FOR CONSIDERATION BY THE COMMITTEE ON COMMUNITY DEVELOPMENT - FOR ADOPTION - RESOLUTION NO. 128, 2017 - AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A GRANT APPLICATION AND, IF SUCCESSFUL, TO ENTER INTO A GRANT AGREEMENT AND ACCEPT FUNDING THROUGH THE KEYSTONE HISTORIC PRESERVATION PLANNING GRANT FROM THE PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION IN THE AMOUNT OF \$25,000.00 TO COMPLETE A FACILITY ASSESSMENT ON THE SCRANTON MUNICIPAL BUILDING.

[Resolution-2017 Grant for Facility Assessment of City Hall.pdf](#)

- 7.C FOR CONSIDERATION BY THE COMMITTEE ON PUBLIC WORKS - FOR ADOPTION - RESOLUTION NO. 129, 2017 - AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A GRANT APPLICATION AND, IF SUCCESSFUL, TO ENTER INTO A GRANT AGREEMENT, AND ACCEPT THE FUNDING THROUGH THE DEPARTMENT OF ENVIRONMENTAL PROTECTION LOCAL STORMWATER BMP IMPLEMENTATION PROGRAM AWARDED IN THE AMOUNT OF \$197,325.00 TO ADDRESS THE WATER QUALITY PROBLEMS ASSOCIATED WITH URBAN STORMWATER RUNOFF IN THE LACKAWANNA RIVER.

[Resolution-2017 EPA Grant to Address Water Quality Problems Lackawanna River.pdf](#)

- 7.D FOR CONSIDERATION BY THE COMMITTEE ON RULES- FOR ADOPTION - RESOLUTION NO. 130, 2017 - APPOINTMENT OF ROBERT J. PALMITESSA, 730 NORTH LINCOLN AVENUE, SCRANTON, PENNSYLVANIA 18504 AS A MEMBER OF THE BOARD OF ZONING APPEALS FOR THE CITY OF SCRANTON. MR. PALMITESSA WILL FILL THE UNEXPIRED TERM OF STEVEN KOCHIS, WHO RESIGNED ON FEBRUARY 9, 2017. MR. PALMITESSA'S TERM WILL EXPIRE ON JULY 15, 2019.

8. ADJOURNMENT



**CITY PLANNING COMMISSION**

CITY HALL : 340 NORTH WASHINGTON AVENUE : SCRANTON, PENNSYLVANIA 18503 : PHONE 570-348-4280 : FAX 570-348-4171

RECEIVED  
MAR 16 2017

CITY PLANNING COMMISSION  
March 22, 2017  
6:00 PM

OFFICE OF CITY  
COUNCIL/CITY CLERK

Meeting Location  
City Council Chambers 2<sup>nd</sup> Floor  
City Hall  
340 N. Washington Ave.  
Scranton, PA

**OLD BUSINESS:**

1. Review of Final Lot Line Adjustment Plan by Main And Swetland, LLC to combine four lots into one 1142-1150 S. Main Ave (C-N zone)
2. Review of Final Lot Line Adjustment Plan by Scranton Express Marts, Inc. to combine two lots into one at the corner of S. Main Ave. and Smith St. (C-N zone)
3. Review of Final Land Development plan the University of Scranton for the South Side Athletics Campus, The University of Scranton is proposing to renovate an existing park facility on Broadway Ave. The proposed renovations will include construction of three (3) synthetic turf athletic fields as well as associated accessory structures and parking areas.(R-2 zone)

**NEW BUSINESS:**

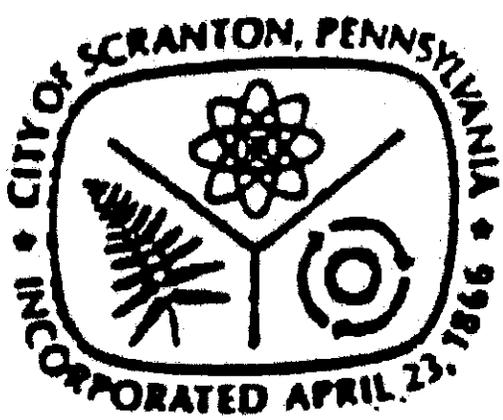
1. Review of Final Subdivision plan by Trinity Congregational Church to subdivide rectory from church building at 229 S Main Ave. (C-N Zone)

**CITY OF SCRANTON  
PENNSYLVANIA**

**RECEIVED**

MAR 17 2017

OFFICE OF CITY  
COUNCIL/CITY CLERK



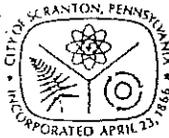
**OFFICE OF THE CITY CONTROLLER  
AND BUREAU OF INVESTIGATIONS**

**ROSEANN NOVEMBRINO  
CITY CONTROLLER**

**CONTROLLER'S REPORT  
FOR THE MONTH ENDING  
FEBRUARY 28, 2017**

City of Scranton  
Pennsylvania

Roseann Novembrino  
City Controller  
Municipal Building  
Scranton, Pennsylvania 18503  
(570) 348-4125



Office of the City Controller  
and Bureau of Investigations

March 17, 2017

The Honorable Mayor William L. Courtright  
And  
The Honorable City Council  
Municipal Building  
Scranton, Pa 18503

Dear Honorable Mayor and Honorable Council:

In Accordance with the Home Rule Charter of the City of Scranton, I am hereby submitting the report of the Office of the City Controller for the month of February, 2017.

The first section of this report includes a summary of the General Fund Activities for the month as well as a year to date revenue summary. The second section contains a detailed listing of the purchases in all departments for the period. Both sections are the end result of the review, authoritative approval, and audit procedures applicable to each section. This reflects the Controller's integral part of the internal control environment and the application of those independent audit techniques designed to provide improvement within the system and/or identify irregularities.

Rather than traditional audit reports which outline the results of an examination performed on a particular schedule within the calendar cycle, this department applies audit reviews on a daily, bi-weekly and monthly basis. Audit procedures were applied to the following financial applications which are an integral part of or have a direct impact on this report; all cash receipts flowing through the Treasurer's Office, all bank account reconciliations, Capital Budget reviews, Operating budget review/monthly reconciliation, payroll review and reconciliation, and voucher/requisition order review/authorization. Any item considered reportable would have been detailed later in this report (page 2).

This report is presented for your review. All figures are accurate as of this date but are subject to change due to subsequent postings by the Business Administration Department. Any such posting will be accounted for within the next monthly report from this department.

Sincerely,

*Roseann Novembrino*

Roseann Novembrino  
City Controller

**CITY OF SCRANTON  
GENERAL FUND EXPENDITURES  
MONTH OF FEBRUARY 2017**

<b>CODE #</b>	<b>DEPARTMENT</b>	<b>EXPENDITURES</b>
10	Mayor's Office	\$ 9,450.78
11	Public Safety	-
20	City Council	21,676.42
30	Controller	18,381.47
40	Business Administration	333,970.36
41	Bureau of Human Resources	24,434.60
42	Bureau of Information Technology	9,250.89
43	Treasurer	8,223.99
51	Inspections and Licenses	47,401.45
60	Law	35,712.94
71	Police	1,631,804.83
75	Traffic Maintenance	-
78	Fire	1,426,026.59
80	Public Works	424,953.70
81	Engineering	14,777.37
82	Buildings	114,518.31
83	Highways	266,084.74
84	Refuse	456,901.83
85	Garages	101,637.54
90	Single Tax Office	90,144.22
100	Parks and Recreations	33,379.76
341	Fiscal Activities	-
501	O.C.E.D.	-
<b>TOTAL DEPARTMENTAL</b>		<b>\$ 5,068,731.79</b>
<b>NON DEPARTMENTAL</b>		
1000	Boards and Commissions	\$ 3,255.28
1100	Utilities	-
1300	Contingency	-
1500	Special Items	1,130,846.37
1600	Unpaid Bills	459.75
1700	Grants and Contributions	-
1900	Special Items (Non Add)	-
<b>TOTAL NON DEPARTMENTAL</b>		<b>\$ 1,134,561.40</b>
<b>GRAND TOTAL:</b>		<b>\$ 6,203,293.19</b>

**CITY OF SCRANTON  
GENERAL FUND REVENUE REPORT  
FOR THE MONTH OF FEBRUARY 2017**

<b>CODE #</b>	<b>FUND SOURCE</b>	<b>REVENUES</b>
300	Previous Year Balance	-
301	Real Property Taxes	5,807,503.40
302	Landfill and Refuse Fees	112,767.64
304	Utility Tax	-
305	Non-Resident Tax	-
310	Local Taxes (Act 511)	5,471,041.57
319	Penalties and Interest (Delinquent Taxes)	6,261.67
320	Licenses and Permits	102,081.80
330	Fines and Forfeitures	-
331	Police Fines and Violations	41,003.18
341	Interest Earnings	1,328.78
342	Rents and Concessions	500.00
350	Inter-Government-Revenue Reimbursements	-
359	Local Governments (Payments in Lieu)	-
360	Departmental Earnings	40,392.00
367	Recreational Departments	4,119.00
380	Cable TV and Miscellaneous Revenue	262,414.40
392	Interfund Transfers	-
392*	Interfund Transfers (Non Add)	-
394	Tax Anticipation Loan/Note	-
<b>TOTAL</b>		<b>\$ 11,849,413.44</b>
<b>*Non Add</b>		
<b>MONTH TO DATE:</b>		
	Revenues To February 2017	\$28,877,492.31
	Expenditures To February 2017	10,974,123.88
	<b>NET:</b>	<b>\$ 17,903,368.43</b>

**CITY OF SCRANTON**  
**FEBRUARY 28, 2017**  
**GENERAL FUND REVENUE REPORT**  
**YEAR TO DATE**

<b>CODE #</b>	<b>FUND SOURCE</b>	<b>ESTIMATED</b>	<b>REALIZED</b>	<b>UN-REALIZED</b>
300	Previous Year Balance	\$ -	\$ -	\$ -
301	Real Property Taxes	34,273,286.91	5,807,503.40	28,465,783.51
302	Landfill and Refuse Fees	7,662,500.00	282,822.90	7,379,677.10
304	Utility Tax	68,000.00	-	68,000.00
305	Non-Resident Tax	460,000.00	-	460,000.00
310	Local Taxes (Act 511)	37,329,174.91	6,498,099.99	30,831,074.92
319	Penalties and Interest (Delinquent Taxes)	132,100.00	9,901.67	122,198.33
320	Licenses and Permits	2,356,700.00	459,873.09	1,896,826.91
330	Fines and Forfeitures	100.00	-	100.00
331	Police Fines and Violations	478,250.00	72,045.70	406,204.30
341	Interest Earnings	10,000.00	4,359.44	5,640.56
342	Rents and Concessions	5,000.00	1,000.00	4,000.00
350	Inter-Government-Revenue Reimbursements	4,298,246.00	-	4,298,246.00
359	Local Government (Payments in Lieu)	219,864.75	-	219,864.75
360	Departmental Earnings	579,692.00	117,349.00	462,343.00
367	Recreational Departments	52,500.00	8,953.00	43,547.00
380	Cable TV and Miscellaneous Revenues	1,396,500.00	2,865,584.12	(1,469,084.12)
392	Interfund Transfers	5,942,007.72	-	5,942,007.72
392*	Interfund Transfers SSA/SPA	-	-	-
394	Tax Anticipation Loan/Note	12,750,000.00	12,750,000.00	-
395	Unfunded Pension	-	-	-
396	Capital Budget Reimbursements	-	-	-
<b>TOTALS</b>		<b>\$ 108,013,922.29</b>	<b>\$ 28,877,492.31</b>	<b>\$ 79,136,429.98</b>

**PURCHASE ORDER REPORT**  
MONTH ENDING FEBRUARY 28, 2017

**ACCOUNT BALANCES AS OF FEBRUARY 28, 2017**

DEPARTMENT / ACCOUNT	2017 BUDGET		FEBRUARY, 2017	
	BEGINNING BAL.	ACTIVITY	ENDING BAL.	ENDING BAL.
<b>OFFICE OF THE MAYOR</b>				
0101000000 4270 DUES & SUBSCRIPTIONS	22,500.00	0.00	0.00	0.00
0101000000 4290 STATIONERY / OFFICE SUPPLIES	150.00	150.00	150.00	150.00
0101000000 4420 TRAVEL & LODGING	500.00	173.30	173.30	173.30
<b>DEPARTMENT OF PUBLIC SAFETY</b>				
<b>POLICE BUREAU</b>				
0101100071 4201 PROFESSIONAL SERVICES	15,000.00	14,725.00	(275.00)	12,623.50
ENCUMBERED: PREVIOUS PERIOD			1,726.50	
CROKER CUSTOM GRAPHICS			450.00	
JOHNNY'S CAR WASH			200.00	
LEXISNEXIS RISK DATA MANAGEMENT				
0101100071 4210 SERVICES & MAINTENANCE FEE	64,500.00	57,926.00	(6,574.00)	45,316.48
ENCUMBERED: PREVIOUS PERIOD			3,204.00	
ENCUMBERED: CURRENT PERIOD			6,574.00	
UNITED PUBLIC SAFETY			4,960.92	
LEXISNEXIS RISK DATA MANAGEMENT			4,444.60	
PUBLIC ENGINES, INC.				
0101100071 4270 DUES & SUBSCRIPTIONS	3,100.00	3,100.00	400.00	1,155.00
MAGLOCLEN			20.00	
PERSONNEL EVALUATION, INC.			150.00	
NATIONAL TACTICAL OFFICER			150.00	
IACP NET			1,225.00	
0101100071 4280 MISCELLANEOUS SERVICES - NON CLASSIFIED	2,500.00	2,500.00	93.25	2,406.75
YIS COWDEN GROUP				
0101100071 4290 STATIONERY / OFFICE SUPPLIES	2,500.00	2,500.00	89.97	1,647.75
ENCUMBERED: CURRENT PERIOD			298.36	
NUNZI'S ADVERTISING SPECIALIST, INC.			463.92	
ONE POINT				
0101100071 4380 GUNS / AMMUNITION	22,500.00	22,500.00		22,500.00

DEPARTMENT / ACCOUNT	2017 BUDGET	FEBRUARY, 2017	
		BEGINNING BAL	ENDING BAL.
0101100071 4390 MATERIALS / SUPPLIES (MISC) ENCUMBERED: CURRENT PERIOD STARR UNIFORMS	20,000.00	20,000.00	15,969.41
0101100071 4420 TRAVEL & LODGING BAUMANN, NANCY RAMADA INN - STATE COLLEGE	3,500.00	462.41	165.51
0101100071 4470 TRAINING & CERTIFICATION ENCUMBERED: CURRENT PERIOD COMFORT INN MAGLOELEN TRAINING DEPT. E S PRESS, INC PTS OF AMERICA LLC	45,000.00	41,766.92	19,220.23
0101100071 4550 CAPITAL EXPENDITURES KOVATCH FORD, INC.	190,000.00	190,000.00	87,970.93
0101100071 4570 MAINTENANCE COMMUNICATION EQUIPMENT ENCUMBERED: CURRENT PERIOD	7,750.00	7,750.00	3,808.67
0101100071 6003 SPCA - ANIMAL CONTROL VETERINARY REFERRAL & EMERGENCY CENTER SPRINGBOOK KENNELS	86,976.00	86,976.00	85,323.12
<b>FIRE BUREAU:</b>			
0101100078 4201 PROFESSIONAL SERVICES MID-ATLANTIC FIRE AND AIR	25,000.00	24,861.00	24,697.50
0101100078 4210 SERVICE & MAINTENANCE FEE ESI EQUIPMENT, INC.	45,000.00	45,000.00	43,117.00
0101100078 4270 DUES & SUBSCRIPTIONS NFPA	1,000.00	850.00	500.00
0101100078 4320 BUILDING REPAIR - SUPPLY MAINTENANCE	5,000.00	4,388.83	4,388.83
0101100078 4390 MATERIALS / SUPPLIES (MISC) S & S TOOLS & SUPPLIES COAST TO COAST SOLUTIONS GRAINGER JUDGE, JOHN	7,250.00	6,895.25	5,669.76

DEPARTMENT / ACCOUNT	2017 BUDGET		FEBRUARY, 2017	
	BEGINNING BAL	ACTIVITY	ENDING BAL	ENDING BAL
0101100078 4420 TRAVEL & LODGING LUCAS, ALLEN	1,000.00	443.79	1,000.00	556.21
0101100078 4430 AIR PACK / REHAB SUPPLIES	6,000.00		6,000.00	6,000.00
0101100078 4470 TRAINING & CERTIFICATION WOOD, ANTHONY CWALINSKI, BRIAN ARMBRUSTER, KYLE	85,000.00	78,346.75	78,346.75	76,846.75
0101100078 4550 CAPITAL EXPENDITURES WITMER ASSOCIATES, INC. MID-ATLANTIC FIRE AND AIR HIGHLAND ASSOCIATES JUSTUS HOME & GARDEN	1,630,000.00	24,703.75 58.00 30,000.00 160.00	1,612,355.00	1,557,443.25
0101100078 4570 MAINTENANCE COMMUNICATION EQUIPMENT JALVO, INC.	4,000.00	876.00	4,000.00	3,124.00
0101100078 4575 MAINTENANCE-EQUIPMENT	1,000.00		1,000.00	1,000.00
0101100078 4580 GENERAL EQUIPMENT GLEN SUMMIT SPRINGS WATER 877 DESIGN HOWARD'S VAC & SEW	70,000.00	18.15 4,630.00 398.00	70,000.00	64,953.85
<b>OFFICE OF THE CITY CLERK / CITY COUNCIL</b>				
0102000000 4201 PROFESSIONAL SERVICES EDM AMERICAS INC. NARDOZZI, CATHERINE	41,000.00	182.78 1,113.00	40,400.00	39,104.22
0102000000 4210 SERVICES & MAINTENANCE FEE	9,700.00		100.00	100.00
0102000000 4230 PRINTING & BINDING	5,000.00		4,467.00	4,467.00
0102000000 4250 ADVERTISING SCRANTON TIMES	21,500.00	2,924.65	18,914.75	15,990.10

DEPARTMENT / ACCOUNT	2017 BUDGET	FEBRUARY, 2017		
		BEGINNING BAL.	ACTIVITY	ENDING BAL.
0102000000 4290 STATIONERY / OFFICE SUPPLIES	500.00	315.71		315.71
<b>CITY CONTROLLER</b>				
0103000000 4201 PROFESSIONAL SERVICES	40,000.00	39,000.00		39,000.00
0103000000 4240 PDSTAGE & FREIGHT	100.00	100.00		100.00
0103000000 4270 DUES & SUBSCRIPTIONS	200.00	200.00		200.00
0103000000 4290 STATIONERY / OFFICE SUPPLIES GLEN SUMMIT SPRINGS WATER	200.00	200.00	16.75	183.25
<b>BUSINESS ADMINISTRATION DEPARTMENT</b>				
0104000000 4201 PROFESSIONAL SERVICES TURNKEY TAXES CORPORATE ACCOUNT ANALYSIS CHARGE	165,000.00	164,000.00	1,000.00 9,674.85	153,325.15
0104000000 4210 SERVICES & MAINTENANCE FEE PRINT MANAGEMENT SOLUTION GREAT AMERICA FINANCIAL SERVICES	1,500.00	1,229.02	60.00 122.49	1,056.53
0104000000 4230 PRINTING & BINDING	1,250.00	952.00		952.00
0104000000 4240 POSTAGE & FREIGHT POSTAGE REFILL	20,363.00	17,199.80	5,000.00	12,199.80
0104000000 4250 ADVERTISING ENCUMBERED: PREVIOUS PERIOD SCRANTON TIMES DIVERSIFIED BUSINESS FORMS, INC.	17,250.00	16,667.80	(200.00) 392.20 215.39	16,250.21
0104000000 4270 DUES & SUBSCRIPTIONS PAPERS	1,000.00	205.00	95.00	110.00
0104000000 4290 STATIONERY / OFFICE SUPPLIES ENCUMBERED: PREVIOUS PERIOD ENCUMBERED: CURRENT PERIOD OFFICE DEPOT	9,667.00	7,855.78	(854.17) 1,090.32 585.00	7,034.63

DEPARTMENT / ACCOUNT	2017 BUDGET		FEBRUARY, 2017	
	BEGINNING BAL.	ACTIVITY	ENDING BAL.	
0104000040 4390 MATERIALS / SUPPLIES (MISC) GLEN SUMMIT SPRINGS WATER	587.30	11.55		575.75
0104000040 4420 TRAVEL & LODGING BULZONI, DAVE	1,500.00	855.24		644.76
0104000040 4470 TRAINING & CERTIFICATION	1,000.00		1,000.00	
0104000040 6009 OPERATING TRANSFERS - WORKERS' COMP	3,240,576.00		3,240,576.00	
0104000040 6024 BANK FEES AND CHARGES JANUARY INACTIVITY FEE REVERSE NOV & DEC SERVICE CHARGES FED WITHHOLDING ON INTEREST WIRE TRANSFER FEE	4,000.00	5.00 (128.63) 3.10 25.00	500.00	595.53
<b>HUMAN RESOURCES</b>				
0104000041 4201 PROFESSIONAL SERVICES WE PAY PROCESSING CHARGES C3 GROUP LLC P & A GROUP ADMIN SERVICE MILLENNIUM ADMINISTRATORS	175,000.00	4,346.00 2,000.00 359.48 541.68	162,730.50	155,483.34
0104000041 4290 STATIONARY / OFFICE SUPPLIES	500.00		500.00	500.00
0104000041 4390 MATERIALS / SUPPLIES (MISC) GLEN SUMMIT SPRINGS WATER KENNEDY, DANIELLE	500.00	46.35 65.00	483.25	371.90
0104000041 4420 TRAVEL & LODGING	500.00		500.00	500.00
0104000041 4470 TRAINING & CERTIFICATION	5,000.00		5,000.00	5,000.00
0104000041 4630 LIABILITY / CASUALTY INSURANCE KNOWLES & ASSOCIATES OLIVER, PRICE & RHODES ABRAHAMSEN CONABOY & ABRAHAMSEN, PC	1,050,000.00	3,029.00 332.50 427.50	1,049,900.00	1,046,111.00

DEPARTMENT / ACCOUNT	2017 BUDGET		FEBRUARY, 2017	
	BEGINNING BAL	ACTIVITY	ENDING BAL.	ENDING BAL.
<b>INFORMATION TECHNOLOGY:</b>				
0104000042 4201 PROFESSIONAL SERVICES	63,250.00	6,468.30		6,468.30
0104000042 4210 SERVICES & MAINTENANCE FEE	77,500.00			77,500.00
0104000042 4290 STATIONARY / OFFICE SUPPLIES	1,000.00	1,000.00		1,000.00
0104000042 4390 MATERIALS / SUPPLIES (MISC)	65,000.00	65,000.00		65,000.00
0104000042 4440 TELEPHONE COMCAST	145,000.00	145,000.00	89.39	144,910.61
0104000042 4470 TRAINING & CERTIFICATION	1,000.00	1,000.00		1,000.00
0104000042 4550 CAPITAL EXPENDITURES	225,000.00	225,000.00		225,000.00
0104000042 4560 EQUIPMENT MAINTENANCE / LEASES	50,000.00	50,000.00		50,000.00
<b>TREASURY:</b>				
0104000043 4201 PROFESSIONAL SERVICES	11,250.00	11,250.00		11,250.00
0104000043 4390 MATERIALS / SUPPLIES (MISC) GLEN SUMMIT SPRINGS WATER	1,000.00	975.75	11.55	964.20
0104000043 6000 TAX & MISCELLANEOUS REFUNDS	1,000.00	1,000.00		1,000.00
0104000043 6001 TAX COLLECTION COMMITTEE EXPENSE	7,257.00	7,257.00		7,257.00
<b>BUREAU OF LICENSES, INSPECTIONS &amp; PERMITS</b>				
0105100051 4201 PROFESSIONAL SERVICES	25,000.00	25,000.00		25,000.00
0105100051 4290 STATIONARY / OFFICE SUPPLIES	1,000.00	947.00		947.00
0105100051 4390 MATERIALS / SUPPLIES (MISC)	500.00	500.00		500.00

DEPARTMENT / ACCOUNT	2017 BUDGET		FEBRUARY, 2017	
	BEGINNING BAL	ACTIVITY	BEGINNING BAL	ENDING BAL.
0105100051 4470 TRAINING & CERTIFICATION	1,000.00	950.00	950.00	950.00
0105100051 4550 CAPITAL EXPENDITURES	25,000.00	25,000.00	25,000.00	25,000.00
0105100051 4570 MAINTENANCE COMMUNICATION EQUIPMENT	500.00	500.00	500.00	500.00
0105100051 4590 BUILDING DEMOLITION	35,000.00	32,500.00	32,500.00	32,500.00
<b>BUREAU OF BUILDINGS</b>				
0105100082 4201 PROFESSIONAL SERVICES	40,000.00	27,520.00	27,520.00	27,520.00
0105100082 4920 BUILDING REPAIR - SUPPLY MAINTENANCE	175,000.00	173,692.07	173,692.07	
SMURL, GERALD		3,814.03		
C & C CLEANING SERVICES		400.00		
THE H. F. WOLFE CO.		44.70		
R E MICHEL COMPANY LLC		229.36		
MECHANICAL SERVICE COMPANY		1,025.00		
ROSSI ROOTER LLC		275.00		
P. M. ASSOCIATES		65.00		
AMERICAN JANITOR		1,581.85		
OVERHEAD DOOR CO.		420.00		
				165,837.13
0105100082 4445 SEWER CHARGES	50,000.00	50,000.00	50,000.00	50,000.00
0105100082 4447 UGI - GAS	155,000.00	155,000.00	155,000.00	
UGI PENN NATURAL GAS		6,581.05		
DIRECT ENERGY BUSINESS		11,221.37		
				137,197.58
0105100082 4448 PAWC - WATER	385,000.00	385,000.00	385,000.00	385,000.00
PENNSYLVANIA AMERICAN WATER CO.		52,790.56		
				332,209.44
0105100082 4450 ELECTRICAL	275,000.00	275,000.00	275,000.00	
PPL ELECTRIC UTILITIES		27,902.31		
				247,097.69
0105100082 4465 BUILDING SUPPLIES	1,000.00	1,000.00	1,000.00	1,000.00

DEPARTMENT / ACCOUNT	2017 BUDGET	BEGINNING BAL	FEBRUARY, 2017	
			ACTIVITY	ENDING BAL.
<b>LAW DEPARTMENT:</b>				
0106000000 4201 PROFESSIONAL SERVICES ABRAHAMSEN CONABOY & ABRAHAMSEN, PC ERSA COURT REPORTERS NOGI/APPLETON WEINBERGER & WREN, PC OLIVER, PRICE & RHODES TODD A. JOHNS, ESQUIRE HUGHES, NICHOLLS & O'HARA CIPRIANI & WERNER, P.C. FOX ROTHSCHILD, LLP OSBORNE LAW, LLC	225,000.00	225,000.00	7,279.00 419.50 2,663.12 3,904.50 1,866.75 3,233.38 228.00 596.00 1,084.00	<u>203,745.75</u>
0106000000 4270 DUES & SUBSCRIPTIONS	3,950.00	3,950.00		<u>3,950.00</u>
0106000000 4290 STATIONERY / OFFICE SUPPLIES	500.00	500.00		<u>500.00</u>
0106000000 4390 MATERIALS / SUPPLIES (MISC)	500.00	500.00		<u>500.00</u>
0106000000 4420 TRAVEL & LODGING	500.00	500.00		<u>500.00</u>
0106000000 4470 TRAINING & CERTIFICATION	500.00	500.00		<u>500.00</u>
0106000000 4550 CAPITAL EXPENDITURES	3,250.00	3,250.00		<u>3,250.00</u>
<b>DEPARTMENT OF PUBLIC WORKS ADMINISTRATION BUREAU:</b>				
0108000080 4201 PROFESSIONAL SERVICES	7,500.00	7,500.00		<u>7,500.00</u>
0108000080 4210 SERVICES & MAINTENANCE FEE PA ONE CALL SYSTEM, INC.	547.55	547.55	60.50	<u>487.05</u>
0108000080 4570 MAINTENANCE COMMUNICATION EQUIPMENT INDUSTRIAL ELECTRONICS, INC.	16,500.00	16,500.00	1,455.00	<u>15,045.00</u>
0108000080 4576 MAINTENANCE SUPER FUND SIGHT	16,500.00	16,500.00		<u>16,500.00</u>
0108000080 5007 FLOOD PROTECTION SYSTEM MAINTENANCE ENCUMBERED: PREVIOUS PERIOD GLECO PAINTS, INC	29,500.00	29,482.03	(17.97) 17.97	<u>29,482.03</u>

DEPARTMENT / ACCOUNT	2017 BUDGET	FEBRUARY, 2017		
		BEGINNING BAL	ACTIVITY	ENDING BAL.
<b>ENGINEERING BUREAU:</b>				
0108000081 4201 PROFESSIONAL SERVICES LABELLA ASSOCIATES	69,500.00	69,500.00	5,875.00	63,625.00
0108000081 4210 SERVICES & MAINTENANCE FEE	200.00	200.00		200.00
0108000081 4290 STATIONERY / OFFICE SUPPLIES	100.00	100.00		100.00
0108000081 4390 MATERIALS / SUPPLIES (MISC) WEIDOW, DAVID	100.00	100.00	91.81	8.19
0108000081 4470 TRAINING & CERTIFICATION	1,000.00	1,000.00		1,000.00
<b>HIGHWAYS BUREAU:</b>				
0108000083 4260 RENTAL VEHICLES & EQUIPMENT	57,500.00	57,500.00		57,500.00
0108000083 4340 CONSTRUCTION - PAVING MATERIAL HEL-WAY LLC	85,000.00	82,490.26	2,474.70	80,015.56
0108000083 4350 PAINT / SIGN MATERIAL ENCUMBERED: PREVIOUS PERIOD ENCUMBERED: CURRENT PERIOD LEE ELECTRIC SUPPLY CO., INC. FASTENAL COMPANY	12,500.00	11,803.67	(666.19) 217.53 29.09 419.57	11,803.67
0108000083 4390 MATERIALS / SUPPLIES (MISC) ENCUMBERED: CURRENT PERIOD DUKERICH, CHARLES PA NORTHEAST REGIONAL RAILROAD JUDGE LUMBER COMPANY PENA-PLAS COMPANY S & S TOOLS & SUPPLIES	22,500.00	22,500.00	931.75 110.50 15.00 400.00 196.63 260.83	20,585.29
0108000083 4410 SALT ENCUMBERED: PREVIOUS PERIOD ENCUMBERED: CURRENT PERIOD AMERICAN ROCK SALT CO. LLC KEYSTONE QUARRY, INC.	275,000.00	220,099.67	(29,542.00) 30,891.81 76,126.53 10,635.11	131,988.22

DEPARTMENT / ACCOUNT	2017 BUDGET	FEBRUARY, 2017		
		BEGINNING BAL	ACTIVITY	ENDING BAL.
0108000083 4460 STREET LIGHTING PPL ELECTRIC UTILITIES	375,000.00	375,000.00	57,787.74	317,212.26
0108000083 4466 STREET LIGHTING SERVICE / MAINTENANCE A & M ELECTRICAL CONSTRUCTION, INC. WALSH ELECTRICAL, INC.	77,500.00	68,521.09	4,206.34 12,675.53	51,639.22
0108000083 4550 CAPITAL EXPENDITURES	814,063.84	814,063.84		814,063.84
<b>REFUSE BUREAU:</b>				
0108000084 4390 MATERIALS / SUPPLIES (MISC)	750.00	395.30		395.30
0108000084 4490 LANDFILL KEYSTONE SANITARY LANDFILL COMMONWEALTH OF PENNSYLVANIA	1,344,095.86	1,275,503.33	78,954.17 50.00	1,196,499.16
0108000084 4550 CAPITAL EXPENDITURES TRIPLE CITIES ACQUISITIONS, LLC	200,000.00	200,000.00	193,820.00	6,180.00
<b>GARAGES BUREAU:</b>				
0108000085 4220 CONTRACTED SERVICES ENCUMBERED: PREVIOUS PERIOD ENCUMBERED: CURRENT PERIOD DENAPLES TOWING, INC.	750.00	589.00	(161.00) 161.00 482.00	107.00
0108000085 4301 GAS, OIL, LUBRICANTS ENCUMBERED: CURRENT PERIOD WEX BANK TALLEY PETROLEUM ENTERPRISES INC. D. G. NICHOLAS CO. G & G EXPRESS MARTS, INC. PA DEP	425,500.00	425,309.65	22.00 13,235.93 13,387.50 933.25 20.68 50.00	397,660.29

DEPARTMENT / ACCOUNT	2017 BUDGET	FEBRUARY, 2017	
		BEGINNING BAL	ENDING BAL
<b>0108000085 4310 EQUIPMENT/VEHICLE REPAIR/MAINTENANCE</b>	<b>315,000.00</b>	<b>290,111.67</b>	
ENCUMBERED: PREVIOUS PERIOD			(5,020.39)
ENCUMBERED: CURRENT PERIOD			6,798.61
D. G. NICHOLAS CO.			842.82
C. G. CUSTOM TRUCKS			478.22
PETHICK PAINT SUPPLY			41.55
SCRANTON DODGE			43.12
MIKULAK, WILLIAM E.			1,792.09
WELLER'S LOCK & KEY SERVICE			290.00
A.I.T. AUTOMOTIVE			1,301.50
DAVE'S AUTO IGNITION			260.00
FRP FIRE & RESCUE PRODUCTS			2,152.38
DENAPLES AUTO PARTS			11,980.00
DENAPLES TOWING, INC.			375.00
MARTIN G. SHULDE DBA LEROY'S AUTO REPAIRS			270.00
ELECTRO BATTERY			585.00
NORTHEAST HYDRAULICS			838.99
A-1 SPRING SERVICE			2,240.00
FIVE STAR EQUIPMENT CO., INC.			118.81
CLEVELAND BROTHERS EQUIPMENT			2,021.73
TRIPLE CITIES ACQUISITIONS, LLC			77.72
ARTISTIC UPHOLSTERY UNLIMITED			600.00
SUNBURY MOTORS			731.77
AIR BRAKE & EQUIPMENT CO., INC.			175.64
FIRE LINE EQUIPMENT			218.66
FARGIONE AUTO SERVICE			45.00
F & S SUPPLY COMPANY, INC.			59.09
TRANSAXLE			1,043.85
			<u>259,749.51</u>
<b>0108000085 4360 SMALL TOOLS / SHOP SUPPLIES</b>	<b>6,500.00</b>	<b>6,482.01</b>	
AIR BRAKE & EQUIPMENT CO., INC.			122.46
D. G. NICHOLAS CO.			23.33
MURPHY, JAY			200.00
			<u>6,136.22</u>
<b>0108000085 4390 MATERIALS / SUPPLIES (MISC)</b>	<b>59,500.00</b>	<b>53,431.64</b>	
ENCUMBERED: PREVIOUS PERIOD			(72.00)
ENCUMBERED: CURRENT PERIOD			1,523.93
D. G. NICHOLAS CO.			937.04
DENAPLES AUTO PARTS			1,522.00
C. G. CUSTOM TRUCKS			856.79
A.I.T. AUTOMOTIVE			120.00
TRIPLE CITIES ACQUISITIONS, LLC			997.67
FRIEDMAN ELECTRIC SUPPLY			24.51
DEAN, PAUL			59.99
			<u>47,461.71</u>
<b>0108000085 4401 TIRES</b>	<b>109,500.00</b>	<b>98,736.52</b>	
ENCUMBERED: PREVIOUS PERIOD			(4,190.39)
SANDONE TIRE & BATTERY			8,273.95
			<u>94,652.96</u>

DEPARTMENT / ACCOUNT	FEBRUARY, 2017		
	2017 BUDGET	BEGINNING BAL	ACTIVITY
0108000085 4901 MAINTENANCE (PREVENTATIVE)	5,000.00	5,000.00	
			5,000.00
<b>PARKS &amp; RECREATION DEPARTMENT</b>			
0110000000 4280 MISC SERVICES - NON CLASSIFIED	8,950.00	8,950.00	
			8,950.00
0110000000 4290 STATIONERY / OFFICE SUPPLIES	1,000.00	1,000.00	
			1,000.00
0110000000 4320 BUILDING REPAIR - SUPPLY MAINTENANCE	20,000.00	20,000.00	
			20,000.00
0110000000 4330 MEDICAL, CHEMICAL, LAB SUPPLIES	25,000.00	25,000.00	
			25,000.00
0110000000 4360 SMALL TOOLS / SHOP SUPPLIES	200.00	200.00	
			200.00
0110000000 4370 PARKS & RECREATION SUPPLIES	750.00	750.00	
			750.00
0110000000 4420 TRAVEL AND LODGING	750.00	750.00	
			750.00
0110000000 4530 PERFORMING ARTS	16,500.00	4,000.00	
			4,000.00
0110000000 4540 SPRING / SUMMER PROGRAMS	3,000.00	1,485.00	
			1,485.00
0110000000 4550 CAPITAL EXPENDITURES	95,000.00	95,000.00	
			95,000.00
<b>NON-DEPARTMENTAL EXPENDITURES</b>			
0140110030 4299 ZONING BOARD	18,500.00	18,500.00	
PENETAR, DANIEL			1,405.00
SCRANTON TIMES			405.85
			16,689.15
0140110060 4299 EVERHART MUSEUM	29,000.00	19,333.34	
			19,333.34
0140110075 4299 FIRST NIGHT SCRANTON	10,000.00	10,000.00	
			10,000.00
0140110080 4299 SCRANTON TOMORROW	32,500.00	2,500.00	
			2,500.00
0140110110 4299 SHADE TREE COMMISSION	55,500.00	55,500.00	
BILL'S ACE HARDWARE			807.93
			54,692.07

DEPARTMENT / ACCOUNT	2017 BUDGET		FEBRUARY, 2017	
	BEGINNING BAL	ACTIVITY	ENDING BAL.	ENDING BAL.
0140110120 4299 ST. CATS AND DOGS	10,000.00	10,000.00	10,000.00	10,000.00
0140110130 4299 MAYOR'S 504 TASK FORCE	1,500.00	1,500.00	1,500.00	1,500.00
0140110140 4299 CIVIL SERVICE COMMISSION PERRY LAW FIRM	47,500.00	47,500.00	47,500.00	46,863.50
0140110150 4299 HUMAN RELATIONS COMMISSION	10,000.00	10,000.00	10,000.00	10,000.00
0140115230 4299 TAN SERIES	12,750,000.00	12,750,000.00	12,750,000.00	12,750,000.00
0140115240 4299 TAN SERIES INTEREST	210,000.00	210,000.00	210,000.00	210,000.00
0140115307 4299 OPER TSF TO DBT SVC - 2003 SERIES B BDS	2,176,468.76	2,176,468.76	2,176,468.76	2,176,468.76
0140115308 4299 OPER TSF TO DBT SVC - 2003 SERIES C BDS	495,000.00	495,000.00	495,000.00	495,000.00
0140115309 4299 OPER TSF TO DBT SVC - 2003 SERIES D BDS	750,000.00	750,000.00	750,000.00	750,000.00
0140115310 4299 OPER TSF TO DBT SVC - STREET LIGHTING	532,541.68	532,541.68	532,541.68	532,541.68
0140115313 4299 OPER TSF TO DBT SVC - 2006 BOND	1,653,020.00	1,653,020.00	1,653,020.00	1,653,020.00
0140115316 4299 OPER TSF TO DBT SVC - OTHER FIN. SOURCE	51,585.08	51,585.08	51,585.08	51,585.08
0140115320 4299 OPER TSF TO DBT SVC - GUARANTEED ENERGY SAVINGS BANK OF AMERICA	178,861.63	178,861.63	178,861.63	142,612.14
0140115323 4299 OPER TSF TO DBT SVC - 2011 UNFUNDED DEBT LN	1,000.00	1,000.00	1,000.00	1,000.00
0140115324 4299 OPER TSF TO DBT SVC - FDM REVOLVING AID LN	100,000.00	100,000.00	100,000.00	100,000.00
0140115325 4299 OPER TSF TO DBT SVC - 2012 SERIES C	1,000.00	1,000.00	1,000.00	1,000.00

DEPARTMENT / ACCOUNT	2017 BUDGET	FEBRUARY, 2017		
		BEGINNING BAL.	ACTIVITY	ENDING BAL.
0140115326 4299 OPER TSF TO DBT SVC - 2013 SERIES A	1,000.00	0.00		0.00
0140115327 4299 OPER TSF TO DBT SVC - 2012 SERIES B	1,000.00	1,000.00		1,000.00
0140115328 4299 OPER TSF 2016 REDEVELOPMENT AUTH SERIES AA	918,175.00	918,175.00		918,175.00
0140115329 4299 OPER TSF TO DBT SVC - LEASE OF REFUSE PACKERS	170,360.33	170,360.33		170,360.33
0140115330 4299 OPER TSF TO DBT SVC - LEASE OF KME ENGINE	49,849.00	0.00		0.00
0140115331 4299 OPER TSF TO DBT SVC - SERIES 2017 DEBT SERV REFUNDING	1,000.00	1,000.00		1,000.00
0140115332 4299 OPER TSF TO DBT SVC - SERIES 2017 GENERAL OBLIGATION REFUNDING	1,000.00	1,000.00		1,000.00
0140115334 4299 OPER TSF TO DBT SVC - LEASE OF JOHN DEERE WHEEL LOADER	25,853.00	25,853.00		25,853.00
0140115335 4299 OPER TSF TO DBT SVC - LEASE OF LAW ENFORCEMENT MGMT SYSTEM	439,729.50	220,171.90		220,171.90
0140115336 4299 OPER TSF TO DBT SVC - LEASE OF TURNOUT GEAR	80,000.00	0.00		0.00
0140115338 4299 OPER TSF TO DBT SVC - 2016 RED AUTH SERIES A	1,490,500.00	1,490,500.00		1,490,500.00
0140115339 4299 OPER TSF TO DBT SVC - 2016 GENL. OBL. NOTES	1,652,500.00	1,652,500.00		1,652,500.00
0140115340 4299 OPER TSF TO DBT SVC - 2016 LEASE FORD TRKS	53,925.94	0.00		0.00
0140115341 4299 OPER TSF TO DBT SVC - PIB LOAN	244,968.88	244,968.88		244,968.88
0140115342 4299 OPER TSF TO DBT SVC - LEASE STREET LIGHTING	395,475.00	395,475.00		395,475.00
0140113090 4299 CONTINGENCY	585,000.00	585,000.00		585,000.00

DEPARTMENT / ACCOUNT	2017 BUDGET	FEBRUARY, 2017	
		BEGINNING BAL	ACTIVITY
0140113100 4299 OECD CONTINGENCY	45,000.00	45,000.00	45,000.00
0140116090 4299 UNENCUMBERED EXPENSES PRIOR YEAR OBLIG. MAUS AUTOMOTIVE	850,000.00	850,000.00	459.75
0140116270 4299 COURT AWARDS	200,000.00	72,676.20	72,676.20
0140117020 4299 VETERAN'S ORGANIZATION	100.00	100.00	100.00
0140117060 4299 TRIPP PARK COMMUNITY CENTER	1,000.00	1,000.00	1,000.00

RESOLUTION NO. \_\_\_\_\_

2017

**AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A CONTRACT WITH KNOWLES ASSOCIATES LLC, FOR INSURANCE BROKERAGE SERVICES FOR A PERIOD OF THREE (3) YEARS WITH THE OPTION OF A TWO-YEAR CONTRACT EXTENSION FROM APRIL 1, 2017 TO MARCH 31, 2020, AND A CONTRACT WITH CNA INSURANCE COMPANY, HARLEYSVILLE INSURANCE COMPANY, QBE SPECIALTY INSURANCE COMPANY, MERKEL AMERICAN INSURANCE COMPANY AND SAFETY NATIONAL INSURANCE COMPANY FOR CITY INSURANCE COVERAGES FOR A ONE (1) YEAR PERIOD FROM APRIL 1, 2017 THROUGH MARCH 31, 2018.**

WHEREAS, a Request for Proposals was advertised for the City of Scranton Insurance Brokerage Services, and only one (1) Request for Proposal was submitted for review; and

WHEREAS, after review of the proposal submitted it was determined that it would be in the best interest of the City to award the Contract to Knowles Associates LLC for the reasons provided in the Memo attached hereto from the Business Administrator.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON** that the Mayor and other appropriate City Officials are authorized to execute any and all documents necessary to enter into a Contract with Knowles Associates LLC ("Knowles") for insurance brokerage services for a three (3) year period from April 1, 2017 through March 31, 2020 with the option of a two year contract extension, and for insurance coverage for: Property, Equipment, and Equipment Breakdown, Electronic Data Processing, General Liability, Crime (Employee Dishonesty and Money) with CNA Insurance Company; Commercial Automobile Coverage with CNA Insurance Company & Harleystville Insurance Company; Law Enforcement Professional Liability, Public Officials and Employment Practices Liability, with QBE Specialty Insurance Company; Fiduciary Liability with Merkel American Insurance Company; and Specific Excess Workers Compensation coverage with Safety National Insurance Company, for the period April 1, 2017 through March 31, 2018, all based on the Insurance Proposal from Knowles attached hereto marked as Exhibit "A" and incorporated herein by reference thereto.

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**SECTION 1.** If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intend of this Resolution and the effective administration thereof.

**SECTION 2.** This Resolution shall become effective immediately upon approval.

**SECTION 3.** This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF LAW

PENNSYLVANIA CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

March 21, 2017

To the Honorable Council  
Of the City of Scranton  
Municipal Building  
Scranton, PA 18503

RECEIVED

MAR 21 2017

OFFICE OF CITY  
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A CONTRACT WITH KNOWLES ASSOCIATES LLC, FOR INSURANCE BROKERAGE SERVICES FOR A PERIOD OF THREE (3) YEARS WITH THE OPTION OF A TWO-YEAR CONTRACT EXTENSION FROM APRIL 1, 2017 TO MARCH 31, 2020, AND A CONTRACT WITH CNA INSURANCE COMPANY, HARLEYSVILLE INSURANCE COMPANY, QBE SPECIALTY INSURANCE COMPANY, MARKEL AMERICAN INSURANCE COMPANY AND SAFETY NATIONAL INSURANCE COMPANY FOR CITY INSURANCE COVERAGES FOR A ONE (1) YEAR PERIOD FROM APRIL 1, 2017 THROUGH MARCH 31, 2018.

Respectfully,

Jessica L. Boyles, Esquire  
City Solicitor

JLB/sl

# CONTRACT

This contract entered into this \_\_\_\_ day of \_\_\_\_\_ 2017 effective from  
April 1, 2017 to March 31, 2020 by and between the City of Scranton, 340 North  
Washington Avenue, Scranton, PA 18503, hereinafter called "Scranton" and

**KNOWLES ASSOCIATES LLC  
316 PENN AVENUE  
SCRANTON, PA 18503  
PHONE NO. (570) 342-3214  
FAX NO. (570) 342-3125**

hereinafter called "Contractor".

WITNESSETH:

WHEREAS, Scranton desires the Contractor to perform certain work and services in accordance with the terms and conditions hereinafter set forth and the Contractor is ready, willing and able to perform such work and services.

NOW THEREFORE, in consideration of the promises contained herein and the promises each to the other made, the parties do agree and intend to be legally bound as follows:

## ARTICLE I - CATEGORY OF WORK AND SERVICES

The work and services to be performed by Contractor shall be in the general fields of Insurance Brokerage Services for City of Scranton and Insurance coverage. The Contractor hereby covenants, contracts and agrees to furnish Scranton with:

**INSURANCE BROKERAGE SERVICES  
CITY OF SCRANTON FOR A THREE (3) YEAR PERIOD  
WITH THE OPTION OF A TWO YEAR CONTRACT  
EXTENSION AND INSURANCE COVERAGE WITH  
INSURANCE COMPANIES FOR A PERIOD OF ONE (1) YEAR  
PER THE ATTACHED BID PROPOSAL AND  
SCRANTON'S INSURANCE SPECIFICATTONS**

Said services to be furnished and delivered in strict and entire conformity with Scranton's Specifications marked as Exhibit "A" attached hereto and incorporated herein by reference thereto and the Bid Proposal submitted by Knowles Associates LLC dated March 15, 2017 attached hereto marked as Exhibit "B" and incorporated herein by reference thereto. Said Bid Proposal and Specifications are hereby made part of this Agreement as fully and with the same effect as if set forth at length herein.

## ARTICLE II - GENERAL

(1) In the performance of the work and services hereunder, the Contractor shall act solely as an independent contractor, and nothing contained or implied shall at any time be so construed as to create the relationship of employer and employee, partnership, principal/agent, or joint adventurer as between Scranton and the Contractor.

(2) Failure of either party to enforce any of its rights hereunder shall not constitute a waiver of such rights, or of any other rights hereunder.

ARTICLE III - FEES

Said services to be furnished and delivered in strict and entire conformity with the Bid Proposal and Specifications attached hereto. Said Bid Proposal and Specifications are incorporated herein by reference as though set forth at length.

Contractor agrees that no remuneration for its' services shall be paid by Scranton and that all remuneration for Contractors' services shall be paid by the insurance carriers.

ARTICLE IV - INDEMNIFICATION

The Contractor shall indemnify, defend, and hold harmless Scranton from and against any and all claims and actions, based upon or arising out of damage to property or injuries to person or other acts caused or contributed to by Contractor or anyone acting under the Contractor's direction or control or on the Contractor's behalf in the course of the Contractor's performance under this contract.

ARTICLE V - INSURANCE

- (1) Contractor represents that it now carries, and agrees it will continue during the term of this Contract to carry, at a minimum: Workers' Compensation, Comprehensive General and Contractual Liability and Professional Liability Insurance in the following amounts:

Table with 2 columns: TYPE OF INSURANCE and LIMITS OF LIABILITY. Rows include Workers' Compensation, Employer's Liability, Comprehensive General Liability (including Blanket Contractual Liability Insurance) with sub-rows for Bodily Injury, Property Damage, and Personal Injury, and Comprehensive Automobile Liability with sub-rows for Bodily Injury and Property Damage.

- (2) Certificates of all insurance provided by the Contractor shall be available for Scranton's review and will be furnished to Scranton if requested. Such copies of certificates shall include the following:

- (a) Name of insurance company, policy number, and expiration date;
(b) The coverage required and the limits on each, including the amount of deductibles or self-insured retentions (which shall be for the account of the Contractor);
(c) A statement indicating Scranton shall receive thirty (30) days notice of cancellation or significant modification of any of the policies which may affect Scranton's interest;

- (d) A statement confirming Scranton has been named an additional insured (except for Worker's Compensation) on all policies; and
- (e) A statement confirming that Scranton, its agents, and employees have been provided a waiver of any rights or subrogation, which the Contractor may have against them.

#### ARTICLE VI: TERMINATION OF CONTRACT

If through any cause the CONTRACTOR shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or in the event of violation of any of the covenants contained herein, or in the event of violation of the laws applicable to implementation of the project contemplated by this Agreement, or in the event of misuse of funds, mismanagement, criminal activity or malfeasance in the implementation of this Agreement, Scranton shall thereupon have the right to terminate this Agreement by giving written notice to the CONTRACTOR specifying the effective date of termination. Said notice shall be given in writing to the CONTRACTOR and will be effective upon receipt by the CONTRACTOR. In such an event all project records, unused grant monies, and such amounts as may have been expended contrary to the terms of this Agreement shall be returned to the Scranton.

#### ARTICLE VII: DEFAULT

In the event of a default by Contractor under this Agreement, the defaulting party then shall reimburse the non defaulting party for all costs and expenses incurred by the non defaulting party in connection with the default, including without limitation, court costs and attorneys fees at the trial level and on appeal.

#### ARTICLE VIII: JURISDICTION

This Agreement shall be construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania and all obligations hereunder are to be performed in Lackawanna County, Pennsylvania. Jurisdiction over the subject matter and performance of this Agreement is therefore vested in the Lackawanna County Court of Common Pleas.

#### ARTICLE IX - ENTIRE AGREEMENT

This contract constitutes the entire agreement between Scranton and Contractor. It supersedes all prior contemporaneous communications, representations or agreements whether oral or written with respect to the subject matter thereof and if it has been induced by no representations, statements or agreements other than those expressed. No agreement hereafter made between the parties shall be binding on either party unless reduced to writing and signed by an unauthorized officer of the party sought to be bound thereby.

IT IS FURTHER UNDERSTOOD AND AGREED that this contract is entered into under and subject to the provisions of the Act of Assembly of the Commonwealth of Pennsylvania, approved March 7, 1901, its supplements and amendments, and the liability of the City of Scranton herein limited to the amount appropriated for the same and subject to the Section 6-13 of the Administrative Code of the City of Scranton which limits payments of money out of the City Treasury to appropriations made by the Council

IN WITNESS WHEREOF the parties hereto have, in due form of law, caused this agreement to be executed the day and year first above written.

ATTEST:

\_\_\_\_\_  
CITY CLERK

BY: \_\_\_\_\_  
MAYOR

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

COUNTERSIGNED:

\_\_\_\_\_  
CITY CONTROLLER

\_\_\_\_\_  
BUSINESS ADMINISTRATOR

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY SOLICITOR

DATE: \_\_\_\_\_

KNOWLES ASSOCIATES LLC

\_\_\_\_\_  
BY:

TITLE: \_\_\_\_\_

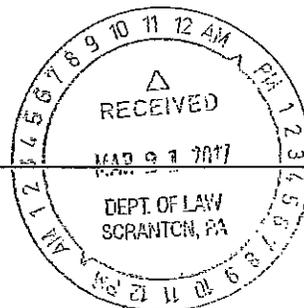
DATE: \_\_\_\_\_

BUSINESS ADMINISTRATION

City Hall  
340 North Washington Avenue  
Scranton, Pennsylvania 18503  
Tel: (570) 348-4118  
Fax: (570) 348-4225



SCRANTON



March 21, 2017

Memo

To: William Courtright, Mayor  
Jessica Boyles, Solicitor  
Lori Reed, City Clerk

From: David Bulzoni, Business Administrator

Re: Insurance Coverage Renewal/Appointment of an Agent/Broker

I have reviewed the proposal received on March 15 and recommend the following:

1. Retention of Knowles Associates as the Agent/Broker for a period of three years, as indicated in the Request for Proposal, from April 1, 2017 to March 30, 2020. The Request for Proposal also allows a one two year contract extension following the conclusion of the contract period.
2. Approval of the coverage as indicated in the proposal. The total premium for the renewal City of Scranton policies is \$701,116, which represents an approximate savings of \$148,000 compared to the most recent assigned total premium. The reduction in premium was affected to a significant extent by the use of a three year coverage period. The insurance broker was able to obtain multiple quotes for review prior to selecting the most advantageous for inclusion in the proposal. The City has not been the recipient of multiple insurance quotes during the prior request for proposal process.

The premium decrease is measurable and represents a decrease of approximately 19%. A fee of \$890 fee indicated in the proposal is included in the total premium. The compensation paid to Knowles Associates is a percentage of the premium paid by the insurers and not included in the quotes premium. The industry standard is typically 12-15%. The Request for Proposal required a statement of compensation if the premium paid to the insurer exceeded 15%. The premium paid to Knowles Associates would not exceed this average.

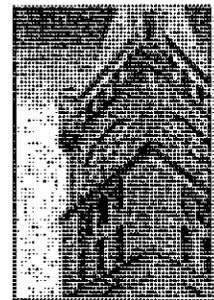
In addition to the premium reduction, it should be noted that Knowles and Associates provided exemplary service to the City of Scranton for the prior fifteen years. The origins of the company date back to 1963. The present ownership has been in place since 1988. The company employs fourteen individuals and is headquartered in downtown Scranton. The City of Scranton account manager is Patty Hozempa. She has twenty-seven years of experience working with commercial lines of business and ten years working with the City of Scranton.

The company has been proactive in evaluating the City's risk profile and recommending the most appropriate coverage in the different policy areas. Value added propositions are included in the proposal for the City to review and the company continues to actively reduce the City's coverage declination rate.

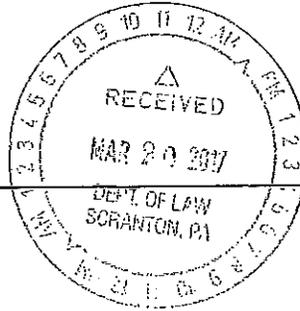
**The Office of the Business Administrator recommends the retention of Knowles and Associates based on the above information.**

Department of Business Administration

City Hall  
340 North Washington Avenue  
Scranton, Pennsylvania 18503  
Tel: (570) 348-4118  
Fax: (570) 348-4225



SCRANTON



March 17, 2017

Mr. David Bulzoni  
Business Administrator  
Municipal Building  
Scranton, Pa. 18503

Dear Mr. Bulzoni,

This is to inform you that proposals were opened Monday, March 17, 2017 in Council Chambers for the **City Of Scranton Insurance Brokerage Services**.

Attached are the copies of the proposals submitted by the following companies:

**Knowles Associates**

Thank you for your cooperation in this matter.

Sincerely,

Julie Reed,  
Purchasing Clerk

Encls.

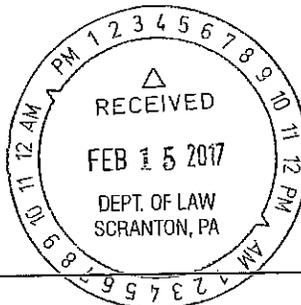
CC: Mrs. Roseann Novembrino, City Controller  
Mrs. Lori Reed, City Clerk  
✓ Ms. Jessica Boyles, City Solicitor  
File

Department of Business Administration



SCRANTON

City Hall  
340 North Washington Avenue  
Scranton, Pennsylvania 18503  
Tel: (570) 348-4118  
Fax: (570) 348-4225



February 14, 2017

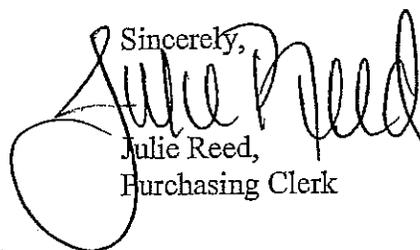
Mr. David Bulzoni  
Business Administrator  
Municipal Building  
Scranton Pa, 18503

Dear Mr. Bulzoni

This is to inform you that proposals will be opened in Council Chambers on Friday, March 17, 2017 at 10:00 A.M. for the following:

**CITY OF SCRANTON  
INSURANCE BROKERAGE SERVICES**

Attached, please find an Invitation to Bidders, and Specifications.  
Thank you for your cooperation in this matter.

Sincerely,  
  
Julie Reed,  
Purchasing Clerk

CC: Mayor William Courtright  
Mrs. Roseann Novembrino, City Controller  
Mrs. Rebecca McMullen, Financial Manager  
Mrs. Lori Reed, City Clerk  
● Mr. Jason Shrive, City Solicitor  
File

**REQUEST FOR PROPOSAL**  
**Insurance Brokerage Services**

**City of Scranton**

**DATE OF ISSUANCE**

**February 10, 2017**

Separate sealed proposals will be received by the City of Scranton, 340 North Washington Avenue, Scranton, PA 18503 until 10:00 a.m. March 17, 2017, at which time such proposals will be opened in the City Council Chambers for the following:

**CITY OF SCRANTON**  
**Insurance Brokerage Services**  
**APRIL 1, 2017 – MARCH 31, 2020**

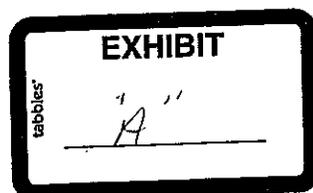
The Agent/Broker awarded the bid will be the broker of record for three consecutive years. All proposals shall be in accordance with the Request for Proposal (RFP) specifications which are now available and can be picked up at the Office of the Bureau of Purchasing, 4<sup>th</sup> Floor, City Hall, 340 North Washington Avenue, Scranton, PA 18503.

Sealed envelopes containing the proposals will be received and identified by "City of Scranton Insurance Brokerage Services". The envelopes should be delivered or mailed to the Office of the City Controller, at the address listed above, so as to arrive by the date and time specified above. The City of Scranton will require six (6) copies of this proposal.

If you have any questions, please call David M. Bulzoni, Business Administrator, at (570) 348-4118.

David M. Bulzoni

Business Administrator



**REQUEST FOR PROPOSALS FOR  
INSURANCE BROKERAGE SERVICES**

**TABLE OF CONTENTS**

<b>Part I</b>	<b>INTRODUCTION</b>
<b>Part II</b>	<b>GENERAL INFORMATION FOR PROPOSERS</b>
<b>Part III</b>	<b>INFORMATION REQUIRED FROM PROPOSERS</b>
<b>Part IV</b>	<b>CRITERIA FOR SELECTION</b>
<b>Part V</b>	<b>WORK STATEMENT</b>

**Attachments**

**Please Note the following forms and/or certifications are required to validate the proposal:**

Each proposal must be accompanied by a signed proposal, certificate of insurance, and signed anti-collusion and affirmative action affidavit.

1. A certificate of insurance of the prospective bidder's insurance coverage. The City requires the successful bidder to carry Professional Liability insurance at a minimum of \$1,000,000 occurrence/aggregate. All insurance coverage must be kept in effect during the contract period. The loss of insurance coverage could result in the voiding of the contract;
2. A statement of assurance the prospective bidder is not currently in violation of any regulatory rules and regulations that may have an impact on its operations;
3. A statement the prospective bidder is not involved in any litigation with the City;
4. Certification of Qualifications;
5. Insurance Coverages and Loss Data.

## **PART I INTRODUCTION**

**I-1** The City of Scranton (the "City") is issuing a request for proposal (RFP) to qualified entities seeking to act as an insurance broker of record for the City with respect to the City's insurance coverage and certain related matters. The respondent will be selected to provide professional services for the City's insurance needs for Property, Equipment and Equipment Breakdown, General Liability, Crime, E.D.P., and Commercial Automobile Coverage, Law Enforcement Liability, Public Officials and Employment Practices, Fiduciary Liability, Excess Workers Compensation and General Liability – Nay Aug Waterslide. Named insureds are the City of Scranton and Scranton Municipal Recreation Authority. The proposal will provide quotations for each coverage according to the instructions in Section II-19. The City may award a single broker of record or may award multiple proposals for distinct and specific policies of insurance. The award will be made to a proposer or proposers who meet the scope of services, qualifications and general description of work activities.

**I-2** The City's casualty/ property insurance program is administered by the Office of Business Administration, Department of Human Resources, with assistance from the Business Administrator and City Solicitor who would assist with insurance, indemnification, and contractual issues.

**I-3** The City currently has over 475 full-time employees, seasonal employees, and operates a police force, a fire department, public works department, recreational facilities, and seasonal recreation programs.

**I-4** The City currently owns and operates a fleet of approximately 270 vehicles and owns and operates approximately 55 buildings and structures.

**I-5** The City maintains several policies of insurance listed in Section I-1, from a variety of providers as listed on the attachment.

**I-6** The City is issuing this Request for Proposal to ensure it is obtaining appropriate insurance coverage at competitive costs and is properly protecting employees and assets.

**I-7** The City is protected by Governmental Immunity under the Political Subdivision Tort Claims Act, yet seeks to ensure protections for any actions that may present actions not protected under a claim of negligence, including civil rights or other statutory actions

## **PART II GENERAL INFORMATION FOR PROPOSERS**

### **II-1 Purpose**

This request for proposal (RFP) provides interested prospective proposers with sufficient information to enable them to prepare and submit proposals for consideration by the City to satisfy a need for **Insurance Brokerage Services**. Such services may be awarded to a single proposer or multiple proposers based upon the nature of the proposal, the qualifications and needs of the City.

### **II-2 Issuing Office**

This Request is issued for the City by The Office of Business Administration.

### **II-3 Scope**

This Request contains instructions governing the proposals to be submitted and the material to be included therein; a description of the service to be provided; requirements which must be met to be eligible for consideration; general evaluation criteria; and other proposal requirements.

### **II-4 Problem Statement**

The City of Scranton is seeking proposals from qualified companies for selection as insurance broker on behalf of the City for its various insurance policies. A detailed work statement is provided in Part V of this Request for Proposal.

## **II-5 Type of Contract**

It is proposed that if a contract is entered into as a result of this RFP, it will be a fee for services structure. The broker/agent will be compensated from the insurer (s) for their fee/commission. The City of Scranton requires the commission percentage will be stated if it exceeds the industry average of 15%. Otherwise, a statement of the commission percentage is not required. The City may in its sole discretion undertake negotiations with respondents whose proposals as to price and other factors show them to be qualified, responsible, and capable of performing the work. Negotiations may be undertaken with those respondents whose proposals prove them to be qualified, responsible and capable of fulfilling the requirements of the Request for Proposal. The contract will be entered into a manner that is most advantageous to the City based upon the considerations set forth in this Request. Failure of a Proposer to accept the obligations in a proposed contract may be a basis to award the contract to another respondent.

## **II-6 Rejection of Proposals**

The City reserves the right to reject any and all proposals received as a result of this request, or to negotiate separately with competing respondents. The award may or may not be made to the firm with the lowest cost insurance proposal.

## **II-7 Subcontracting**

Any use of subcontractors by a respondent must be identified in the proposal. During the contract period use of any subcontractors by the selected Proposer, which were not previously identified in the proposal, must be approved in advance in writing by the City. A firm that responds to this solicitation as a primary respondent may not be included as a designated subcontractor to another firm that responds to the same solicitation. **Multiple responses under any of the foregoing situations may cause the rejection of all responses of the firm or firms involved.** This does not preclude a firm from being set forth as a designated subcontractor to more than one primary contractor responding to the project advertisement.

## **II-8 Incurring Costs**

The City of Scranton is not liable for any costs the Proposer incurs in preparation and submission of its proposal, in participating in the Request process or in anticipation of a contract award.

## **II-9 Questions and Answers**

Written questions may be submitted to clarify any points in the Request which may not have been clearly understood. Written questions should be submitted by email to Julie Reed, City of Scranton Purchasing Department at [jreed@scrantonpa.gov](mailto:jreed@scrantonpa.gov) with "Insurance Broker RFP Questions" in the subject line to be received no later than (March 10, 2017). All questions will be submitted in electronic format and will be responded to accordingly. Answers will be considered as addenda to the Request for Proposal. All prospective proposers should register at the address of the City Purchasing Department in order to receive any answers to questions provided to other proposers. The failure to register is an interpretation that you did not formally receive the Request for Proposal package.

## **II-10 Addenda to the RFP**

If it becomes necessary to revise any part of this Request for Proposal before the proposal response date, those requesting the proposal package will be notified of the change.

## **II-11 Response**

To be considered proposals must be delivered to the City of Scranton as separate sealed proposals, to the Attention of Roseann Novembrino, City Controller, Second Floor, City Hall, City of Scranton, 340 North Washington Avenue, Scranton, PA 18503 until 10:00 a.m. March 15, 2017. **Please note that use of U.S. Mail, FedEx, UPS, or other delivery method, does not guarantee delivery to this address by the above-listed time for submission.** Proposers mailing proposals should allow sufficient delivery time to ensure timely receipt of their proposals. If the City office location to which proposals are to be delivered is closed on the proposal response date, due to inclement weather, natural disaster, or any other cause, the deadline for submission shall be automatically extended until the next City business day on which the office is open. Unless the Proposers are otherwise notified by the City, the time for submission of proposals shall remain the same.

### **II-12 Proposals**

For consideration, prospective proposers should submit a complete response to this Request for Proposal using the format provided in PART III. Each proposal should be submitted in six (6) hard copies. No other distribution of proposals will be required by the prospective Proposer. Each proposal page should be numbered for ease of reference. Proposals must be signed by an official authorized of the prospective proposer to validate the submission. For this Request for Proposal to be considered, the proposal must remain valid until April 1, 2017. Moreover, the contents of the proposal of the selected Proposer will become contractual obligations if a contract is executed.

Each and every Proposer submitting a proposal specifically waives any right to withdraw or modify it, except as hereinafter provided. Proposals may be withdrawn by written or telefax notice received at the City's address for proposal delivery prior to the exact hour and date specified for proposal receipt. However, if the Proposer chooses to attempt to provide such written notice by telefax transmission, the City shall not be responsible or liable for errors in telefax transmission. A proposal may also be withdrawn in person by a Proposer or its authorized representative, provided its identity is made known and it signs a receipt for the proposal, but only if the withdrawal is made prior to the exact hour and date set for proposal receipt. A proposal may only be modified by the submission of a new sealed proposal or submission of a sealed modification which complies with the requirements of this Request for Proposal.

### **II-13 Economy of Preparation**

Proposals should be prepared simply and economically, providing a straightforward, concise description, without undue elaboration, of the Proposer's ability to meet the requirements of the Request for Proposal.

### **II-14 Discussions for Clarification**

Firms submitting proposals may be required to make an oral or written clarification of their proposals to the Issuing Office to ensure thorough for any provisions requiring clarification. The issuing office of the City of Scranton will initiate requests for clarification.

### **II-15 Best and Final Offers**

The Office of Business Administration reserves the right to conduct discussions with prospective proposers for the purpose of obtaining "best and final offers." To obtain best and final offers from proposers, the Office of Business Administration may do one or more of the following:

- a) enter into pre-selection negotiations;
- b) schedule oral presentations;
- c) request revised proposals.

The Office of Business Administration will limit any discussions to responsible proposers reasonably susceptible of being selected for award.

### **II-16 Prime Proposer Responsibilities**

The selected proposer will be required to assume responsibility for all services offered in its proposal whether or not it produces them. Further, the City will consider the selected proposer as the sole point of contact with regard to contractual matters.

### **II-17 Proposal Contents**

Proposals will be held in confidence and will not be revealed or discussed with competitors, unless disclosure is required to be made (i) under the provisions of any Commonwealth or United States statute or regulation; or (ii) by rule or order of any court of competent jurisdiction. All material submitted with the proposal becomes the property of the City of Scranton. The City has the right to use any or all ideas presented in any proposal. Selection or rejection of the proposal does not affect this right.

In accordance with the Pennsylvania Right-to-Know Law (RTKL), 65 P.S. § 67.707 (Production of Certain Records), Proposers shall identify any and all portions of their Proposal that contains confidential proprietary information or is protected by a trade secret. Proposals shall include a written statement signed by a representative of the company/firm identifying the specific portion(s) of the Proposal that contains the trade secret or confidential proprietary information.

Proposers should note that “trade secrets” and “confidential proprietary information” are exempt from access under Section 708(b)(11) of the RTKL. Section 102 defines both “trade secrets” and “confidential proprietary information” as follows:

**Confidential proprietary information:** Commercial or financial information received by an agency: (1) which is privileged or confidential; and (2) the disclosure of which would cause substantial harm to the competitive position of the person that submitted the information.

**Trade secret:** Information, including a formula, drawing, pattern, compilation, including a customer list, program, device, method, technique or process that: (1) derives independent economic value, actual or potential, from not being generally known to and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use; and (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The term includes data processing software by an agency under a licensing agreement prohibiting disclosure. 65 P.S. §67.102 (emphasis added).

### **II-18 Continuity**

Unless specifically noted in this section, Proposers must provide all services to complete the identified work. The Contractor shall provide qualified staffing and maintain maximum continuity during the term of the Agreement for these services.

### **II-19 Cost Submittal**

The insurance cost submittal shall be identified separately as an addendum to the proposal. **Failure to meet this requirement may result in disqualification of the proposal.**

### **II-20 Term of Contract**

The term of the contract will commence on the Effective Date (as defined below) and will be for three (3) years from that date with the option of one (1) two-year contract extension. The City shall fix the Effective Date after the contract has been fully executed by the Contractor and by the City and all approvals required by City contracting procedures have been obtained.

### **II-21 Proposer’s Representations and Authorizations**

Each Proposer by submitting its proposal understands, represents, and acknowledges that:

A. All information provided by, and representations made by, the Proposer in the proposal are material and important and will be relied upon by the Issuing Office in awarding the contract(s). Any misstatement, omission or misrepresentation shall be treated as fraudulent concealment from the Issuing Office of the true facts relating to the submission of this proposal. A misrepresentation shall be punishable under 18 Pa. C.S. 4904.

B. The price(s) and amount of this proposal have been arrived at independently and without consultation, communication or agreement with any other Proposer or potential Proposer.

C. Neither the price(s) nor the amount of the proposal, including any commission rates or payment based upon insurance costs and neither the approximate price(s) nor the approximate amount of this proposal, have been disclosed to any other firm or person who is a Proposer or potential Proposer, and they will not be disclosed on or before the proposal submission deadline specified in the cover letter to this Request for Proposal.

D. No attempt has been made or will be made to induce any firm or person to refrain from submitting a proposal on this contract, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.

E. The proposal is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.

F. To the best knowledge of the person signing the proposal for the Proposer, the Proposer, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four (4) years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract, except as disclosed by the Proposer in its proposal.

G. To the best of the knowledge of the person signing the proposal for the Proposer and except as otherwise disclosed by the Proposer in its proposal, the Proposer has no outstanding, delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal or other obligation of the Proposer that is owed to the Commonwealth.

H. The Proposer is not currently under suspension or debarment by the Commonwealth, or any other state, or the federal government, and if the Proposer cannot certify, then it shall submit along with the proposal a written explanation of why such certification cannot be made.

I. The Proposer has not, under separate contract with the Issuing Office, made any recommendations to the Issuing Office concerning the need for the services described in the proposal or the specifications for the services described in the proposal.

J. Each Proposer, by submitting its proposal, authorizes all Commonwealth agencies to release to the City information related to liabilities to the Commonwealth including, but not limited to, taxes, unemployment compensation, and workers' compensation liabilities.

**A. General.** Before the execution of a Contract, Provider must submit certificates of insurance evidencing the coverage required as acceptable to the City. All policies will be endorsed to contain the following clause: "The City of Scranton and Broker of record will be notified within Thirty (30) days by written notice of any cancellation, non-renewal, limit of or coverage reduction." The preceding is subject to existing Commonwealth of Pennsylvania statutory cancellation provisions relating to non-payment of premium and misrepresentation by the insured. The City expects to maintain the insurance described herein for the entire duration of the Contract. All insurance policies must be written by an Insurance Company licensed and/or authorized to do business in Pennsylvania and acceptable to the City having an A.M. Best's rating of no less than B+. Have all insurance policies and certificates signed by a resident Pennsylvania Agent of the issuing Company. However, in the case of an eligible surplus lines insurer, have all policies and certificates also signed by a party duly authorized to bind, on behalf of the eligible surplus lines insurer, the certified coverage's.

#### **Right to Assign Legal Counsel**

The City of Scranton reserves the right to assign Legal Counsel with respect to the following policies:

- a. Law Enforcement Liability
- b. Public Official Liability
- c. Employment Practice Liability

### **PART III**

#### **INFORMATION REQUIRED FROM PROPOSERS**

Proposals must be submitted in the format, including heading descriptions, outlined below. To be considered, the proposal must respond to all requirements in this part of the Request and provide any type of insurance that the proposer may not be applying for. Any other information thought to be relevant, but not applicable to the enumerated categories, should be provided as an appendix to the proposal. Each proposal shall consist of six (6) separately sealed submittals. The submittals are as follows: (i) Technical Submittal, in response to Part II hereof; (ii) Cost Submittal, in response to Part II-19 hereof.

The City reserves the right to request additional information which, in the City's opinion, is necessary to assure that the Proposer's competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the Request. The City may make such investigations as deemed necessary to determine the ability of the Proposer to perform the work, and the Proposer shall furnish to the Issuing Office all such information and data for this purpose as requested by the City. The City reserves the right to reject any proposal if the evidence submitted by, or investigation of, such Proposer fails to satisfy the City that such Proposer is properly qualified to carry out the obligations of the agreement and to complete the work specified.

#### **III-1 Work Plan**

Provide a detailed plan summary of coverages based upon the published bid specifications. Any modifications of the coverages must be noted in the proposal.

#### **III-2 Prior Experience**

The Proposal should include experience in Insurance Brokerage and Consultant Services. Experience shown should be work done by individuals who will be assigned to this project as well as that of your company. It is critical to this proposal that you provide a list of municipal entities that you serve as the broker of record. For all similar municipal entities please provide the name and address of the client and the years of engagement.

#### **III-3 Personnel**

The proposal will include the number, and names where practicable, of executive and professional personnel, analysts, auditors, researchers, programmers, consultants, etc., who will be engaged in the work. Office locations for these personnel will be included in the listing. The information will include experience in Insurance Brokerage and Consultant Services. Indicate the responsibilities each will have in this project and how long each has been with your company. A minimum of three employees will be identified as assigned to the City of Scranton. Identify subcontractors you intend to use and the services they will perform.

### **III-4 Training**

If appropriate, indicate recommended training of City personnel. In certain instances, broker may be required to attend safety meetings and/or coordinate with counsel for the City. In the case of the proposer providing Worker's Compensation insurance policies, the proposer must be prepared to assist with all discounts for the City based upon safety programs and policies.

### **III-5 Cost of Insurance**

Proposers should specifically set forth the type of insurance that it seeks to submit a proposal for as broker of record. The proposer should set forth a specific cost estimate for the insurance. Proposer should summarize its strategy for procuring such insurance policies and identify existing relationships for coverage.

### **III-6 Cost Submittal**

The information requested in this section shall constitute your cost submittal. **The Cost Submittal shall be provided as an exhibit within the proposal, separate from the technical submittal.** Provide a detailed compensation structure. It is anticipated that the selected Proposer will be compensated from the insurer(s) in the form of City and/or fees for coverage placed by the selected Proposer. Proposers should **not** include any assumptions in their cost submittals. If the proposer includes assumptions in its cost submittal, the Issuing Office may reject the proposal unless specifically requested by the City to do so. Proposers should direct in writing to the Issuing Office any questions about whether a cost or other component is included or applies. All Proposers will then have the benefit of the Issuing Office's written answer so that all proposals are submitted on the same basis. **Any costs not identified in the cost proposal will be assumed as no charge to the City.**

**The selected Proposer shall only perform work on this contract only upon formal approval by the Council of the City of Scranton. The City shall issue a Notice to Proceed to the selected Proposer authorizing the work to begin on a date which is on or after formal Council approval. The selected Proposer shall not start the performance of any work prior to the date of the Notice to Proceed and the City shall not be liable to pay the selected Proposer for any service or work performed or expenses incurred before the date set forth in the Notice to Proceed. No City employee has the authority to verbally direct the commencement of any work under this Contract without formal Council approval.**

## **PART IV CRITERIA FOR SELECTION**

### **IV-1**

#### **Mandatory Responsiveness Requirements**

To be eligible for selection, a proposal must be (a) timely received from a Proposer; (b) properly signed by the Proposer; and (c) formatted such that all cost data is kept separate from and not included in the Technical Submittal.

### **IV-2 Proposal Evaluation**

Proposals will be reviewed, evaluated, and rated by the Office of Business Administration and subject to approval from the Mayor and City Council. The award will only be made to a Proposer(s) determined to be responsive and responsible in accordance with the Request for Proposal following approval by Scranton City Council. The City of Scranton is not obligated to accept the lowest cost proposal if not in the best interest of the City.

**IV-3 Evaluation Criteria**

The following criteria will be used in evaluating each proposal:

Responsiveness Criteria		Points (maximum)
1	Cost of Insurance	25
2	Understanding of City's Operation and Related Insurance Needs/Ability to Perform	25
3	Qualifications and Experience of Team Members	20
4	Input from Reference Contacts	10
5	Quality and Comprehensiveness of Proposal/Compliance	10
6	Principal Location in the City of Scranton	10

**1. Cost of Insurance**

Cost data will be identified separately in an exhibit to the proposal. Cost should be delineated in tabular format. This refers to the Proposer's understanding of the City needs that generated the RFP, of the City's objectives in asking for the services or undertaking the study, and of the nature and scope of the work involved.

**2. Understanding of the City's Operation and Related Insurance Needs.**

Does the Proposer have a thorough understanding of the operation of the City government and the related insurance needs. Does the Proposer have the ability to meet those needs on a consistent basis. This also criterion includes the Proposer's financial ability to undertake a project of this size.

**3. Proposer Qualifications and Team Experience.**

This criterion refers to the ability of the Proposer to meet the terms of the Request through a competent understanding of the City's insurance needs by those individuals assigned to manage the City's relationship. Particular emphasis is place on the qualifications of the project manager. The Proposer's demonstrated experience with similar municipal entities and their history of savings and relationships with insurance coverage providers will be considered.

**4. Input of Reference.**

This criterion refers to the attestation of the quality of management supporting existing municipal relationships. Three references will be provided.

**5. Quality and Comprehensiveness of Proposal/Compliance with Proposal Criteria.**

Emphasis here is on concisely meeting the requirements of the Request for Proposal. Elaborate proposals receive no more weighting than those with concise responses.

**6. Principal Location in the City of Scranton.**

This criterion emphasizes the commitment of the firm to the City of Scranton by a physical presence within the City geography.

**PART V**

## **WORK STATEMENT**

### **V-1 Objectives**

#### **A. General.**

The City is seeking proposals from qualified firms to act as an insurance broker and consultant for services related to the types of insurance, and any other recommended insurance, set forth in Part I-5 above.

#### **B. Specific.**

The insurance broker will provide an assessment of the market conditions that will affect the insurance placement of the listed coverages over the period of appointment and shall function as a member of the City's risk management team and provide the following specific services:

1. Gather all requisite exposure data and loss data from the City for use in development of and/or updating of coverage specifications.
2. Prepare coverage specifications for the City's review and approval.
3. Negotiate with interested insurance carriers to obtain the most favorable rates and premiums available to the City under the existing market conditions.
4. Review all proposals received from insurance carriers with the City, with written recommendations as needed which shall state in detail satisfactory to the City the reasons for the recommendation or course of action.
5. Act upon the selected course of action and purchase insurance without lapse in coverage. The necessary policies and coverages selected on behalf of the City will be purchase with an assurance to providing a smooth transition, when necessary.
6. Monitor and update coverages and recommend additional coverages and/or insurances that may be necessary for the City based upon their risks (including but not limited to cyber security).
7. Be familiar with the operations of the City of Scranton and the function of each City Departmental duties in order to formulate the type of insurance necessary to protect the City's interests.
8. Meet with City Business Administrator, Human Resources Director, City Solicitor and staff when necessary to review coverages and concerns.
9. Provide insurance requirements and risk management training to City personnel when necessary.
10. Establish and maintain with City personnel an updated listing of real and personal property owned or lease by the City and intended for coverage and to determine and update the types of coverage necessary to protect the City's interests.

#### **V-2 Nature and Scope of the Project.**

The Proposer shall provide the available resources to effectively review and place All-Risk, Builder's Risk, Terrorism, Commercial Umbrella, Director's & Officers, Workers' Compensation, Boiler & Machinery coverage's, auto and liability, cyber, and necessary policies for all departments of the city including police and fire services as applicable. Such broker shall be familiar with the city government operations and ensure all appropriate policies and coverages are in place and exclusions are fully analyzed.

#### **V-3 Requirements.**

All work performed by the proposer shall be done by personnel experienced in performing their assigned function. Proposer must list all persons working on this project including support staff and shall include their qualifications to do the work assigned them.

#### **V-4 Tasks.**

Assign experienced staff immediately upon proposal acceptance and execution of an Agreement to assess the City's insurance needs and provide recommendations regarding the appropriate types of insurance for the City. Conduct and provide an analysis of the City's real property and develop an appropriate limits structure.

Effectively review the City's current policy limits including deductibles, terms and conditions. Review the Property policy limits under Division I of the All-Risk and Builder's Risk. Division I assets to include: Buildings and their contents, telecommunications, parks and recreation facilities. Review the Property policy limits under Division II of the All-Risk and Builder's Risk. Division II assets to include: roadways and additional structures. Analyze proposals received from various insurance companies and other parties, negotiate changes for the benefit of the City of Scranton and verify the reasonableness of the price for the coverage provided. Make recommendations to the City as to the most advantageous insurance program providing the highest level of coverage at the best possible price to meet the City's needs and objectives. Provide other insurance consultation services as it relates to any and all operations of the City in properly advising limits of insurance coverage for the coverages listed in Plan I-5 above, and similar cost reduction protocol. Solicit premium quotes from various insurance companies for such existing and proposed insurances. Establish desired coverage and continuously review the policy elements to achieve established goals. Review and comment on the financial condition and ratings of Insurance Carriers providing the coverages noted in Section V-1 above. Represent the City of Scranton in all negotiations with insurers, underwriters and other parties with regard to the insurance program with input and status with City Personnel. When instructed to do so by the City of Scranton, administer the placement of coverage and provide original binders, policies, and endorsements as required in the timetable specified by the City of Scranton. For written coverage, timeliness is essential and the selected broker shall agree to place coverage and issue binders prior to each policy's respective expiration.

Assure that insurance policies are placed with reputable and financially responsible insurers (based on insurance rating among other criteria), including keeping the City of Scranton informed of any changes in rating of the insurers and making recommendations should ratings change during the policy term. Continually evaluate the insurance program and recommend coverage changes and improvements to provide the highest level of coverage at the least possible cost to the City of Scranton. Oversee and coordinate all relevant services performed by insurance companies/underwriters or any service agencies arranged for insurance program related issues and concerns. Assist the City of Scranton in the completion of all applications, documents and gathering data which may be requested by insurance companies. Assign an Account Manager to the City of Scranton who will be responsible for communication with the City of Scranton and who, along with any other team members assigned, must be available on a daily basis to the City of Scranton for advice and consultation on insurance program related issues and concerns. Provide such other services related to the insurance coverage as the City of Scranton may reasonably request.

#### **V-5. Reports and Project Control.**

Upon completion of their review, the proposers will present to the City a detailed report on the current status of all coverages and provide a certification letter to the City outlining their findings, recommendations, and overview of the insurance policies.

**INSURANCE SPECIFICATIONS**

**PREPARED FOR:**

**CITY OF SCRANTON**

**SCRANTON MUNICIPAL RECREATION AUTHORITY**

**2-3-17**

## LOCATIONS

<u>PREMISE #</u>	<u>BUILDING #</u>	<u>ADDRESS</u>
1	1	340 N. Washington Avenue, Scranton, PA 18503
2	1	518 Mulberry Street, Scranton, PA 18510
3	1	940 Wyoming Avenue, Scranton, PA 18509
4	1	205 -207 E. Market Street, Scranton, PA 18508
5	1	1047 North Main Avenue, Scranton, PA 18508
6	1	1900 E. Mountain Road, Scranton, PA 18505
7	1	2101 Pittston Avenue, Scranton, PA 18505
8	1	1409 Ash Street, Scranton, PA 18510
9	1	1919 Luzerne Street, Scranton, PA 18504
10	1	500 Vine Street, Scranton, PA 18509
11	1	1032 Greenridge Street, Scranton, PA 18509
12	1-15	Nay Aug Park, Scranton, PA 18510
13	1-3	960 Providence Rd., Weston Field, Scranton, PA 18508
14	1	Connell Park, Scranton, PA 18505
14		Connell Park, Scranton, PA 18505 Dog Park (Liab Only)
15	1-2	Novembrino Swim Complex, Scranton, PA 18504
16	1-2	Capouse Avenue Swim Complex, Scranton, PA 18509
17	1-3	Holister & Golden/Weston Park, Scranton, PA 18508
18	1	10 Mountain Lake Road, Scranton, PA 18505
19		Broadway St S. Side Sport Comp Scranton PA 1850 (Liab Only)
20		800 Providence Road, Scranton, PA 18508 (Liab Only)
21	1	Locust Street/South Side, Scranton, PA 18505

22	1	Holister & Stanley, Scranton, PA 18508
23	1	Cayuga & Putnam, Scranton, PA 18508
24	1	1531-1533 Nay Aug Avenue, Scranton, PA 18510
25	1	101 W. Poplar Street, Scranton, PA 18509
26	1	100 South Washington Avenue, Scranton, PA 18503
27	1	Merrifield Avenue, Scranton, PA 18504
28		2935-2937 Pittston Avenue, Scranton, PA 18503 (Liab Only)
29		PrinceSt,BaldMtRd,Laurel Mt Rd, Taylor,PA Acres(LiabOnly)
30	1	1300 Block of Diamond Avenue, Scranton, PA 18503
31	1	Providence Square, Scranton, PA 18505
32	1-2	500 Lackawanna Avenue, Scranton, PA 18505
33	1	Comors Park, 500 Orchard St, Scranton, PA 18509

## Property Insurance Coverage

### CAUSE OF LOSS FORM USED:

Special Form

Replacement Cost

Blanket Building & Contents Agreed Amount \$43,319,223

Business Income \$250,000

Terrorism Included

Deductible \$25,000

### PRM# BLD# SUBJECT OF INSURANCE AMOUNT

#### 340 N. Washington Avenue, Scranton, PA 18503 – City Hall

1 1 Building \$6,542,570

1 1 Contents \$376,288

#### 518 Mulberry Street, Scranton, PA 18510 – Fire Headquarters

2 1 Building \$2,520,059

2 1 Contents \$113,571

#### 940 Wyoming Avenue, Scranton, PA 18509 – Fire House #6

3 1 Building \$624,207

3 1 Contents \$62,943

#### 205 -207 E. Market Street, Scranton, PA 18508 – Fire House #8

4 1 Building \$637,272

4 1 Contents \$105,360

#### 1049 North Main Avenue, Scranton, PA 18508 – Fire House #9

5 1 Building \$521,142

5 1 Contents \$80,730

#### 1900 E. Mountain Road, Scranton, PA 18505 – Fire House #10

6 1 Building \$220,649

6 1 Contents \$34,207

PRM# BLD# SUBJECT OF INSURANCE AMOUNT

**2101 Pittston Avenue, Scranton, PA 18505 – Fire House #13**

7	1	Building	\$675,016
7	1	Contents	\$165,567

**1409 Ash Street, Scranton, PA 18510 – Fire House #15**

8	1	Building	\$171,294
8	1	Contents	\$42,417

**1917 Luzerne Street, Scranton, PA 18504 – Luzerne Engines #7 & #14**

9	1	Building	\$537,108
9	1	Contents	\$109,465

**500 Vine Street, Scranton, PA 18509 – Library (Albright)**

10	1	Building	\$4,108,158
10	1	Contents	\$13,684

**1032 Greenridge Street, Scranton, PA 18509 - Library**

11	1	Building	\$377,429
11	1	Contents	\$27,367

**Nay Aug Park, Scranton, PA 18510 – Zoo Building**

12	1	Building	\$483,399
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**Nay Aug Park, Scranton, PA 18510 – Park Office**

12	2	Building	\$181,456
12	2	Contents	\$91,677

**Nay Aug Park, Scranton, PA 18510 – Filter Building**

12	3	Building	\$72,582
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**Nay Aug Park, Scranton, PA 18510 – Storage Building**

12	4	Building	\$36,290
12	4	Contents	\$4,105

PRM# BLD# SUBJECT OF INSURANCE AMOUNT

**Nay Aug Park, Scranton, PA 18510 – Bath House**

12	5	Building	\$166,939
12	5	Contents	\$17,788

**Nay Aug Park, Scranton, PA 18510 – Comfort Station**

12	6	Building	\$53,711
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**Nay Aug Park, Scranton, PA 18510 – Band Stand #1**

12	7	Building	\$91,454
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**Nay Aug Park, Scranton, PA 18510 – Band Stand #2**

12	8	Building	\$95,809
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**Nay Aug Park, Scranton, PA 18510 – Snack Shop**

12	9	Building	\$91,454
12	9	Contents	\$9,577

**Nay Aug Park, Scranton, PA 18510 – Waterslide/Pool Complex**

12	10	Building	\$316,458
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**Nay Aug Park, Scranton, PA 18510 – Foot Bridge & Observation Platform**

12	11	Building	\$335,532
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**Nay Aug Park, Scranton, PA 18510 - Treehouse**

12	12	Building	\$671,065
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**Nay Aug, Scranton, PA 18510 - Greenhouse**

12	13	Building	\$168,826
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**Mulberry St, Scranton, PA 18510 – Lower Playground near Footbridge**

12	14	Playground Equipment	\$84,414
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**Mulberry St, Scranton, PA 18510 – Upper Playground near Pool**

12	15	Playground Equipment	\$39,393
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**960 Providence Rd/Weston Field, Scranton, PA 18508 – Field House**

13	1	Building	\$4,545,105
13	1	Contents	\$551,430

PRM# BLD# SUBJECT OF INSURANCE AMOUNT

**960 Providence Rd./Weston Field, Scranton, PA 18508 - Pavilion**

13	2	Building	\$426,782
13	2	Contents	\$216,195

**960 Providence Rd./Weston Field, Scranton, PA 18508 -- Bath House**

13	3	Building	\$181,456
13	3	Contents	\$39,681

**Connell Park, Scranton, PA 18505 -- Bath House/Filter Room**

14	1	Building	\$236,619
14	1	Contents	\$39,681

**Novembrino Swim Complex, Scranton, PA 18504 -- Bath House**

15	1	Building	\$123,391
15	1	Contents	\$20,524

**Novembrino Swim Complex, Scranton, PA 18504 -- Filter Building**

15	2	Building	\$72,582
15	2	Contents	\$8,210

**Capouse Swim Complex, Scranton, PA 18509 -- Filter House**

16	1	Building	\$55,163
16	1	Contents	\$5,472

**Capouse Swim Complex, Scranton, PA 18509 -- Bath house**

16	2	Building	\$185,810
16	2	Contents	\$31,156

**Holister & Golden/Weston Park, Scranton, PA 18508 -- Meeting Hall**

17	1	Building	\$387,588
17	1	Contents	\$56,101

**Holister & Golden/Weston Park, Scranton, PA 18508 -- Filter House**

17	2	Building	\$58,065
17	2	Contents	\$5,472

PRM# BLD# SUBJECT OF INSURANCE AMOUNT

**Holister & Golden/Weston Park, Scranton, PA 18508 – Bath House**

17	3	Building	\$184,359
17	3	Contents	\$31,441

**10 Mountain Lake Road, Scranton, PA 18505 –Community Center/ARC**

18	1	Building	\$332,425
18	1	Contents	\$49,260

**Locust Street/South Side, Scranton, PA 18505 – Pump House**

21	1	Building	\$145,164
21	1	Contents	\$346,183

**Holister & Stanley, Scranton, PA 18508**

22	1	Building	\$177,101
22	1	Contents	\$68,416

**Cayuga & Putnam, Scranton, PA 18508**

23	1	Building	\$105,971
23	1	Contents	\$13,684

**1531-1533 Nay Aug Avenue, Scranton, PA 18509**

24	1	Building	\$137,907
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**101 W. Poplar Street, Scranton, PA 18509 - DPW**

25	1	Building	\$5,234,636
25	1	Contents	\$1,287,585

**100 South Washington Avenue, Scranton, PA 18503 – Police Station**

26	1	Building	\$5,024,930
26	1	Contents	\$118,412

**Merrifield Avenue, Scranton, PA 18504**

27	1	Building	\$62,410
27	1	Contents	\$55,791

PRM# BLD# SUBJECT OF INSURANCE AMOUNT

**1300 Block of Diamond Avenue, Scranton, PA 18503**

30 1 Building \$691,881

**Providence Square, Scranton, PA 18505 - Clock**

31 1 Building \$33,425

**500 Lackawanna Ave, Scranton, PA 18505 - Clock**

32 1 Building \$42,139

**500 Lackawanna Ave, Scranton, PA 18505 - Elevator/Stairs/Walkway**

32 2 Building \$750,000

**500 Orchard Street, Scranton, PA 18509 - Pavilion/Playground**

33 1 Building \$22,511

33 1 Fence \$45,895

33 1 Equipment \$32,782

## Equipment Breakdown

<u>COVERAGES</u>	<u>LIMITS</u>
Equipment Breakdown Limit	Property Damage Included
Business Income	Included
Extra Expense	Included
Spoilage	Included
Data Restoration	Included
Demolition and ICC	Included
Expediting Expenses	Included
Hazardous Substances	Included
Utility Services	Included
Newly Acquired Locations 180 Days	
Service Interruption 24 hour deductible	
Deductible	\$25,000

## Equipment Floater Limits

TYPE OF EQUIPMENT DEDUCTIBLE

Scheduled Equipment \$10,000 Ded

Replacement Cost

Misc. Equipment \$7,500 Max Any One Item / \$100,000 Total Limit

Rental Reimbursement \$10,000 Limit

**SCHEDULED EQUIPMENT**

<u>ITEM #</u>	<u>YEAR</u>	<u>DESCRIPTION</u>	<u>MODEL</u>	<u>ID/SERIAL #</u>	<u>AMT OF INS.</u>
1	1989	Case Skid Loader		JAF0017310	\$25,000
2	2007	NH Brush Hog		ACT254827	\$45,000
3	2005	NH Skid Steer		NLS190	\$14,000
4	2015	SCAG Lawn Mower		KO300489	\$9,532
5	2015	Loader	524K	1DW524KZJFE669800	\$138,665
6	2015	Segway PT		152231098213	\$7,500
7	2007	Quickview Camera	E510-9002	0807QV02	\$14,419
8	1989	Ingersol Rand Air Compressor		237964UHD328	\$10,000

## Electronic Data Processing

<u>TYPE OF EQUIPMENT</u>	<u>LIMIT</u>	<u>DEDUCTIBLE</u>
EDP	\$1,131,518	\$10,000

## Commercial Crime Coverage

<u>COVERAGES</u>	<u>LIMIT</u>	<u>DED.</u>
INSURING AGREEMENTS:		
Employee Dishonesty (A)	\$250,000	\$10,000
Forgery or Alteration (B)	\$150,000	\$10,000
Computer & Funds Transfer Fraud	\$100,000	\$10,000
Money and Securities – Inside and Outside	\$100,000	\$10,000
Money Order and Counterfeit Paper – In/Out	\$100,000	\$10,000
Robbery & Safe Burglary Inside the Premises (Property other than Money and Securities)	\$100,000	\$10,000

Joint Insured: Scranton Redevelopment Authority- Employee Dishonesty

## Commercial General Liability Coverage

### COVERAGE WRITTEN ON:

Occurrence Form

<u>COVERAGE</u>	<u>LIMITS</u>
General Aggregate Limit	\$2,000,000
Products/Completed Operations Aggregate Limit	\$2,000,000
Personal/Advertising Injury Limit	\$1,000,000
Each Occurrence	\$1,000,000
Fire Damage Limit – Premises Rented to You	\$1,000,000
Medical Expense Limit - Any One Person	\$5,000
Sexual Molestation Aggregate Limit	\$500,000
Sexual Molestation Per Claim	\$250,000
Deductible Each Claim	\$50,000
Terrorism Included	

Liability coverage extends to the Waterslide and Pool complex -- Nay Aug with \$1,000 Deductible

## Commercial Automobile Coverage

<u>COVERAGE</u>	<u>LIMIT</u>	<u>PER</u>
<b>LIABILITY (A):</b>		
Bodily Injury and Property Damage	\$1,000,000	CSL Ea. Accident
Hired and Non-Owned Auto Liability	Included	
Liability Deductible	\$50,000	Each Accident
Personal Injury Protection Medical Expense Limit	\$10,000	
Uninsured Motorist	Excluded	
Underinsured Motorist	Excluded	
Physical Damage Deductible Comprehensive Collision	\$5,000 \$5,000	
Hired Auto Physical Damage Comprehensive Deductible Collision Deductible	Included \$5,000 \$5,000	
Total Units 282		

## Vehicle Schedule

Year	Make	Model	Vehicle ID
1992	Dodge	Truck	1B6MM36C8NS570769
1997	Ford	Explorer	1FMDU34X9VUD52276
1997	Ford	F-250 P-U	1FHF26H9VED06151
1977	Intl		D1035GCA25640
2003	American	LaFrance	4Z3AADBS03RL65452
1997	Ferrara		4S7CR1098VC21867
1997	Ferrara		4S7HR1090VCO23277
1997	Ferrara		4S7HR1099VC21799
1989	Sutphen		1S9A1BBD3K1003704
1993	Emergency		4ENDAA81P1002983
1995	Emergency		4ENGAA86S1004931
1990	Sutphen	Truck	1S9A1BBDXL1003751
1986	Sutphen	Ladder Trk	1S9A3KFB5G1003359
2002	Ferrara	Truck	4S7AX42922C042463
2002	Scott	Trailer	1SSTT1PT7211SS612
2002	Chevy	Sedan	2G1WF55KX29366498
2002	Chevy	Sedan	2G1WF55K329367069
2001	Chevy	Sedan	2G1WF55K519311729
2002	Chevy	Sedan	2G1WF55K929360806
1997	Dodge	Sedan	2B2HD46F9VH759096
2000	Chevy	Blazer	1GNDDT13WOY2274756
2001	Dodge	Pick-Up	1B7GG26N11S212355
1997	Ford	Bucket TK	1FLDF47F1VEC12411
1994	Ford	Van	1FDKE30G0RMC05210

<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Vehicle ID</u>
2004	Yamaha	ATV	5Y4JW41Y54A000873
2002	Sterling	Dump	2FZAAWAK92AK15780
2002	Sterling	Dump	2FZAAWAK02AK15781
2003	Ford	Dump	1FDAF57FX3EA54063
2003	Ford	Dump	1FDAF57F53EA33511
2003	Ford	Dump	1FDAF57F63EA40256
2003	Ford	Dump	1FDAF57P23EB48866
2000	GMC	Dump	1GDKC34J8YF442131
1990	GMC	Truck	1GDT7D4YXLV507751
1999	Volvo	Pack	4VMDCKHE9XN784474
2003	Intl	Truck	1HTMMAAL03H590018
2003	Intl	Truck	1HTMMAAL23H590019
2003	Intl	Truck	1HTMMAAN33H597367
2003	Intl	Truck	3HTMMAANX3N590026
2003	Intl	Truck	3HTMMAAN13N590021
2003	Intl	Truck	1HTMMAAB03H597176
2003	Peterbilt	Dump	2NPNHD8X33M809418
2003	Peterbilt	Dump	2NPNHD8X53M809429
1978	Mitler	Welder	
	Blaw-Knox	Paver	PF875010015
	General	Trailer	15584
1995	Viking	Trailer	1V915302751038260
2003	Powell	Trailer	1P9CP232X3P252003
2003	Haulmark	Trailer	16HPB16214P033777
1997	Ford	Pickup	1FTHF26H8VEC74521
1997	Ford	Pickup	1FTHF26HXVEC74522

<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Vehicle ID</u>
1997	Ford	Pickup	1FTHF26H6VEC74520
1997	Ford	Pickup	1FTDF1727VNA26540
1973	Wenger	Showmobile	1491
1994	Cross	CountryTRL	1CSFS1214R1431412
1987	Kustom Kar	Trailer	100352
1986	Olathe	Trailer	350163
2005	Ford	350 Pickup	1FTWF33565ED28759
2005	Ford	350 Pickup	1FTWF33525ED28760
2005	Ford	250 Pickup	1FTNF21535ED28761
1988	Chevy	Van	1GCJP32JXJ332978
2004	Sterling	Pack	2F2HCKDC24AN21022
2004	Sterling	Pack	2FZHCHDC04AN21035
2004	Sterling	Pack	2FZHCHDC84AN21042
2005	Ringo	Trailer	5M7UF16255PO00586
2005	Dodge	Pickup	1D7HW42K15S179531
2005	Dodge	Pickup	1D7HW42K35S179532
2005	Dodge	Pickup	1D7HW42KS5S179533
2005	Dodge	Pickup	1D7HW42K75S179534
2005	Eager	BeaverTrlr	11248V322SL069660
2005	John Deere	160C Excav	FF160CX045059
2004	John Deere	310Backhoe	T0310SG931964
2006	Freightlin	DumpTrtk	1FVHC7CV86HW24069
2007	Freightlnr	TriaxleDum	1FVHC5DEO7HX62645
2000	Chevy	Malibu	1G1NE52J8Y6344557
2000	Ford	Van	1FTSE34F94HA33182
2003	Intl	Trtk	3HTMMAANX3N590020

Year	Make	Model	Vehicle ID
2003	Chevy	Trailblazer	1GNDDT13S232195658
2003	John Deere	Wheel Load	DWTCH54H589178
2007	Ford	Crown Vic	2FAFP71W77X100549
2007	Ford	Crown Vic	2FAFP71W57X100551
2007	Ford	Crown Vic	2FAFP71W77X100552
2007	Freightlin	DumpTrk	1FVHC7DE97HY31327
2006	Kenco	Trlr	1K9FA11256S188127
2003	Ford		2FAFP71W63X168786
2003	Ford	Crown Vic	2FAFP71W83X217888
2003	Ford	Crown Vic	2FAFP71W53X203074
2003	Ford	Crown Vic	2FAFP71W33X130657
2006	GMC	Broom	J8DE5B16567300391
2006	GMC	Broom	J8DE5B16767301286
2003	Inf1		1HTMMAAP93H575942
2004	Jeep	S/W	1J8GW48S34C254826
2007	Ford	F550	1FDAW57P87EB31303
2003	Chevy	Impala	2G1WF52E639229400
2007	Freightlin	DUMP	1FVDC3DJ77HY31329
2007	Frieghtlin	DUMP	1FVDC3DJ57HY31331
2007	Sterling	Packer	2FZHCHDC47AZ50733/FP5018801
2007	Sterling	Packer	2FZHCHDC67AZ50734/FP5018802
2007	Sterling	Packer	2FZHCHDCX7AZ50736/FP5018803
2004	GMC	Envoy	1GKDT13S042343756
2003	Chevy	Impala	2G1WF52E039356577
2002	Chevy	Impala	2G1WH55K229175474
2002	Chevy	Impala	2G1WH55K029210187

<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Vehicle ID</u>
2008	Ford	Expedition	1FMFU165X8LA47405
2005	Chevy	Trailblazer	1GNDT13SX52261537
2005	Chevy	Impala	2G1WF55K059191621
2004	Chevy	Impala	2G1WF55K249348192
2003	Chevy	Van	1GCFG15X431132436
2006	Thortravel	Trailer	47CTS5P206L117174
2006	Gulfstream	Trailer	1NL1GTM2461071194
2007	Sterling	Packmaster	2FZACGDC87AY06680
2007	Sterling	Packmaster	2FZACGDCX7AY06681
2009	Harley	Mtr Cycle	1HD1FMM159Y605108
2009	Harley	Mtr Cycle	1HD1FMM149Y602314
2009	Harley	Mtr Cycle	1HD1FMM1X9Y603063
2009	Harley	Mtr Cycle	1HD1FMM149Y606217
2009	Harley	Mtr Cycle	1HD1FMM119Y604618
2008	Ford	Expedition	1FMFU16528LA78275
2008	Ford	Expedition	1FMFU16508LA78274
2008	Ford	Crown Vic	2FAFP71V68X179673
2008	Ford	Crown Vic	2FAFP71V88X179674
2008	Ford	Bear Cat	1FDAF57R68ED38551
2008	Ford	Expedition	1FMFU16548LA78176
2005	Chevy	Impala	2G1WF55K359309290
2008	Ford	550	1FDAF56RX8EE32949
2010	KME	Fire Truck	1K9AF4283AN058760
2000	Chevy	SW	3GNFK16T4YG120099
2009	Carry On	Trailer	4YMUL101X9V036721
2003	Chevy	Blazer	1GNDT13X33K109530

<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Vehicle ID</u>
2004	Chevy	Impala	2G1WF525549306362
2005	Chevy	Impala	2G1WF55K559312885
2007	Western	Dump	5KKHAECV57PW39141
2002	Chevy	SW	1GNNDT13S322150565
2010	Chevy	Pickup	1GC3KVBG9AF122563
2010	Chevy	Pickup	1GC3KVBG0AF121396
2010	Ford	550	1FDAF5HR8AEA98388
2009	Ford	550	1FDAF57R99EA75179
2009	Ford	550	1FDAF57R99EB14708
2006	Ford	Explorer	1FMEU74E86UB38911
2002	Chevy	Van	1GCFG15W121147613
2011	Intl	7400	1HTWGAZT5BJ321265
2011	Intl	7400	1HTWGAZT3BJ321264
2011	Intl	7400	1HTWGAZT1BJ321263
2003	Chevy	SW Blazer	1GNNDT13X43K119435
1984	Spartan	Fire Engin	S29XT6F03EC423680
2006	Chevrolet	Impala	2G1WB58K769430705
2000	Ford	Taurus	1FAFP5323YG249546
2001	GMC	Savanna	1GDGG31W311900090
2007	Ford	Crown Vic	2FAHP71W17X148251
2004	Chevrolet	Impala	2G1WF55KX49370800
2007	Ford	Crown Vic	2FAFP71W17X153439
2003	Ford	Crown Vic	2FAFP71W23X196911
2000	Ford	Explorer	1FMPU16L7YLC35415
2005	Chevrolet	Impala	2G1WF55K359312996
2007	Wells	Cargo Trlr	1W4200F2378010236

<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Vehicle ID</u>
2007	Freightlin	Dump	1FVDC3DJ57HY31328
2007	Freightlin	Dump	1FVDC3DJ37HY31330
2007	JD	Backhoe 310SG	T0310SG961307
2004	Jeep	GR Cheke	1J4GW48S44C254545
2010	Quality	Trailer	5NDFT1624AS001656
2006	Chevrolet	Uplander	1GNDX33L06D221496
2011	Ford	F350	1FT8W3DT4BEB32840
2005	Chevy	Impala	2G1WF55K159312091
2007	Chevy	Impala	2G1WS58R179415745
2007	Chevy	Impala	2G1WS58R279415558
2007	Chevy	Impala	2G1WS58BX79381885
2001	Dodge	SW	1B4HS28N81F637500
2008	Dodge	S/W	1D8HB38N08F140090
2003	Chevy	Sedan	2G1WF55K139354726
2006	Cross	Country	431FS16266100781
2004	GMC	Van	1GTGG29UX41146482
2001	GMC	Van	1GDGG31W211900078
2008	Chevy	Express	1GBHG31K881139450
2006	Chevy	Impala	2G1WS581569362539
2003	Chevy	Van	1GNDX23E43D283698
2005	Ford	Explorer	1FMZU72K35ZA76104
2007	Chevy	Impala	2G1WS58R179415535
2013	Ford	Taurus	1FAHP2L88DG121549
2013	Ford	Taurus	1FAHP2L86DG121548
2013	Ford	Taurus	1FAHP2L82DG121546
2013	Ford	Taurus	1FAHP2L84DG121547

Year	Make	Model	Vehicle ID
2002	Nissa	SW	JN8DR09Y12W715857
2008	Chevy	Impala	2G1WS553681329444
2007	Chevy	Impala	2G1WS58R379322080
2007	Chevy	Impala	2G1WB58K179399257
2007	Chevy	Impala	2G1WS55RX79381132
2004	Ford	Explorer	1FMZU72K54ZB32459
2012	Kubota	RTV	ASKC1HDAHCG035987
2007	Ford	Sedan	2FAFP71W97X100553
2013	Ford	Taurus	1FAHP2M80DG204827
2013	Ford	Taurus	1FAHP2M89DG204826
2013	Ford	Explorer	1FM5K8AR6DGC11160
2013	Ford	Explorer	1FM5K8AR8DGC11161
2013	Ford	Explorer	1FM5K8ARXDGC11159
2006	Chevy	Sedan	2G1WB55K269253419
2004	Ford	Sedan	1FM2U72K942A55501
2014	GMC	Terrain	2GKFLWE35E6101433
2013	Ford	Explorer	1FM5K8AR4DGC92045
2013	Ford	Explorer	1FM5K8AR2DGC92044
2008	Chevy	Impala	2G1W5583X81294936
2014	Ford	Sedan	1FAHP2MK9EG100849
2014	Ford	S/W	1FM5K8D88EGB54545
2014	Ford	S/W	1FM5K8AR6EGA70737
2014	Ford	Explorer	1FM5K8AR2EGB44591
2013	Kovatch	KME	1K9AF4288DN058421
2004	Ford	Van	1FBNE31L14HB06728
2014	Ford	Sedan	1FAHP2MK2EG148340

Year	Make	Model	Vehicle ID
2014	Ford	Sedan	1FAHP2MK4EG148341
2008	Chevy	Sedan	2G1WB58K081217578
2013	Hallmark	Trailer	16HGB1628DP091059
2008	Chevy	SDN	2G1WS583281323586
2003	John Deere	Gator ATV	W0W6X4D001495
2005	Kawasaki	Mule ATV	JK1AFCE166B542804
2014	Belmont	Trailer	1B9CH182XEL657774
2005	Chevy	Van	1GNDV13L35D238978
2015	Ford	Dump Truck	1FDUF5HTXFEB12422
2015	Mack	GU813	1M2AX13C4FM029235
2015	Mack	GU813	1M2AX13C4FM029236
2015	Mack	GU318	1M2AX13C4FM029237
2015	Mack	GU318	1M2AX13C4FM029238
2014	Ford	Intercepto	1FAMP2MK6EG166324
2014	Ford	Intercepto	1FM5K8AR6EGC02234
2014	Ford	Intercepto	1FM5K8AR6EGC02235
2003	Freightlin	Pack Maste	1FVA8XCX53HL79913
2007	Peterbilt		2NPLHZ8XX7M699140
2005	Cargo	Trailer	4UG01C20245A02208
2015	Ford	Expedition	1FMJU1GTXFEB04142
2015	Ford 550	Dump	1FDUF5HT6FEC28104
2001	Chevy 3500	UT	1GBJK34U41E282228
2001	Chrysler	T & C	2C4GP44371R235783
2015	Ford		1FDBF3B63FEB13345
2015	Marathon	Tar Buggy	2M9KEB154F102306
2015	Toyota	Camry	4T1BF1FK2FU046660

<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Vehicle ID</u>
2015	Ford	Police Car	1FAHP2MK8FG165239
2015	Ford	Police Car	1FAHP2MK4FG165240
2015	Ford	Police Car	1FAMP2MK6FG165241
2004	Ford	Expedition	1FMPW6WX4L878878
2003	Jeep	Liberty	1JGU48K03W572510
2016	Ford	F350	1FT8W3D63GEA38918
2008	Mercedes	Sedan	WDDGF81XX8F076590
2011	Chevy	Sedan	2G1WF5EK5B1259504
2011	Chevy	Sedan	2G1WF5EK8B1239411
2010	Chevy	Sedan	2G1WA5EK4A1262987
1999	Chevy	Van	1GBMP32R0X3301554
2016	Mack		1M2AX30CXGM001652
2015	Toyota	Tacoma	3TMMU4FNXFM078694
2015	Ford	Sedan	1FAHP2MK3FG195376
2016	KME	Pumper	1K9AF4S86GN058258
2015	Ford		1FTNR2CMXFKA71192
2016	FORD	F-250	1FTBF2B6CGEB21328
2007	Freightlin		WDYPE745675151618
2016	Ford	F-250 XL	1FTBF2B66GEC44835
2016	Ford	Escape SE	1FMCU9GX9GUB51510
2016	Ford	Intercepto	1FAHP2MK3GG101109
2016	Ford	Intercepto	1FAHP2MK7GG116843
2016	Ford	Intercepto	1FAHP2MK9CG116844
2009	Jeep	SW	1JBFF47B59D242689
2005	Toyota	4 Runner	JTEBT14R150048950
2005	Chevy	Trailblaze	1GNEK13V45J234919

<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Vehicle ID</u>
2016	Ford	F550	1FDUF5HT2GEC44902
2016	Ford	F550	1FDUF5HT6GEC44904
2016	Chevy	Tahoe S/W	1GNSKFEC0GR318397
2017	Mack	Truck	1M2AX13C8HM037065
2016	Ford	Intercepte	1FM5K8ARXGGD32827
2016	Ford	F550	1FDUF5HT0GEC44901
2016	Ford	F550	1FDUF5HT4GEC44903
2016	Dodge	Durango	1C4RDJAG5GC485063
2016	Jeep	Patriot	1C4NURBB6GD640027
1991	GMC		1GDM7H1J2MJ511966
1997	Ford	SW	1FBJS31FLVHB23471
2017	KME	Pumper	1K9AF4S82HN058503
2011	Ford	Taurus	1FAHP2DW1BG168402
2016	Ford	Swat Truck	1FDUF4HY0GEC24850
2017	Ford	Explorer	1FM5K8AR8MGA4414
2017	Ford	Explorer	1FM5K8ARXHGA94415
2003	Mack	Clam Truck	1M2P263CX3M034392
2015	Mack	GU713	1M2AX04C1FM025121
2015	Ford	F-250	1FTBF2868FEB55265
2011	Intl	Vac' Truck	1HTMMAA43BJ387003
2014	Freightlin	Sweep	3ALACXDTXE0FN5049
1999	John Deere	310Backhoe	T0310EX873031
2004	Mitsubishi	SW	4A4MN21S94E130519
2017	Mack	Packer	1M2AX13C7HM038577

## Law Enforcement Professional Liability

<u>COVERAGE</u>	<u>LIMIT</u>
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Each Wrongful Act	\$1,000,000
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Annual Aggregate	\$1,000,000
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Deductible-Each Wrongful Act	\$150,000
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**Coverage Endorsements:**

Occurrence

Defense Cost outside the Limit

Consent to Settle

The City retains the right to assign defense counsel not the insurance carrier.

## Public Official & Employment Practices Liability

<u>COVERAGE</u>	<u>LIMIT</u>	<u>PER</u>
Public Officials Liability and Employment Practices Liability		
Each Wrongful Act	\$1,000,000	
Aggregate Limit of Liability	\$1,000,000	
Deductible-Each Wrongful Act	\$50,000	

### Coverage Endorsements:

Claims Made

Defense Cost outside the Limit

Consent to Settle

Retro Date Full Prior Acts

The City retains the right to assign defense counsel not the insurance carrier.

## Fiduciary Liability

<u>COVERAGE</u>	<u>LIMIT</u>	<u>SIR</u>
Fiduciary Liability	\$1,000,000	\$50,000 Per Claim
Claims Made		
Prior & Pending Date 4-1-2004		

## Specific Excess Workers Compensation Coverage

<u>COVERAGE</u>		<u>LIMITS</u>
Workers Compensation:	Limit each Accident:	\$25,000,000
	Limit each Employee for Disease:	\$25,000,000
Employers Liability:	Limit each Accident:	\$1,000,000
	Limit each Employee for Disease:	\$1,000,000
	Limit-Aggregate:	\$1,000,000
SIR::	Each Accident:	\$800,000
	Each Employee for Disease:	\$800,000
Payroll: \$29,273,011		

## AFFIRMATIVE ACTION CERTIFICATION

During the term of this contract, Bidder agrees as follows:

Bidder shall not discriminate against any employee, applicant for employment, independent contractor or any other person because of race, color, religious creed, ancestry, national origin, age, sex or handicap. Bidder shall take affirmative action to insure that applicants are employed, and that employees or agents are treated during employment, without regard to their race, color, religious creed, ancestry, national origin, age, sex or handicap. Such affirmative action shall include, but is not limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training. Bidder shall post in conspicuous places, available to employees, agents, applicants for employment, and other persons, a notice to be provided by the contracting agency setting forth the provision of this affirmative action certification.

Bidder shall, in advertisements or requests for employment placed by it or on its behalf, state all qualified applicants will receive consideration for employment without regard to race, color, religious creed, ancestry, national origin, age, sex or handicap. Bidder shall send each labor union or workers' representative with which it has a collective bargaining agreement to other contract or understanding, a notice advising said labor union or worker's representative of its commitment to this affirmative action certification. Similar notice shall be sent to every other source of recruitment regularly utilized by bidder.

It shall be no defense to a finding of noncompliance with this affirmative action certification that bidder has delegated some of its employment practices to any union, training program, or other source of recruitment which prevents it from meeting its obligations. However, if the evidence indicates that the bidder was not on notice of the third-party discrimination or made a good faith effort to correct it; such factor shall be considered in mitigation in determining appropriate sanctions.

Where the practices of a union or of any training program or other source of recruitment will result in the exclusion of minority group persons, so that bidder will be unable to meet its obligations under this affirmative action certification, bidder shall then employ and fill vacancies through other affirmative action employment procedures. Bidder shall comply with all state and federal laws prohibiting

discrimination in hiring or employment opportunities. In the event of bidder's noncompliance with the affirmative action certification of this contract or with any such laws, this contract may be terminated or suspended, in whole or in part, and bidder may be declared temporarily ineligible for further City of Scranton contracts, and other sanctions may be imposed and remedies invoked.

Bidder shall furnish all necessary employment documents and records to, and permit access to its books, records, and accounts by, the City of Scranton Department of Business Administration, for purposes of investigation to ascertain Compliance with the provision of this certification. If bidder does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the City of Scranton Department of Business Administration.

Bidder shall actively recruit minority subcontractors or subcontractors with substantial minority representation among their employees.

Bidder shall include the provisions of this affirmative action certification in every subcontract, so that such provisions will be binding upon each subcontractor.

Bidder's obligations under this clause are limited to the bidder's facilities within Pennsylvania, or where the contract is for purchase of goods manufactured outside of Pennsylvania, the facilities at which such goods are actually produced.

Date \_\_\_\_\_

\_\_\_\_\_  
(Name of Bidder)

By \_\_\_\_\_

Title \_\_\_\_\_

**CERTIFICATE OF NON-SEGREGATED FACILITIES**

The Bidder certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder agrees that a breach of this certification will be a violation of the Equal Opportunity clause in any contract resulting from acceptance of his bid. As used in this certification, the term " segregated facilities" means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. The Bidder agrees that ( except where he has obtained identical certifications from proposal sub-contractors for specific time periods) he will obtain identical certifications from proposed sub- contractors prior to the award of sub-contracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause, and that he will retain such certifications in his files.

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

DATE \_\_\_\_\_

\_\_\_\_\_  
(Name of Bidder)

By \_\_\_\_\_

Title \_\_\_\_\_



NONCOLLUSION AFFIDAVIT OF PRIME BIDDER

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

\_\_\_\_\_ being first duly sworn, deposes and says that

1. He is \_\_\_\_\_  
(Owner, partner, officer, representative or agent)

of \_\_\_\_\_, the Bidder that has submitted the bid;

2. He is fully informed respecting the preparation and contents of the attached Bid and of all pertinent circumstances respecting such Bid;

3. Such Bid is genuine and is not a collusive or sham Bid;

4. Neither the said Bidder nor any of its officers, partners, owners, agents, representatives, employees or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm or person to fix the price or prices in the attached Bid or of any other Bidder, or to fix any overhead, profit or cost element of the Bid price or the Bid price of any other Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the CITY OF SCRANTON (Local Public Agency) or any person interested in the proposed Contract; and;

5. The price or prices quoted in the attached Bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

NONCOLLUSION AFFIDAVIT  
SIGNATURE PAGE

SIGNED \_\_\_\_\_

\_\_\_\_\_  
TITLE

SUBSCRIBED AND SWORN TO BEFORE ME  
THIS \_\_\_\_\_ DAY OF \_\_\_\_\_

\_\_\_\_\_  
Title

MY COMMISSION EXPIRES \_\_\_\_\_

March 15, 2017

City of Scranton  
Attention: Controller  
340 North Washington Avenue  
Scranton, PA 18503

Re: City of Scranton Insurance Coverages

Madam,

Enclosed is our response to your request for proposal. This letter will serve as notification that Knowles Associates, LLC is not currently in violation of any regulatory rules and regulations that may have an impact on our operations.

Additionally, please be advised that Knowles Associates, LLC is not involved in any current litigation with the City.

After review, please contact me with any questions.

Thank you very much for the opportunity to present a proposal for your consideration.

Regards,

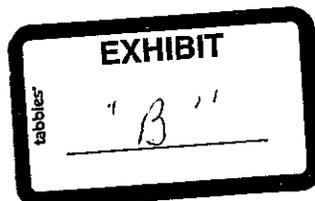


Robert J. Knowles, Jr.

RJK/dmr  
Enclosures

**Knowles Associates L.L.C.**  
**Insurance Consultants**

316 Penn Avenue  
Scranton, PA 18503  
ph: 570.342.3214  
800.566.9537  
fx: 570.342.3125  
www.knowlesins.com



## Bid Premiums

Insured: City of Scranton  
Date: March 15, 2017  
Policy Term: 4-1-17 to 3-31-18

<u>COVERAGE</u>	<u>ANNUAL PREMIUM</u>
Property, Equipment Breakdown, Equipment Floater & EDP Crime, and General Liability	\$154,808
Commercial Automobile	\$127,194
Law Enforcement Liability	\$68,972
Public Officials & Employment Practices	\$96,801
Fiduciary Liability	\$14,766
Excess Workers Compensation	<u>\$238,575</u>
<b>Total Premium</b>	<b>\$701,116</b>
Fees*	<u>\$890</u>
<b>Total Premium and Fees*</b>	<b>\$702,006</b>

\* Fees do not represent compensation paid to Knowles Associates.



**CITY OF SCRANTON**

**REQUEST FOR PROPOSALS**

**III-1 Work Plan**

*Provide a detailed plan summary of coverages based upon the published bid specifications. Any modifications of the coverages must be noted in the proposal.*

See Proposal.

**III-2 Prior Experience**

*The Proposal should include experience in Insurance Brokerage and Consultant Services.*

Knowles Associates has managed the City of Scranton's insurance for fourteen years. Our team has combined experience of over sixty years. Our company's origin dates back to 1963 and the average tenure of client relationships are over seventeen years. Knowles' success is based on a business model designed to lower our clients total cost of risk which is accomplished through the development and implementation of risk reduction strategies. Our proactive risk management solutions produce favorable outcomes and result in clients looking more attractive to the insurance marketplace. This combined with an annual risk assessment produces superior results. For example; The City of Scranton's insurance costs this year will decrease by 19% (approximately \$148,000).

Our strategy includes completing a marketplace analysis every three years. This year over twenty-five insurance carriers aggressively competed for your business. Their keen interest in your program is a reflection of the following factors: an RFP prepared by our agency that clearly outlines Scranton's exposures and claims activity and a three year commitment by the client that provides for pricing stability based on favorable loss experience.

*Experience shown should be work done by individuals who will be assigned to this project as well as that of your company.*

See attached resumes.

*It is critical to this proposal that you provide a list of municipal entities that you serve as the broker of record. For all similar municipal entities please provide the name and address of the client and the years of engagement.*

Kingston Township Supervisors- 180 E. Center Street – Shavertown, PA 18708, 5 years  
Pocono Mountain Regional Police– 2454 Route 940 – Pocono Summit, PA 18346, 4 years

### **III-3 Personnel**

*The proposal will include the number and names where practicable of executive and professional personnel, analysts, auditors, researchers, programmers, consultants, etc. who will be engaged in the work.*

Our account team includes the Producer, Robert J. Knowles, Jr., Account Manager, Patricia M. Hozempa and an Assistant Account Manager, Diane M. Rakowicz.

*Office locations for these personnel will be included in the listing.*

Our account team works out of our Scranton location.

*The information will include experience in Insurance Brokerage and Consultant Services. Indicate the responsibilities each will have in this project and how long each has been with your company. A minimum of three employees will be identified as assigned to the City of Scranton.*

Robert J. Knowles, Jr. has thirty-five years in the insurance industry including Producer, Commercial Property & Casualty Underwriter and Commercial Account Manager and has been with Knowles thirty-four years. Robert will be responsible for overseeing the following areas: developing risk reduction strategies, addressing loss control issues, negotiating pricing and conducting market analysis.

Account Manager, Patty Hozempa, has been with Knowles fourteen years and has thirty-three years experience with commercial lines accounts and thirteen years experience handling the City's insurance and is responsible for the day to day service on the account. All service items and routine coverage issues will be handled by them with the support of an assistant account manager.

Assistant Account Manager, Diane Rakowicz, has been with Knowles seven years and will be responsible for certificates of insurance, maintaining vehicle schedule and supporting the Producer and Account Manager.

*Identify subcontractors you intend to use and the services they will perform.*

We are not using subcontractors for your proposal.

### **III-4 Training**

*If appropriate, indicate recommended training of City personnel. In certain instances, broker may be required to attend safety meetings and/or coordinate with counsel for the City. In the case of the proposer providing Worker's Compensation insurance policies, the proposer must be prepared to assist with all discounts for the City based upon safety programs and policies.*

We currently attend claims review and stewardship meetings with PMA and the City.

### **III-5 Cost of Insurance**

*Proposers should specifically set forth the type of insurance that it seeks to submit a proposal for as broker of record. The proposer should set forth a specific cost estimate for the insurance. Proposer should summarize its strategy for procuring such insurance policies and identifying existing relationships for coverage.*

Our criterion for evaluating and selecting the insurance carrier for the City of Scranton included the following factors:

1. The program/carriers experience with insuring municipalities- We believe stability is a critical factor for any successful insurance program. As a result, we partner with companies that have a long term commitment to this type of risk. They must provide the services required for successful risk management. They must provide broad and comprehensive coverages that insure proper protection. They must have experienced personnel that are able to support the client in matters involving claims, loss control and litigation. Finally, we believe their experience produces the best outcomes as evidenced by consistent pricing.
2. Financial stability-We partner with companies that have the resources to pay claims, provide quality service and offer comprehensive coverage supported by state of the art technology. As a result, the insurance carrier's financial performance measured by A.M. Best is important in our decision making process.
3. Program structure- Since your program includes significant deductibles and assignment of counsel; we evaluate any potential loss adjustment expenses that may impact you. We perform the cost/benefit analysis in selecting the appropriate deductibles/retentions

based on historical claims experience. We also review any subcontractor relationships the program has to insure service standards required by our agency.

4. Pricing- We evaluate this from the broader perspective of *best value*. The premium and related costs are critical but not the sole criterion for our final decision. Our primary concern is that the client is properly insured. Our second concern is the loss control, claims and litigation support provided by the carrier. And lastly, we want to achieve this in a cost effective way which means competitive pricing.

Overall, this process involved discussions with over twenty-five insurance companies and resulted in improved coverages, enhanced services and premium saving of approximately \$148,000. We are recommending a change in carriers for your Package and Auto from Safety National to CNA. The resulting premium savings is approximately \$43,000. CNA has a long history in providing insurance for municipalities. They are rated A XV by A.M. Best and are the 15<sup>th</sup> largest property and casualty insurance company.

### **III-6 Cost Submittal**

*The information requested in this section shall constitute your cost submittal. The Cost Submittal shall be provided as an exhibit within the proposal, separate from the technical submittal. Provide a detailed compensation structure.*

See attached Bid Premium page.



Robert J. Knowles, Jr.

**Robert J. Knowles, Jr.**  
**Knowles Associates**  
**316 Penn Avenue**  
**Scranton, PA 18503**

## **EXPERIENCE**

1985 – Present

Owner – Knowles Insurance Agency, Scranton, PA.

Knowles Insurance is a property-casualty insurance agency operating in Scranton, PA since 1963.

Responsibilities include agency management, strategic planning, sales and marketing.

1995 – 2000

Partner – Employees Choice

Responsible for developing alternative distribution systems for insurance industry employee benefits.

1993 – 1999

Vice-President – Knowles, Fonner & Associates

January 1983 – January 1985

Commercial Account Manager/Producer – Knowles Associates, Scranton, PA.

Responsibilities included servicing agency's existing commercial lines clients as well as increasing agency's client base.

January 1980 – December 1982

Commercial Property & Casualty Underwriter – Hartford Insurance Group, Philadelphia Regional Office, Voorhees, NJ.

June 1979 – December 1980

Assistant Casualty Underwriter – Hartford Insurance Group, Pittsburg Regional Office, Pittsburgh, PA.

## **EDUCATION**

September 1986 – June 1979

College of The Holy Cross, Worcester, MA

Graduate of Bachelor of Science – Economics Major

September 1971 – June 1975

Scranton Preparatory School

## **COMMUNITY INVOLVEMENT**

### **Past**

President – Country Club of Scranton – 2002 – 2004

President – Metro Action – 1996 – 1998

President – Waverly Community House – 2005 – 2007

Board of Directors – Country Club of Scranton – 1994 – 2006

Board of Directors – Scranton Preparatory School – 1998 – 2004

Board of Directors – Junior Achievement – 1999 – 2002

Board of Directors – Chamber of Commerce – 1996 – 1998

Board of Directors – YMCA – 1993 – 2010

Alumni Board of Directors – College of the Holy Cross – 1996 – 2002

Board of Trustees – Keystone College – 2005 – 2009

Member: Performing Arts Authority

Director: Franklin Security Bank

### **Current**

Vice Chairman: Northeastern PA Health Care Foundation

Director: Burkavage Design

Personal: Resides in Waverly, PA with wife Michele and three children, Susan, Jack and Matt

Patricia A. Hozempa  
1529 Old 115  
Dallas, PA 18612

## Qualifications

- Licensed in Property, Casualty & Allied Lines, Life, Accident & Health
- Experience in Commercial Lines Insurance for 33 years
- Member of International Association of Insurance Professionals
- Earned Certified Professional Insurance Woman designation (CPIW)
- Commercial Lines Department Manager-working with 6 Account Managers and 4 Producers
- Account Executive for large commercial accounts
- Obtains continuous education within the insurance industry

## Experience

Knowles Associates, LLC, Scranton, PA December 2003 to Present  
Commercial Lines Account Executive and Commercial Lines Manager

- Service Large Commercial Accounts - \$150,000 and higher
- Work on Multi Line Coverages – Property, General Liability, Workers Compensation, Excess Workers Compensation, Umbrella, Automobile, Inland Marine, Boiler and Machinery, Professional Liability, Director's and Officers, Employment Practices Liability, Cyber Liability, Medical Malpractice
- Process applications, changes, binders, proposals, audits, retro adjustments, claims and billing
- Review policy coverages
- Oversee new business and renewal process including price negotiations
- Provide day to day service to agency clients
- Work with over 25 insurance companies
- Work with staff to improve capabilities and provide excellent customer service
- Meet regularly with insurance company representatives

**Galland, Steinhauer & Repa, Inc., Kingston, PA Sept 1984 to Dec 2003**  
Commercial Lines Account Manager and Automation Manager

- Serviced Commercial Accounts - \$25,000 to \$500,000
- Worked on Multi Line Coverages – Property, General Liability, Workers Compensation, Umbrella, Automobile, Inland Marine, Professional Liability, Liquor Liability, Boiler and Machinery, Directors and Officers, Employment Practices Liability
- Processed applications, changes, binders, proposals, certificate of insurance, auto id cards, audits, claims and billings
- Reviewed policy coverages
- Gathered renewal information
- Marketed new and renewal business, negotiated pricing
- Provided day to day service to agency clients
- Worked with several insurance companies
- Managed and maintained the agency's computer system
- Trained staff on agency management system (Applied Systems) and insurance company software programs

Diane M. Rakowicz  
212 West Atherton Street  
Taylor, PA 18517

## **Experience**

### **Knowles Associates, LLC, Scranton, PA – 2010 to Present**

Administrative Assistant to Robert J. Knowles, Jr., Commercial Lines Account  
Managers and Controller

#### Responsibilities:

- Maintain licenses for 33 states for Principal and Agency
- Process submission applications for agency appointments – Commercial, Personal & Life Insurance
- Policy reviews
- Process Certificates of Insurance & policy changes
- Company correspondence
- Capabilities Presentations
- Customer Service Relations
- Accounting- Accounts Receivable posting, bank deposits, commission posting

### **T. P. Corporation – Duryea, PA 18642 – 1987 – 2008**

Office Manager

#### Responsibilities:

- Weekly payroll administration including quarterly & end of year reports filing
- Accounts Receivable & Accounts Payable posting & invoicing, bank reconciliations
- Human Resource Administration/Employee Benefits
- Direct support to company president & plant manager

### **Topps Chewing Gum, Inc. – Duryea, PA 18642 1976 – 1980**

Human Resources Secretary

#### Responsibilities:

- Support to personnel manager

**AN INSURANCE PROPOSAL  
PREPARED FOR:**

**CITY OF SCRANTON**



**PRESENTED BY:**

**ROBERT J. KNOWLES, JR.**



**March 15, 2017**

## **SERVICING TEAM**

### **Knowles Associates LLC**

316 Penn Ave  
Scranton, PA 18503  
570-342-3214 (Phone)  
570-342-3125 (Fax)  
www.knowlesins.com

### **Account Manager**

Patricia A. Hozempa  
phozempa@knowlesins.com

### **Certificates of Insurance Requests**

Diane M. Rakowicz  
drakowicz@knowlesins.com

# **NAMED INSURED**

City of Scranton

Scranton Municipal Recreation Authority

## LOCATIONS

<u>PREMISE #</u>	<u>BUILDING #</u>	<u>ADDRESS</u>
1	1	340 N. Washington Avenue, Scranton, PA 18503
2	1	518 Mulberry Street, Scranton, PA 18510
3	1	940 Wyoming Avenue, Scranton, PA 18509
4	1	205 -207 E. Market Street, Scranton, PA 18508
5	1	1047 North Main Avenue, Scranton, PA 18508
6	1	1900 E. Mountain Road, Scranton, PA 18505
7	1	2101 Pittston Avenue, Scranton, PA 18505
8	1	1409 Ash Street, Scranton, PA 18510
9	1	1919 Luzerne Street, Scranton, PA 18504
10	1	500 Vine Street, Scranton, PA 18509
11	1	1032 Greenridge Street, Scranton, PA 18509
12	1-15	Nay Aug Park, Scranton, PA 18510
13	1-3	960 Providence Rd. Weston Field, Scranton, PA 18508
14	1-2	Connell Park, Scranton, PA 18505
15	1-2	Novembrino Swim Complex, Scranton, PA 18504
16	1-2	Capouse Avenue Swim Complex, Scranton, PA 18509
17	1-3	Holister & Golden/Weston Park, Scranton, PA 18508
18	1	10 Mountain Lake Road, Scranton, PA 18505
19		Broadway St S. Side Sport Comp, Scranton, PA 18505 (Liab Only)
20		800 Providence Road, Scranton, PA 18508 (Liab Only)
21	1	Locust Street/South Side, Scranton, PA 18505

<u>PREMISE #</u>	<u>BUILDING</u>	<u>ADDRESS</u>
22	1	Holister & Stanley, Scranton, PA 18508
23	1	Cayuga & Putnam, Scranton, PA 18508
24	1	1531-1533 Nay Aug Avenue, Scranton, PA 18510
25	1	101 W. Poplar Street, Scranton, PA 18509
26	1	100 South Washington Avenue, Scranton, PA 18503
27	1	Merrifield Avenue, Scranton, PA 18504
28		2935-2937 Pittston Avenue, Scranton, PA 18503 (Liab Only)
29		Prince St., Bald Mt. Rd., Laurel Mt. Rd., Taylor, PA (Liab Only)
30	1	1300 Block of Diamond Avenue, Scranton, PA 18503
31	1	Providence Square, Scranton, PA 18505
32	1-2	500 Lackawanna Avenue, Scranton, PA 18505
33	1	Connors Park, 500 Orchard St., Scranton, PA 18509

# PROPERTY INSURANCE COVERAGE - CNA

## CAUSE OF LOSS FORM USED:

Special Form: Provides coverage against All Risk of direct physical loss or damage, except those perils that are specifically excluded in the policy, for example:

- Catastrophe: (i.e. flood, earthquake, nuclear disaster)
- Maintenance: (i.e. wear & tear and gradual deterioration)

Blanket Building	\$51,834,001
Including *Scheduled Limit/Functional RC	
500 Vine Street, Albright Bldg. \$6,108,158	
Blanket Contents	\$4,232,222
Replacement Cost	
Agreed Value	
Deductible \$25,000	
Terrorism Included	

### PRM# BLD# SUBJECT OF INSURANCE AMOUNT

#### **340 N. Washington Avenue, Scranton, PA 18503 – City Hall**

1	1	Building	\$9,620,570
1		Contents	\$376,288

#### **518 Mulberry Street, Scranton, PA 18510 – Fire Headquarters**

2	1	Building	\$4,220,059
2	1	Contents	\$113,571

#### **940 Wyoming Avenue, Scranton, PA 18509 – Fire House #6**

3	1	Building	\$994,207
3	1	Contents	\$62,943

#### **205 -207 E. Market Street, Scranton, PA 18508 – Fire House #8**

4	1	Building	\$997,272
4	1	Contents	\$105,360

#### **1049 North Main Avenue, Scranton, PA 18508 – Fire House #9**

5	1	Building	\$821,142
5	1	Contents	\$80,730

**PRM# BLD# SUBJECT OF INSURANCE AMOUNT**

**1900 E. Mountain Road, Scranton, PA 18505 – Fire House #10**

6	1	Building	\$320,649
6	1	Contents	\$34,207

**2101 Pittston Avenue, Scranton, PA 18505 – Fire House #13**

7	1	Building	\$1,575,016
7	1	Contents	\$165,567

**1409 Ash Street, Scranton, PA 18510 – Fire House #15**

8	1	Building	\$451,294
8	1	Contents	\$42,417

**1917 Luzerne Street, Scranton, PA 18504 - #7 and #14**

9	1	Building	\$937,108
9	1	Contents	\$109,465

**500 Vine Street, Scranton, PA 18509 Library (Albright)**

10	1	Building	\$6,108,158*
10	1	Contents	\$13,684

**1032 Greenridge Street, Scranton, PA 18509 - Library**

11	1	Building	\$377,429
11	1	Contents	\$27,367

**Nay Aug Park, Scranton, PA 18510 – Zoo Building**

12	1	Building	\$783,399
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**Nay Aug Park, Scranton, PA 18510 – Park Office**

12	2	Building	\$381,456
12	2	Contents	\$91,677

**Nay Aug Park, Scranton, PA 18510 – Filter Building**

12	3	Building	\$122,582
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**PRM# BLD# SUBJECT OF INSURANCE AMOUNT**

**Nay Aug Park, Scranton, PA 18510 –Storage Building**

12 4 Building \$66,290

12 4 Contents \$4,105

**Nay Aug Park, Scranton, PA 18510 – Bath House**

12 5 Building \$166,939

12 5 Contents \$17,788

**Nay Aug Park, Scranton, PA 18510 – Comfort Station**

12 6 Building \$73,711

**Nay Aug Park, Scranton, PA 18510 – Band Stand #1**

12 7 Building \$91,454

**Nay Aug Park, Scranton, PA 18510 – Band Stand #2**

12 8 Building \$95,809

**Nay Aug Park, Scranton, PA 18510 – Snack Shop**

12 9 Building \$110,454

12 9 Contents \$9,577

**Nay Aug Park, Scranton, PA 18510 – Waterslide/Pool Complex**

12 10 Building \$316,458

**Nay Aug Park, Scranton, PA 18510 – Foot Bridge & Observation Platform**

12 11 Building \$335,532

**Nay Aug Park, Scranton, PA 18510 - Treehouse**

12 12 Building \$671,065

**Nay Aug, Scranton, PA 18510 - Greenhouse**

12 13 Building \$168,826

**Mulberry St, Scranton, PA 18510 – Lower Playground near Footbridge**

12 14 Playground Eq \$84,414

**Mulberry St, Scranton, PA 18510 – Upper Playground near Pool**

12 15 Playground Eq \$39,393

**PRM# BLD# SUBJECT OF INSURANCE AMOUNT**

**960 Providence Rd./Weston Field, Scranton, PA 18508 – Field House**

13	1	Building	\$5,945,105
13	1	Contents	\$551,430

**960 Providence Rd./Weston Field, Scranton, PA 18508 - Pavilion**

13	2	Building	\$726,782
13	2	Contents	\$216,195

**960 Providence Rd./Weston Field, Scranton, PA 18508 – Bath House**

13	3	Building	\$281,456
13	3	Contents	\$39,681

**Connell Park, Scranton, PA 18505 – Bath House//Filter Room**

14	1	Building	\$336,619
14	1	Contents	\$39,681

**Novembrino Swim Complex, Scranton, PA 18504 – Bath House**

15	1	Building	\$223,391
15	1	Contents	\$20,524

**Novembrino Swim Complex, Scranton, PA 18504 – Filter Building**

15	2	Building	\$72,582
15	2	Contents	\$8,210

**Capouse Swim Complex, Scranton, PA 18509 – Filter House**

16	1	Building	\$55,163
16	1	Contents	\$5,472

**Capouse Swim Complex, Scranton, PA 18509 – Bath House**

16	2	Building	\$285,810
16	2	Contents	\$31,156

**PRM# BLD# SUBJECT OF INSURANCE AMOUNT**

**Holister & Golden/Weston Park, Scranton, PA 18508 – Meeting Hall**

17	1	Building	\$487,588
17	1	Contents	\$56,101

**Holister & Golden/Weston Park, Scranton, PA 18508 – Filter House**

17	2	Building	\$98,065
17	2	Contents	\$5,472

**Holister & Golden/Weston Park, Scranton, PA 18508 – Bath House**

17	3	Building	\$284,359
17	3	Contents	\$31,441

**10 Mountain Lake Road, Scranton, PA 18505 – Community Center/ARC**

18	1	Building	\$532,425
18	1	Contents	\$49,260

**Locust Street/South Side, Scranton, PA 18505 – Pump House**

21	1	Building	\$145,164
21	1	Contents	\$346,183

**Holister & StanleyPlace, Scranton, PA 18508 -**

22	1	Building	\$177,101
22	1	Contents	\$68,416

**Cayuga & Putnam, Scranton, PA 18508 Storage/Small Concession Stand**

23	1	Building	\$105,971
23	1	Contents	\$13,684

**1531-1533 Nay Aug Avenue, Scranton, PA 18509**

24	1	Building	\$137,907
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**101 W. Poplar Street, Scranton, PA 18509 - DPW**

25	1	Building	\$5,234,636
25	1	Contents	\$1,287,585

**PRM# BLD# SUBJECT OF INSURANCE AMOUNT**

**100 South Washington Avenue, Scranton, PA 18503 – Police Station**

26	1	Building	\$5,024,930
26	1	Contents	\$118,412

**Merrifield Avenue, Scranton, PA 18504 – Merrifield Pump Station**

27	1	Building	\$62,410
27	1	Contents	\$55,791

**1300 Block of Diamond Avenue, Scranton, PA 18508**

30	1	Building	\$791,881
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**Providence Square, Scranton, PA 18508 - Clock**

31	1	Building	\$33,425
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**500 Lackawanna Ave, Scranton, PA 18503 – Clock**

32	1	Building	\$42,139
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**500 Lackawanna Ave, Scranton, PA 18503 – Elevator/Stairs/Walkway**

32	2	Building	\$750,000
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**500 Orchard Street, Scranton, PA 18505 – Pavilion/Playground**

33	1	Building	\$22,511
33	1	Fence	\$45,895
33	1	Equipment	\$32,782

## PROPERTY EXTENSIONS AND ADDITIONAL COVERAGES

<u>COVERAGE</u>	<u>LIMITS</u>
Accounts Receivable – On Premises/Off Premises	\$250,000/\$50,000
Architects and Engineers Fees	Included
Backup of Sewer or Drains	\$25,000
Brands & Labels	Included in BPP Limit
Building Ordinance or Law	
Coverage A Undamaged Part of Building	Included as part of Building Limit
Coverage B (Demolition) & Coverage C (Increased Cost of Construction)	\$500,000
Business Income	\$250,000
Extra Expense – Other than Rental Value	\$500,000
Debris Removal	\$300,000
Deferred Payments	\$25,000
Exterior Building Glass	Included
Fair or Exhibitions	\$50,000
Fine Arts	\$50,000
Fire Department Service Charge	\$50,000
Inventory and Appraisal	\$50,000
Lost Key Replacement	\$25,000
Newly Acquired or Constructed Property	
Building	\$2,000,000
Business Personal Property	\$1,000,000
Off Premises Services-Direct Damage	\$500,000
Outdoor Signs, Antennae & Towers within \$1,000 feet	Included
Personal Effects	\$25,000
Pollutant Clean Up and Removal – 12 Month Aggregate	\$25,000
Preservation of Property	Included
Property at Unnamed Location (Excl Earthquake & Flood)	\$25,000
Property off Premises	
Property at Temporary Location	\$50,000
Personal Property in Transit	\$50,000
Installation Coverage	\$50,000
Recharge of Fire Protection Equipment	
Covered Cause of Loss	Included
Other than a Covered Cause of Loss	\$25,000
Restoration of Electronic Data - On Premises/Off Premises	\$250,000/\$50,000
Restoration of Valuable Papers - (Other than Electronic Data)	
On Premises/Off Premises	\$250,000/\$50,000
Reward Payments	\$10,000
Storage of Duplicate Data & Records	\$100,000

Theft Damage to Non-Owned Buildings	Included
Trees, Shrubs & Plants	\$25,000
Underground Pipes, Flues & Drains	Included
Policy Deductible	\$25,000

## EQUIPMENT BREAKDOWN - CNA

<u>COVERAGE</u>	<u>LIMITS</u>
Equipment Breakdown Limit	\$50,000,000
Business Income/Extra Expense	\$250,000
Spoilage	\$250,000
Data Restoration	\$250,000
Expediting Expenses	\$250,000
Ammonia Contamination	\$250,000
Hazardous Substances	\$250,000
Ordinance or Law	\$100,000
Errors and Omissions	\$100,000
Brands and Labels	\$100,000
Utility Interruption	\$250,000
Newly Acquired Locations 60 days	
Service Interruption 48 hour deductible	
Deductible	\$25,000

## EQUIPMENT FLOATER LIMITS – CNA

<u>TYPE OF EQUIPMENT</u>	<u>DEDUCTIBLE</u>
--------------------------	-------------------

Scheduled Equipment	\$10,000 Ded
ACV	
Misc. Equipment \$25,000 Per Item/\$100,000 Total Limit	
Rental Reimbursement \$2,500 Per Occurrence/\$10,000 Aggregate	
Leased, Rented, or Borrowed \$75,000 Per Item/\$250,000 Per Occurrence	

### SCHEDULED EQUIPMENT

<u>ITEM #</u>	<u>YEAR</u>	<u>DESCRIPTION</u>	<u>MODEL</u>	<u>ID/SERIAL #</u>	<u>AMT OF INS.</u>
1	1989	Case Skid Loader		JAF0017310	\$25,000
2	2007	NH Brush Hog		ACT254827	\$45,000
3	2005	NH Skid Steer		NLS190	\$14,000
4	2015	SCAG Lawn Mower		KO300489	\$9,532
5	2015	Loader	524K	1DW524KZJFE669800	\$138,665
6	2015	Segway PT		152231098213	\$7,500
7	2007	Quickview Camera	E-5100-9002	0807QV02	\$14,419
8	1989	Ingersol Rand Air Compressor		237964UHD328	<u>\$10,000</u>
<b>Total</b>					<b>\$264,116</b>

## Electronic Data Processing – CNA

<u>TYPE OF EQUIPMENT</u>	<u>LIMIT</u>	<u>DEDUCTIBLE</u>
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EDP	\$1,131,518	\$10,000
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## COMMERCIAL CRIME COVERAGE – CNA

<u>COVERAGES</u>	<u>LIMIT</u>	<u>DED.</u>
INSURING AGREEMENTS:		
Employee Dishonesty (A)	\$250,000	\$10,000
Forgery or Alteration (B)	\$150,000	\$10,000
Computer Fraud	\$100,000	\$10,000
Money and Securities – Inside and Outside	\$100,000	\$10,000
Money Order and Counterfeit Paper – In/Out	\$100,000	\$10,000
Robbery and Safe Burglary Inside the Premises (Property other than Money and Securities)	\$100,000	\$10,000

**Joint Insured:** Scranton Redevelopment Authority-Employee Dishonesty

# COMMERCIAL GENERAL LIABILITY COVERAGE - CNA

## COVERAGE WRITTEN ON:

Occurrence Form

<u>COVERAGE</u>	<u>LIMITS</u>
General Aggregate Limit	\$3,000,000
Products/Completed Operations Aggregate Limit	\$3,000,000
Personal/Advertising Injury Limit	\$1,000,000
Each Occurrence	\$1,000,000
Fire Damage Limit – Premises Rented to You	\$1,000,000
Medical Expense Limit - Any One Person	\$5,000
Sexual Molestation	
Per Claim	\$250,000
Aggregate	\$500,000
Employee Benefits Liability	
Occurrence	\$1,000,000
Aggregate	\$3,000,000
Deductible Per Occurrence	\$50,000

## ENDORSEMENTS:

Pesticide Applicator Coverage  
Terrorism Included

## EXCLUSIONS – THE FOLLOWING ARE IN ADDITION TO THE STANDARD EXCLUSIONS:

Employment Related Practices  
Pollution  
Asbestos  
Silica, Respirable Dust, Lead Paint, Fungi, Mold, Mildew, Yeast Microbe  
Injury to Volunteer Firefighters  
Law Enforcement Activities  
Fireworks  
Carnivals, Circuses, & Fairs  
Communicable Disease

## NOTE:

Waterslide at Nay Aug Park is included in this policy. \$1,000 Deductible.

## COMMERCIAL AUTOMOBILE COVERAGE – CNA & HARLEYSVILLE

<u>COVERAGE</u>	<u>LIMIT</u>	<u>PER</u>
<b>LIABILITY (A):</b>		
Bodily Injury and Property Damage	\$1,000,000	CSL Ea. Accident
Hired and Non-Owned Auto Liability	Included	
Liability Deductible	\$50,000	Each Accident
Personal Injury Protection Medical Expense Limit	\$10,000	
Uninsured Motorist	Excluded	
Underinsured Motorist	Excluded	
Physical Damage Deductible Comprehensive Collision	\$5,000 \$5,000	
Hired Auto Physical Damage Comprehensive Deductible Collision Deductible	\$50,000 \$1,000 \$1,000	
<b>Total Units</b>	<b>282</b>	

**NOTE:**

Replacement Cost coverage for Pumper Trucks, Ladder Trucks, Rescue, and Hazmat Vehicles.

Composite Rated

## **LAW ENFORCEMENT PROFESSIONAL LIABILITY-QBE SPECIALTY INS.**

<b><u>COVERAGE</u></b>	<b><u>LIMIT</u></b>
Each Wrongful Act	\$1,000,000
Annual Aggregate	\$1,000,000
Deductible-Each Wrongful Act	\$150,000

### **Coverage Endorsements:**

Occurrence

Defense Cost outside the Limit

Consent to Settle

### **Approved Defense Council-**

The City would pay attorney directly and then be reimbursed for any amount that exceeds the deductible.

**25% Minimum Earned Premium + Policy Fees**

## **PUBLIC OFFICIAL & EMPLOYMENT PRACTICES LIABILITY- QBE Specialty Ins.**

<b><u>COVERAGE</u></b>	<b><u>LIMIT</u></b>
Public Officials Liability and Employment Practices Liability	
Each Wrongful Act	\$1,000,000
Aggregate Limit of Liability	\$1,000,000
Deductible – Each Wrongful Act	\$50,000

### **Coverage Endorsements:**

Claims Made

Defense Cost outside the Limit

Consent to Settle

Retro Date Full Prior Acts

### **Approved Defense Council**

The City would pay attorney directly and then be reimbursed for any amount that exceeds the deductible.

### **25% Minimum Earned Premium + Policy Fees**

### **Premium includes Risk Management Helpline**

Following resources are being offered:

Access to speak directly to employment law attorneys and receive confidential, documented responses no later than the end of the next business day on over 50 HR Risk Management and Employment Law issues.

Online unlawful harassment training for all supervisors and employees.

A State-specific employee handbook building tool.

Customizable HR risk management resources including Federal and State-specific forms and posters.

HR express updates including popular Questions of the Month and HR Alerts.

## FIDUCIARY LIABILITY-MARKEL AMERICAN

<u>COVERAGE</u>	<u>LIMIT</u>
Fiduciary Liability	\$1,000,000
Voluntary Compliance Program Expenditure	\$200,000
Self Insured Retention	\$50,000
Claims Made	
Prior Pending Date 4-1-2004	

## **SPECIFIC EXCESS WORKERS COMPENSATION COVERAGE- SAFETY NATIONAL**

<u>COVERAGE</u>	<u>LIMITS</u>
Workers Compensation:	
Limit each Accident:	\$25,000,000
Limit each Employee for Disease:	\$25,000,000
Employers Liability	
Limit each Accident	\$1,000,000
Limit each Employee for Disease	\$1,000,000
Limit Aggregate:	\$1,000,000
Retention:	
Each Accident:	\$800,000
Each Employee for Disease	\$800,000

Payroll: \$29,273,011

**Minimum & Deposit Premiums: \$238,575**

**Note: Payroll will be audited at the expiration of the policy and the premiums adjusted accordingly.**

**Safety National has included a Two Year Rate Commitment. See next page for details.**

*Safety National Casualty Corporation*  
1832 Schuetz Road  
St. Louis, MO 63146

**EXCESS WORKERS' COMPENSATION INSURANCE QUOTATION**

4. RATE COMMITMENT & CONDITIONS

For purposes of this Rate Commitment:

2017 Policy Period refers to the policy period of: 04/01/2017-04/01/2018

2018 Policy Period refers to the policy period of: 04/01/2018-04/01/2019

If the below conditions are all met, Safety National agrees that there will be no change in the premium rate per exposure for the 2018 Policy Period over the rates that had been applied to the 2017 Policy Period.

- 1) The SIR and Limits will remain as expiring per the 2017 Policy Period bound with Safety National.
- 2) No certified "act of terrorism", as defined and set forth under the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2015 (collectively, "the Act"), occurs during the 2017 Policy Period.
- 3) No significant change in exposure as applicable to the type of policy with "significant" being understood to mean a 15% change in exposure for any of the Policies over that for the 2017 Policy Period bound with Safety National.
- 4) No significant change in underwriting exposure through development of, or acquisition of, non-core business, with "significant" being understood to be a change that is in excess of 5% for any Policy over that in place for 2017 Policy Period bound with Safety National.

Safety National does consider any change in aircraft to be considered significant.

- 5) No material adverse change in the financial condition of the Insured, as determined by Safety National, over the 2017 Policy Period.
- 6a) No new, individual incurred loss during the 2017 Policy to exceed 50% of that Policy's applicable SIR/Retention amount with such losses to be valued as of 02/01/2018 or within 90 days prior to 04/01/2018.
- 6b) No development of existing claims (DOI prior to 04/01/2017) to exceed 50% of the Policy's applicable SIR/Retention amount with such losses to be valued as of 02/01/2018 or within 90 days prior to 04/01/2018.

The parties understand and agree that, if all the above stated conditions are not met as applicable to a particular policy period renewal, the Premium Rate per payroll/exposure for the 2018 Policy Period shall not be subject to any limitation nor guarantee with respect to rate increases.

If a two year policy is issued, the second year payroll period we will require as well as the following underwriting information:

- updated payroll by class code
- updated loss information as outlined above
- updated aircraft information (we must have each year for reinsurance purposes)
- updated Employee Concentration (EC) information
- Insured's agreement to work with Safety National to complete the premium audit (whether voluntary or physical) in a timely manner. We do a premium audit at the end of each 12 month policy period.

**The following applies to the PO/EPL and Law Enforcement Policies:**

**The insurance carrier with whom we have quoted and have presented in this proposal of insurance is not admitted to transact business in the State of Pennsylvania. The insurance carrier is subject to limited regulation by the Pennsylvania State Department of Insurance. In the event the insurance carrier becomes insolvent, any and all losses occurring under this policy will not be covered by the Pennsylvania Property and Casualty Insurance Guarantee Association and will be the sole responsibility of the policyholder. Knowles Associates bears no financial responsibility for the insolvency and/or non-payment of claims of and by any insurance carrier.**

## PREMIUM QUOTATION

Insured: City of Scranton

Policy Term: 4-1-17 to 3-31-18

<u>COVERAGE</u>	<u>ANNUAL PREMIUM</u>
Property, Equipment Breakdown, Equipment Floater & EDP Crime, and General Liability	\$154,808
Commercial Automobile	\$127,194
Law Enforcement Liability	\$68,972
Public Officials & Employment Practices	\$96,801
Fiduciary Liability	\$14,766
Excess Workers Compensation	<u>\$238,575</u>
<b>Total Premium</b>	<b>\$701,116</b>
Fees*	<u>\$890</u>
<b>Total Premium and Fees*</b>	<b>\$702,006</b>

\* Fees do not represent compensation paid to Knowles Associates.

### PAYMENT PLANS:

Package, Equipment Breakdown, Equipment Floater, EDP, Crime, General Liability and Auto:  
Annual or Installment Plan available.

Law Enforcement Liability, Public Officials & Employment Practices, Fiduciary Liability, and Excess  
Workers Compensation: Annual or Premium Finance Agreement available.

DISCLAIMER - The abbreviated outlines of coverages used throughout this proposal are not intended to express any legal opinion as to the nature of coverage. They are only visuals to a basic understanding of coverages. Please read your policy for specific details of coverages

## Coverage Options:

Umbrella policy which provides additional coverage over your General Liability, Automobile, Public Officials and Law Enforcement Liability. Additional premiums are outlined below:

\$1,000,000 Umbrella - \$75,036  
\$2,000,000 Umbrella - \$114,666  
\$3,000,000 Umbrella - \$136,322  
\$4,000,000 Umbrella - \$146,743  
\$5,000,000 Umbrella - \$153,614

Note: premiums include \$9,600 for terrorism coverage.

### Excess Workers Compensation:

Increasing your retention from \$800,000 to \$1,000,000 will result in a premium savings of approximately \$43,000. The Department of Labor and Industry-Self Insurance Division has approved the increase.

### Law Enforcement Liability Coverage:

Reducing your deductible from \$150,000 to \$100,000 results in an additional premium of approximately \$7,800.

Cyber Liability - Insured should consider purchasing cyber liability coverage to address data breach exposure. Additional premium can be determined upon completion of a cyber liability application.

**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)

02/23/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Knowles Associates 316 Penn Avenue Scranton, PA 18503 Robert J. Knowles, Jr.	CONTACT NAME: Robert J. Knowles, Jr.	
	PHONE (A/C, No, Ext): 570-342-3214	FAX (A/C, No): 570-342-3125
E-MAIL ADDRESS:		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: Penn National Insurance Co		14990
INSURER B: American Alternative Ins. Co.		
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F:		

INSURED  
Knowles Associates L.L.C.  
And Rjk Realty  
316 Penn Avenue  
Scranton, PA 18503

**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS-MADE <input type="checkbox"/> OCCUR <input checked="" type="checkbox"/>			BP90721651	07/01/2016	07/01/2017	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000
A	AUTOMOBILE LIABILITY ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> <input checked="" type="checkbox"/> HIRED AUTOS SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS <input checked="" type="checkbox"/>			AX90721651	07/01/2016	07/01/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (PER ACCIDENT) \$
A	UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 0			UL90721651	07/01/2016	07/01/2017	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	WP90721651	07/01/2016	07/01/2017	<input checked="" type="checkbox"/> WC STATUTORY LIMITS OTHER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
B	Errors & Omissions			3TA2PL000347700	09/03/2016	09/03/2017	Limit 2,000,000 Ded 10,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

**CERTIFICATE HOLDER****CANCELLATION**

CITY OF  City of Scranton 340 N Washington Avenue Scranton, PA 18503	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE <i>Robert J. Knowles Jr</i>
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121

## AFFIRMATIVE ACTION CERTIFICATION

During the term of this contract, Bidder agrees as follows:

Bidder shall not discriminate against any employee, applicant for employment, independent contractor or any other person because of race, color, religious creed, ancestry, national origin, age, sex or handicap. Bidder shall take affirmative action to insure that applicants are employed, and that employees or agents are treated during employment, without regard to their race, color, religious creed, ancestry, national origin, age, sex or handicap. Such affirmative action shall include, but is not limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training. Bidder shall post in conspicuous places, available to employees, agents, applicants for employment, and other persons, a notice to be provided by the contracting agency setting forth the provision of this affirmative action certification.

Bidder shall, in advertisements or requests for employment placed by it or on its behalf, state all qualified applicants will received consideration for employment without regard to race, color, religious creed, ancestry, national origin, age, sex or handicap. Bidder shall send each labor union or workers' representative with which it has a collective bargaining agreement to other contract or understanding, a notice advising said labor union or worker's representative of its commitment to this affirmative action certification. Similar notice shall be sent to every other source of recruitment regularly utilized by bidder.

It shall be no defense to a finding of noncompliance with this affirmative action certification that bidder has delegated some of its employment practices to any union, training program, or other source of recruitment which prevents it from meeting its obligations. However, if the evidence indicates that the bidder was not on notice of the third-party discrimination or made a good faith effort to correct it; such factor shall be considered in mitigation in determining appropriate sanctions.

Where the practices of a union or of any training program or other source of recruitment will result in the exclusion of minority group persons, so that bidder will be unable to meet its obligations under this affirmative action certification, bidder shall then employ and fill vacancies through other affirmative action employment procedures. Bidder shall comply with all state and federal laws prohibiting

discrimination in hiring or employment opportunities. In the event of bidder's noncompliance with the affirmative action certification of this contract or with any such laws, this contract may be terminated or suspended, in whole or in part, and bidder may be declared temporarily ineligible for further City of Scranton contracts, and other sanctions may be imposed and remedies invoked.

Bidder shall furnish all necessary employment documents and records to, and permit access to its books, records, and accounts by, the City of Scranton Department of Business Administration, for purposes of investigation to ascertain Compliance with the provision of this certification. If bidder does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the City of Scranton Department of Business Administration.

Bidder shall actively recruit minority subcontractors or subcontractors with substantial minority representation among their employees.

Bidder shall include the provisions of this affirmative action certification in every subcontract, so that such provisions will be binding upon each subcontractor.

Bidder's obligations under this clause are limited to the bidder's facilities within Pennsylvania, or where the contract is for purchase of goods manufactured outside of Pennsylvania, the facilities at which such goods are actually produced.

Date 3-01-2017

KNOWLES ASSOCIATES, LLC  
(Name of Bidder)

By Grant Knowles

Title OWNER

CERTIFICATE OF NON-SEGREGATED FACILITIES

The Bidder certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder agrees that a breach of this certification will be a violation of the Equal Opportunity clause in any contract resulting from acceptance of his bid. As used in this certification, the term " segregated facilities" means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. The Bidder agrees that ( except where he has obtained identical certifications from proposal sub-contractors for specific time periods) he will obtain identical certifications from proposed sub- contractors prior to the award of sub-contracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause, and that he will retain such certifications in his files.

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

DATE 3-01-2017

KNOWLES ASSOCIATES, LLC  
(Name of Bidder)

By Brent Knowles  
Title OWNER

NONCOLLUSION AFFIDAVIT OF PRIME BIDDER

STATE OF PENNSYLVANIA  
COUNTY OF LACKAWANNA

Brent Knowles being first duly sworn, deposes  
and says that

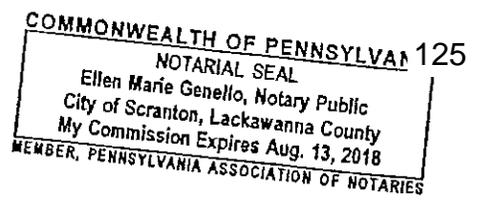
1. He is OWNER  
(Owner, partner, officer, representative or agent)  
of KNOWLES ASSOCIATES, LLC, the Bidder that has submitted the bid;
2. He is fully informed respecting the preparation and contents of the attached Bid and of all pertinent circumstances respecting such Bid;
3. Such Bid is genuine and is not a collusive or sham Bid;
4. Neither the said Bidder nor any of its officers, partners, owners, agents, representatives, employees or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm or person to fix the price or prices in the attached Bid or of any other Bidder, or to fix any overhead, profit or cost element of the Bid price or the Bid price of any other Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the CITY OF SCRANTON (Local Public Agency) or any person interested in the proposed Contract; and;
5. The price or prices quoted in the attached Bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

NONCOLLUSION AFFIDAVIT  
SIGNATURE PAGE

SIGNED Brent Knowles  
OWNER  
TITLE

SUBSCRIBED AND SWORN TO BEFORE ME  
THIS 15<sup>th</sup> DAY OF March 2017  
Notary  
Title

MY COMMISSION EXPIRES August 13, 2018



RESOLUTION NO. \_\_\_\_\_

2017

**AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A LEASE AGREEMENT WITH HORSEPOWER HARLEY DAVIDSON, INC. FOR THE LEASE OF FOUR (4) NEW 2017 POLICE PACKAGE MOTORCYCLES FOR THE CITY OF SCRANTON POLICE DEPARTMENT FOR A PERIOD OF THREE (3) YEARS FROM JUNE 1, 2017 THROUGH MARCH 31, 2020.**

**WHEREAS**, the City of Scranton has used motorcycles for patrol functions in the Police Department and trained officers for that duty; and

**WHEREAS**, Horsepower Harley Davidson, Inc. has previously supplied five (5) police package Harley Davidson motorcycles, and the current lease is due to expire May 31, 2017; and

**WHEREAS**, the Police Department wishes to enter into a Lease Agreement with Horsepower Harley Davidson, Inc. for the lease of four (4) new 2017 police package Harley Davidson motorcycles; and

**WHEREAS**, the City will pay Horsepower Harley Davidson Eight Hundred Twenty (\$820.00) Dollars per month from June 1, 2017 through May 31, 2020 for the motorcycles per the Lease Agreement attached hereto as Exhibit "B" and incorporated herein by reference thereto; and

**WHEREAS**, entering into a Lease Agreement for the four (4) new 2017 police package motorcycles is in the best interest of the City of Scranton.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON** that the Mayor and other appropriate City officials are authorized to execute and enter into a Lease Agreement with Horsepower Harley Davidson, Inc., substantially in the form attached hereto for the lease of four (4) new 2017 Harley Davidson police package motorcycles for a period of three (3) years from June 1, 2017 through March 31, 2020, and to execute any and all additional documents necessary to effectuate the terms of this Agreement.

**SECTION 1.** If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or

any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intend of this Resolution and the effective administration thereof.

**SECTION 2.** This Resolution shall become effective immediately upon approval.

**SECTION 3.** This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

## Lease Agreement

This Agreement made and entered into between **Horsepower Harley Davidson, Inc.**, a Pennsylvania Corporation, 1910 East Third Street, Williamsport, Pennsylvania, (“Lessor”) and the **City of Scranton**, a Municipal Authority, 100 South Washington Avenue, Scranton, Pennsylvania 18503 (“Lessee”) made this 1<sup>st</sup> day of June 2017.

WHEREAS, Lessor desires to lease the four (4) Harley Davidson motorcycles to Lessee as described herein; and

NOW THEREFORE, in consideration of the mutual promises and agreements set forth herein, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Lessor and Lessee with the intention of being legally bound agree as follows:

1. **Lease.** Lessor hereby agrees to lease to Lessee and Lessee hereby agrees to lease from Lessor, the four (4) Harley-Davidson motorcycles attached as Exhibit “A” and incorporated herein by reference.
2. **Lease Payment.** Lessee shall pay Lessor Eight Hundred Twenty (\$820.00) Dollars per month from June 1, 2017 to May 31, 2020.
3. **Term.** This Agreement shall continue in full force and effect from June 1, 2017 to May 31, 2020.
4. **Maintenance and Repairs.**
  - (a) Lessee shall keep and maintain the same four (4) Harley Davidson motorcycles in good operating condition and working order, including appropriate preventative maintenance, such that upon return of the four (4) Harley Davidson motorcycles to Lessor upon termination of this Agreement, the four (4) Harley Davidson motorcycles are in the same condition as at the date hereof, normal wear and tear excepted.
  - (b) Factory scheduled maintenance starting at One Thousand (1,000) miles; Two Thousand Five Hundred (2,500) miles and thereafter every Two Thousand Five Hundred (2,500) miles in accordance with the recommended factory maintenance schedule program and by Lessor. Lessee agrees to have all maintenance and repair services completed by Lessor, at Lessee’s sole cost and expense. Lessor, at it’s sole cost and expense shall provide pickup and delivery for maintenance and repair services.
  - (c) Lessee shall not make modifications, alterations or additions to the motorcycles (other than normal operating accessories or controls) without written consent of Lessor, which shall not be unreasonably withheld.

**5. Insurance.**

- (a) Lessee shall procure liability insurance for the four (4) Harley Davidson motorcycles with not less than \$1,000,000.00 combined single limit coverage for bodily injury and property damage per occurrence and otherwise in form and from an insurer satisfactory to Lessor and shall maintain such insurance during the term of this Agreement. Prior to delivery of the four (4) Harley Davidson motorcycles to Lessee, Lessee shall provide proof of insurance required under this paragraph 5. Lessor shall be named an additional insured on all insurance policies covering the four (4) Harley Davidson motorcycles.
- (b) Lessee's insurance shall be endorsed to provide that insurer will notify Lessor immediately in the event the insurance should be materially altered or cancelled, and if Lessee shall not have obtained replacement insurance as required pursuant to this paragraph 5. Lessor may, but shall not be obligated to, secure necessary insurance protection at Lessee's expense.

**6. Taxes, Licensing, Registration.**

- (a) Lessee shall pay the costs of any and all required licensing and/or registrations of the four (4) Harley Davidson motorcycles.
- (b) Lessee shall pay any and all taxes or government assessments, fees and charges imposed on or in connection with the four (4) Harley Davidson motorcycles.

**7. Return of Motorcycles.**

- (a) Lessee shall immediately return the four (4) Harley Davidson motorcycles at the end of the third year of this Agreement in the same condition as at the date hereof, normal wear and tear excepted (the "Return Condition").  
Lessee shall pay Lessor to remove the police accessories on the motorcycles.
- (b) In the event that *any or all* of the four (4) Harley Davidson motorcycles are in a condition other than the Return Condition upon the termination of this Agreement, Lessee shall pay the cost to repair (including replacement) *any or all* of the four (4) Harley Davidson motorcycles to a condition equal to the Return Condition.

**8. Use of Motorcycles.**

- (a) Lessee shall use the four (4) Harley Davidson motorcycles solely for police or police-related uses.
- (b) Lessee shall permit only safe, authorized, licensed and experienced individuals to operate and use the four (4) Harley Davidson motorcycles.
- (c) Lessee shall not permit the four (4) Harley Davidson motorcycles to be used in violation of any federal, state or municipal statute laws, ordinances, rules or regulations or contrary to the provisions of any applicable insurance policy(ies).
- (d) **Mileage Allowance.** Lessor and Lessee agree that the maximum mileage allowance for each leased motorcycle is seven thousand five hundred (7,500) miles per year (ie.(June 1, 2017 to May 31, 2020). In the event that Lessee exceeds the maximum mileage allowance of seven thousand five hundred (7,500) miles per year, Lessee shall pay Lessor one (\$1.00) per mile as an additional lease payment. The additional payment is due upon return of the motorcycle as set forth in paragraph 7.

9. **Indemnification.** Lessee shall defend, indemnify and hold harmless Lessor and the officers, directors and employees of Lessor, from and against any damage, loss, theft, or destruction of any or all of the four (4) Harley Davidson motorcycles, and against all losses, liabilities, damages, injuries, claims, demands, costs and expenses of every kind and nature whether or not covered by insurance, including legal fees and disbursements, arising out of and in connection with the use, condition, or operation of *any or all* of the four (4) Harley Davidson motorcycles during the term of this Agreement. Lessor assumes no liability or responsibility for any acts or omissions of Lessee or of Lessee's agents or employees, or any other person's property damaged.
10. **Default.** If Lessee fails to perform any of the terms, conditions or covenants contained in this Agreement, or in the event of Lessee's bankruptcy or insolvency or if the *any or all* of the four (4) Harley Davidson motorcycles are levied upon or encumbered in any way or, if at any time, in the exclusive judgment of Lessor, its rights in *any or all* of the four (4) Harley Davidson motorcycles in any way shall be prejudiced or rendered insecure, Lessor shall have the right to take immediate possession of the four (4) Harley Davidson motorcycles and to terminate this Agreement. Lessee expressly authorizes Lessor and its agents to enter on any premises where *any or all* of the four (4) Harley Davidson motorcycles may be found for the purpose of repossessing the Harley Davidson motorcycle(s) and Lessee waives any right of action arising out of such entry and repossession.
11. **Notices.** Any notice required or permitted to be given by one party to the other party under this Agreement shall be given in writing and shall be personally delivered or sent by U.S. Certified Mail, return receipt requested, postage prepaid and properly addressed to the following address or at such other address as may have been furnished in writing for such purpose.

**If to Lessor:** Horsepower Harley Davidson, Inc.  
1910 East Third Street  
Williamsport, PA 17701

**With a copy to:** Fred P. Rinaldi, Esq.  
Rinaldi & Poveromo, P.C.  
P.O. Box 826, 520 Spruce Street  
Scranton, PA 18501

**If to Lessee:** City of Scranton  
100 South Washington Avenue  
Scranton, PA 18503

12. **Miscellaneous.**

(a) **Authorization.** Each of the Parties represents and warrants that they have the right, power, and authority to execute this Agreement, and that they have duly and properly performed all acts required by them to authorize them to carry out this Agreement and the transactions contemplated by this Agreement.

(b) **Informed Action.** Each of the Parties represents that (a) they have been advised by counsel of their own choosing, or have knowingly waived the right to be advised by

independent counsel, regarding the preparation and negotiation of this Agreement and all the matters and claims set forth herein, and (b) each of them has read this Agreement and is fully aware of its content and legal effect.

(c) **Further Assurances.** Each party agrees to (a) execute and deliver, or to cause to be executed and delivered, all such other and further agreements, documents and instruments and (b) take or cause to be taken all such actions as may be necessary or as the other party may reasonably request to effectuate the intent and purposes, and to carry out the terms, of this Agreement.

(d) **Force Majeure.** The duty of the Parties to perform under this Agreement will be relieved for floods, riots, storms, acts of God, and other events beyond the control of the Party required to perform, including actions or events that are prompted or taken by any federal, state or local government, or any federal, state or local governmental officials, authorities, departments, agencies, employees, or representatives, which have the effect of modifying the current regulatory standards governing the Parties performance under this Agreement.

(e) **Assignment.** This Assignor shall remain responsible for all obligations under this Agreement in the event of an assignment, unless the assignment is approved by the other Party.

(f) **Amendment.** This Agreement may not be altered, amended, or modified or otherwise changed, except in writing duly executed by authorized representatives of each of the Parties to it.

(g) **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

(h) **Headings.** The headings in this Agreement are for convenience only, and shall be given no effect in the construction or interpretation of this Agreement.

(i) **Severability.** If any one or more of the terms, conditions or provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other term, condition or provision of this Agreement and this Agreement shall be construed as if such invalid, illegal, or unenforceable term, condition or provision had never been contained in this Agreement.

(j) **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. Any one counterpart may be introduced in evidence or used for any other purpose without production of any of the other counterparts.

Date: \_\_\_\_\_

LESSOR:

Horsepower Harley Davidson, Inc.

By: \_\_\_\_\_

Kevin Decker

Title: General Manager

Date: \_\_\_\_\_

LESSEE:

City of Scranton,  
a Municipal Authority

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Title: \_\_\_\_\_

CITY OF SCRANTON

ATTEST:

BY: \_\_\_\_\_  
Lori Reed, City Clerk

Date: \_\_\_\_\_

BY: \_\_\_\_\_  
William L. Courtright, Mayor

Date: \_\_\_\_\_

BY: \_\_\_\_\_  
Roseann Novembrino, City Controller

Date: \_\_\_\_\_

APPROVED AS TO FORM:

BY: \_\_\_\_\_  
Jessica L. Boyles, Esq., City Solicitor

Date: \_\_\_\_\_

**Exhibit A**

1. 2017 HARLEY-DAVIDSON FLHTP VIN # TBD
2. 2017 HARLEY-DAVIDSON FLHTP VIN # TBD
3. 2017 HARLEY-DAVIDSON FLHTP VIN # TBD
4. 2017 HARLEY-DAVIDSON FLHTP VIN # TBD



DEPARTMENT OF LAW

P E N N S Y L V A N I A

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

March 20, 2017

To the Honorable Council  
Of the City of Scranton  
Municipal Building  
Scranton, PA 18503

RECEIVED

MAR 20 2017

OFFICE OF CITY  
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A LEASE AGREEMENT WITH HORSEPOWER HARLEY DAVIDSON, INC. FOR THE LEASE OF FOUR (4) NEW 2017 POLICE PACKAGE MOTORCYCLES FOR THE CITY OF SCRANTON POLICE DEPARTMENT FOR A PERIOD OF THREE (3) YEARS FROM JUNE 1, 2017 THROUGH MARCH 31, 2020.

Respectfully,

Jessica L. Boyles, Esquire  
City Solicitor

JLB/sl

RESOLUTION NO. \_\_\_\_\_

2017

**AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A CONTRACT WITH PMA MANAGEMENT CORP. FOR CITY OF SCRANTON SELF-INSURED WORKERS' COMPENSATION AND HEART AND LUNG CLAIMS THIRD PARTY ADMINISTRATION FOR A PERIOD OF THREE (3) YEARS FROM APRIL 1, 2017 THROUGH MARCH 31, 2020.**

**WHEREAS**, a Request for Qualifications was advertised for the City of Scranton Self-Insured Workers' Compensation and Heart and Lung Claims Third Party Administration, and three (3) Requests for Qualifications were submitted for review; and

**WHEREAS**, after review of the proposals submitted it was determined that it would be in the best interest of the City to award the Contract to PMA Management Corp. for the reasons provided in the Memo attached hereto from the Workers' Compensation Coordinator, as well as the email from Robert Knowles, owner of Knowles Associates.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON** that the Mayor and other appropriate City Officials are authorized to execute and enter into a Contract, substantially in the form attached hereto marked as Exhibit "A" and incorporated herein by reference thereto with PMA Management Corp. to provide the City of Scranton Self-Insured Workers' Compensation and Heart and Lung Claims Third Party Administration for a period of three (3) years from April 1, 2017 through March 31, 2020..

**SECTION 1.** If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intend of this Resolution and the effective administration thereof.

**SECTION 2.** This Resolution shall become effective immediately upon approval.

**SECTION 3.** This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

# CONTRACT

This contract entered into this \_\_\_\_ day of \_\_\_\_\_ 2017 effective from  
April 1, 2017 to March 31, 2020 by and between the City of Scranton, 340 North  
Washington Avenue, Scranton, PA 18503, hereinafter called "Scranton" and

PMA MANAGEMENT CORP  
380 SENTRY PARKWAY  
BLUE BELL, PA. 19422  
PHONE NO. (717) 730-8120

hereinafter called "Contractor".

WITNESSETH:

WHEREAS, Scranton desires the Contractor to perform certain work and services in  
accordance with the terms and conditions hereinafter set forth and the Contractor is ready,  
willing and able to perform such work and services.

NOW THEREFORE, in consideration of the promises contained herein and the promises  
each to the other made, the parties do agree and intend to be legally bound as follows:

## ARTICLE I - CATEGORY OF WORK AND SERVICES

The work and services to be performed by Contractor shall be in the general fields of  
providing City of Scranton Self-Insured Workers' Compensation and Heart and Lung Claims  
Third Party Administration. The Contractor hereby covenants, contracts and agrees to furnish  
Scranton with:

CITY OF SCRANTON  
SELF-INSURED WORKERS COMPENSATION AND  
HEART AND LUNG CLAIMS THIRD PARTY ADMINISTRATION  
PER THE ATTACHED BID PROPOSAL AND SPECIFICATIONS  
FROM APRIL 1, 2017 THROUGH MARCH 31, 2020  
FOR A FLAT ANNUAL FEE OF \$71,500.00

Said services to be furnished and delivered in strict and entire conformity with Scranton's  
Specifications marked as Exhibit "A" attached hereto and incorporated herein by reference  
thereto and the Bid Proposal submitted by PMA Management Corp. dated January 1, 2017  
attached hereto marked as Exhibit "B" and incorporated herein by reference thereto. Said Bid  
Proposal and Specifications are hereby made part of this Agreement as fully and with the same  
effect as if set forth at length herein.

## ARTICLE II - GENERAL

(1) In the performance of the work and services hereunder, the Contractor shall act solely  
as an independent contractor, and nothing contained or implied shall at any time be so construed  
as to create the relationship of employer and employee, partnership, principal/agent, or joint  
adventurer as between Scranton and the Contractor.

(2) Failure of either party to enforce any of its rights hereunder shall not constitute a  
waiver of such rights, or of any other rights hereunder.

ARTICLE III - FEES

Said services to be furnished and delivered in strict and entire conformity with the Bid Proposal and Specifications attached hereto. Said Bid Proposal and Specifications are incorporated herein by reference as though set forth at length.

Scranton agrees to pay the Contractor for furnishing the above services if said services are provided in full compliance with the terms and conditions of this Contract to the satisfaction and approval of the Business Administrator. Such approval shall not be unreasonably withheld. The terms and conditions of this contract are set forth herein and may be supplemented by any attachments or exhibits incorporated herein by reference.

ARTICLE IV - INDEMNIFICATION

The Contractor shall indemnify, defend, and hold harmless Scranton from and against any and all claims and actions, based upon or arising out of damage to property or injuries to person or other acts caused or contributed to by Contractor or anyone acting under the Contractor's direction or control or on the Contractor's behalf in the course of the Contractor's performance under this contract.

ARTICLE V - INSURANCE

- (1) Contractor represents that it now carries, and agrees it will continue during the term of this Contract to carry, at a minimum: Workers' Compensation, Comprehensive General and Contractual Liability and Professional Liability Insurance in the following amounts:

Table with 2 columns: TYPE OF INSURANCE and LIMITS OF LIABILITY. Rows include Workers' Compensation (Statutory), Employer's Liability (\$1,000,000.00), Professional Liability (\$10,000,000.00), Comprehensive General Liability (including Blanket Contractual Liability Insurance) with multiple sub-limits, and Comprehensive Automobile Liability (Combined Single Limit for Bodily Injury and Property Damage \$1,000,000.00).

- (2) Certificates of all insurance provided by the Contractor shall be available for Scranton's review and will be furnished to Scranton if requested. Such copies of certificates shall include the following:

- (a) Name of insurance company, policy number and expiration data;
(b) The coverage required and the limits on each, including the amount of deductibles or self-insured retentions (which shall be for the account of the Contractor);
(c) A statement indicating Scranton shall receive thirty (30) days notice of cancellation or significant modification of any of the policies which may affect Scranton interest;
(d) A statement confirming Scranton has been named an additional insured (except for Worker's Compensation) on all policies; and

- (c) A statement confirming that Scranton, its agents and employees have been provided a waiver of any rights or subrogation, which the Contractor may have against them.

#### ARTICLE VI: TERMINATION OF CONTRACT

If through any cause the CONTRACTOR shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or in the event of violation of any of the covenants contained herein, or in the event of violation of the laws applicable to implementation of the project contemplated by this Agreement, or in the event of misuse of funds, mismanagement, criminal activity or malfeasance in the implementation of this Agreement Scranton shall thereupon have the right to terminate this Agreement by giving written notice to the CONTRACTOR specifying the effective date of termination. Said notice shall be given in writing to the CONTRACTOR and will be effective upon receipt by the CONTRACTOR. In such an event all project records, unused grant monies, and such amounts as may have been expended contrary to the terms of this Agreement shall be returned to the Scranton.

#### ARTICLE VII: DEFAULT

In the event of a default by Contractor under this Agreement, the defaulting party then shall reimburse the non defaulting party for all costs and expenses incurred by the non defaulting party in connection with the default, including without limitation, court costs and attorneys fees at the trial level and on appeal.

#### ARTICLE VIII: JURISDICTION

This Agreement shall be construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania and all obligations hereunder are to be performed in Lackawanna County, Pennsylvania. Jurisdiction over the subject matter and performance of this Agreement is therefore vested in the Lackawanna County Court of Common Pleas.

#### ARTICLE IX - ENTIRE AGREEMENT

This contract constitutes the entire agreement between Scranton and Contractor. It supersedes all prior contemporaneous communications, representations or agreements whether oral or written with respect to the subject matter thereof and if it has been induced by no representations, statements or agreements other than those expressed. No agreement hereafter made between the parties shall be binding on either party unless reduced to writing and signed by an unauthorized officer of the party sought to be bound thereby.

IT IS FURTHER UNDERSTOOD AND AGREED that this contract is entered into under and subject to the provisions of the Act of Assembly of the Commonwealth of Pennsylvania, approved March 7, 1901, its supplements and amendments, and the liability of the City of Scranton herein limited to the amount appropriated for the same and subject to the Section 6-13 of the Administrative Code of the City of Scranton which limits payments of money out of the City Treasury to appropriations made by the Council

IN WITNESS WHEREOF the parties hereto have, in due form of law, caused this agreement to be executed the day and year first above written.

ATTEST:

\_\_\_\_\_  
CITY CLERK

BY: \_\_\_\_\_  
MAYOR

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

COUNTERSIGNED:

\_\_\_\_\_  
CITY CONTROLLER

\_\_\_\_\_  
DIRECTOR OF HUMAN RESOURCES

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY SOLICITOR

DATE: \_\_\_\_\_

PMA MANAGEMENT CORP.

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_



DEPARTMENT OF HUMAN RESOURCES

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4246 • FAX: 570-348-4202

TO: William Courtright, Mayor  
David Bulzoni, Business Administrator  
Jessica Boyles, City Solicitor  
Danielle Kennedy, HR Director

FROM: Jack Judge, Workman's Compensation Coordinator

Date: March 17, 2017

RE: RFQ Third Party Administration

---

On February 13, 2017 the City of Scranton received three qualifications for the selection of our Worker's Compensation Third Party Administrator (TPA). The Request for Qualification (RFQ) sought to provide services related to the administration of the City of Scranton's Worker's Compensation claims. All three qualifications met our RFQ requirements and were received on time. The existing contract with PMA Companies expires on March 31, 2017.

The listing of respondents included:

1. Inservco
2. PMA Companies
3. AmeriHealth Casualty Services

The review criteria are based on four distinct components:

1. Annual cost, including all fees associated with the provided services
2. The experience and professional level of the relationship team
3. Technological capabilities (i.e. web based claims & reporting)
4. Knowledge of the Heart and Lung Act

**INSERVCO**

Inservco came in at \$39,000 per year. (2017 – 2019) The charge is \$1.25 per medical bill. It appears there may be additional charges if we exceed 120% of reported open claims. Three adjustors would be assigned to the account and the City would find this to be efficient. The qualification includes different vendors who Inservco has previously worked with. This is an irrelevant point as the City of Scranton already has approved vendors with whom we work with.

No time period for the important process of data conversion was given. In addition, Inservco's qualification did not include a transition plan which would not serve the City well.

### **PMA COMPANIES**

PMA Companies is the current administrator for the City of Scranton and comes in at \$71,500 per year. (2017 – 2019). The charge is \$7.00 per medical bill. There are no hidden costs to the City. PMA has experienced adjustors who have established positive relationships with City personnel. Key elements of PMA's previous work with the City include medical bill savings of 62% for billable items in 2015 and savings of 59% for billable items in 2016. The average payout for closed claims was \$37,228 and \$31,940 for 2015 and 2016, respectively.

### **AMERIHEALTH CASUALTY SERVICES**

AmeriHealth comes in at \$60,000 for 2017, \$61,500 for 2018 and \$63,000 for 2019. This fee includes data conversion, management of prior year claims, web based claims access and full reports. The charge is \$7 per medical bill in addition to a 10% recoupment of subrogation received. The transition period encompasses six weeks before AmeriHealth would be fully capable of handling our existing claims. Two adjustors would be assigned to the account and the City would find this to be inefficient. The City prefers at least two adjustors and one support staff. We do not require our TPA to handle subrogation claims as we already handle this in house.

**Based on an evaluation of the four review criteria, the Worker's Compensation Coordinator recommends the selection of PMA Companies as administrator of the City of Scranton's Worker's Compensation Claims. While the quality of all RFQs received by the City of Scranton are recognized as noteworthy, that submitted by PMA Companies exceeds each of the review criteria noted in the request for qualification.**

- **The annual cost is competitive. While not the lowest cost, the determinant should not be bottom line cost but value associated with each dollar spent for the required service. PMA Companies' qualification provides a high value for the level of service cost.**
- **The experience level not only of the team assigned to the City but the familiarity with the Heart and Lung Act is unsurpassed.**
- **References attest to the high quality level of the service.**

## Jessica Boyles

---

**From:** Robert Knowles <RKnowles@knowlesins.com>  
**Sent:** Thursday, March 16, 2017 10:19 AM  
**To:** David Bulzoni; Jessica Boyles  
**Subject:** PMA-TPA

Dave/Jessica,

I know this contract is being bid by the City. I want you to know that PMA is well known for their excellent work. During my tenure in working with the City, there have been times when lower bids were received for the TPA contract. While the City may have saved money on the TPA agreement, it cost them greatly in terms of claims cost.

In the public sector it is often frowned upon when the low bid is not accepted. Unfortunately in this case your real costs are the claims. The TPA contract is insignificant in relation to the dollars expended on claims especially when not properly managed.

I share this perspective with you because over the past fourteen years in working with the City the greatest challenge has been workers compensation. This has only been further exacerbated when the claims were not properly handled. Recently, with the addition of Jack Judge, I see real progress being made. I think the City has taken great strides to correct some of the historical problems that escalated your workers compensation cost. You are on the right track and I think future expenditures will decline as a result of strong claims management provided by PMA and Jack Judge's knowledge and experience.

Please understand that I am expressing my opinion and I have no financial benefit in your decision. The City however will benefit in lower premiums for their excess insurance if the loss experience continues to improve. Therein lies the importance of the TPA.

Please let me know if you have any questions.

Bob



Readers' Choice Winner  
NEPA's Best Insurance Agency

**Robert J. Knowles, Jr.**  
Knowles Associates  
316 Penn Avenue  
Scranton, PA 18503

Ph# (570) 342-3214  
Fax# (570) 342-3125

Visit our website at [www.knowlesins.com](http://www.knowlesins.com) and "like" us on Facebook

*"We Love Referrals and would appreciate the opportunity to hear from someone you know."*

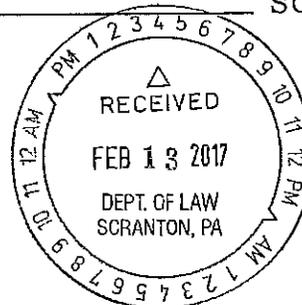
Department of Business Administration

City Hall  
340 North Washington Avenue  
Scranton, Pennsylvania 18503  
Tel: (570) 348-4118  
Fax: (570) 348-4225



SCRANTON

February 13, 2017



Mrs. Danielle Kennedy  
Director of Human Resources  
Municipal Building  
Scranton, Pa. 18503

Dear Mrs. Kennedy,

This is to inform you the R.F.P. Proposals were opened Monday, February 13, 2017 in Council Chambers for the City of Scranton Third Party Administration Self-Insured Workers' Compensation and Heart & Lung Claims Third Party Administration. Attached is the copy of the proposal submitted by the following companies:

**Inservco**  
**PMA**  
**Amerihealth Casualty**

After your review of the proposals, please inform the Law Office of your decision so they may call for a contract or reject said bid.

Thank you for your cooperation in this matter.

Sincerely,

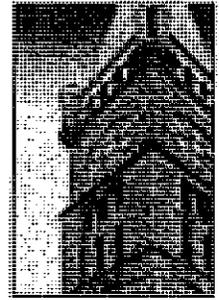
A handwritten signature in cursive script that reads "Julie Reed".

Julie Reed  
Purchasing Clerk

Encls.

CC: Mrs. Roseann Novembrino, City Controller  
Mr. David Bulzoni, Business Administrator  
Mrs. Lori Reed, City Clerk  
Mr. Jason Shrive, City Solicitor  
File

Department of Business Administration



SCRANTON

City Hall  
340 North Washington Avenue  
Scranton, Pennsylvania 18503  
Tel: (570) 348-4118  
Fax: (570) 348-4225

January 9, 2017

Miss Jessica Boyles  
Human Resource Director  
City of Scranton  
Municipal Building  
Scranton Pa, 18503

Dear Miss Boyles,

This is to inform you that proposals will be opened in Council Chambers on Monday, February 13, 2017 at 10:00 A.M. for the following:

**City of Scranton  
Third Party Administration  
Self-Insured Workers' Compensation and  
Heart and Lung Claims Third Party Administration**

Attached, please find an Invitation to Bidders, and Specifications.  
Thank you for your cooperation in this matter.

Sincerely,

Julie Reed,  
Purchasing Clerk

CC: Mayor William Courtright  
Mrs. Roseann Novembrino, City Controller  
Mr. David Bulzoni, Business Administrator  
Mrs. Rebecca McMullen, Financial Manager  
Mrs. Lori Reed, City Clerk  
Mr. Jason Shrive, City Solicitor  
File

**REQUEST FOR QUALIFICATIONS**

Separate sealed proposals will be received by the City Controller at her office in City Hall, 340 North Washington Avenue, 2<sup>nd</sup> Floor, Scranton, PA. 18503 until 10:00 a.m. Monday, February 13, 2017, at which time they will be read aloud in City Council Chambers, for the following:

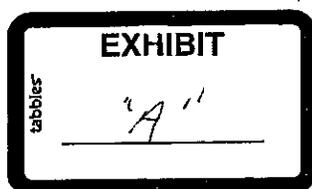
**CITY OF SCRANTON  
THIRD-PARTY ADMINISTRATION  
SELF-INSURED WORKERS' COMPENSATION AND HEART AND LUNG CLAIMS  
THIRD-PARTY ADMINISTRATION**

All proposals are to be in accordance with the RFQ specifications which are now available and can be picked up at the office of the Bureau of Purchasing, 4<sup>th</sup> Floor, City Hall, 340 North Washington Avenue, Scranton, PA 18503.

Sealed envelopes containing RFQ's shall be plainly marked on the outside with "City of Scranton Workers' Compensation TPA" and shall be delivered or mailed to the City Controller at the address first listed above, so as to arrive by the date and time specified above.

Any questions please call Jessica Boyles, Esquire, Director of Human Resources/Assistant Business Administrator at 570-348-4232.

Jessica Boyles, Esquire  
Director of Human Resources/Assistant  
Business Administrator





DEPARTMENT OF HUMAN RESOURCES

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE 570-348-4246 • FAX: 570-348-4202

CITY OF SCRANTON

REQUEST FOR QUALIFICATIONS

SELF-INSURED WORKERS' COMPENSATION AND HEART AND LUNG CLAIMS  
THIRD-PARTY ADMINISTRATION

Introduction

In order to provide the City of Scranton with the most effective, Self-Insured Workers' Compensation Program, the City of Scranton will be soliciting bids for the Third-Party Administrative Services to handle the daily management of their Self-Insured Workers' Compensation and Heart & Lung (Public Law 477) Claims.

Contact Information

For questions, please contact:

Jessica Boyles, Esquire  
City of Scranton  
Human Resources Director/Assistant Business Administrator  
340 N. Washington Avenue  
Scranton, PA 18504  
[jboyles@sctantonpa.gov](mailto:jboyles@sctantonpa.gov)

Questions and Addenda

Any questions regarding this RFQ shall be directed to Jessica Boyles, Esquire, Director of Human Resources/Assistant Business Administrator, at 570-348-4232. If at any time this RFQ needs to be revised, an amendment will be issued to all responders.

Submission of Qualifications

All qualifications must be either hand delivered or mailed to City Controller, City Hall, 340 North Washington Avenue, 2<sup>nd</sup> Floor, Scranton, PA 18503. Qualifications will not be accepted by email or facsimile transmission. The City of Scranton will require six (6) copies of the qualifications, which shall be placed in a sealed envelope marked "City of Scranton Workers' Compensation TPA." Qualifications will be received until February 13, 2017 at 10:00 a.m. Any qualifications received after the above-mentioned time and date will not be accepted. Any qualifications not addressed properly will not be accepted.

The City of Scranton assumes no responsibility for delays in any form of carrier, mail or delivery service causing the submission to be received after the above-referenced due date and time.

### Criteria for Evaluation of Qualifications

The City will independently evaluate each submission and selection will be made upon the following criteria:

1. Experience and reputation in the field;
2. Knowledge of the subject matter of the services to be provided to the City;
3. Knowledge of the City, its affairs, and operations;
4. Availability to accommodate any required meetings of the City;
5. Other factors determined to be in the best interest of the City.

The final selection shall be made in the sole discretion of the City.

### Contract Term

The City of Scranton is requesting a three (3) year arrangement with one flat annual fee to handle all Workers' Compensation and Heart and Lung Claims. This includes record only, medical and indemnity claims. Please include all charges to the City of Scranton including:

- Flat Annual Fee
- Cost Containment Fee
- Section 111 Reporting Fee
- Medical Bill Re-Pricing
- System Usage and Access
- Any other Fees

Pricing should outline costs in detail for each contract year 2017, 2018 and 2019. The City reserves the right to cancel the agreement at the end of each year by providing 60 day notice.

### Qualifications

1. Provide a brief history of your company.
2. List the experience and qualifications of key personnel who will be assigned work under this contract, including resumes of the account management team and their job responsibilities. The City requests each claim adjuster have a minimum of three (3) to five (5) years of experience in the field Worker's Compensation and Heart and Lung investigations. Please attach resumes for all claim adjusters that would be assigned to the City of Scranton.
3. Provide a list of several clients, with the point of contact, their address and phone number. These should be clients of similar size, claim frequency and exposures as the City of Scranton.
4. Provide in detail, your experience dealing with governmental entities and Self-Insurance programs.

5. Provide in detail, your experience handling claims by injured employees covered under the Heart and Lung Act.
6. Please describe your Firm's:
  - Process for assigning claims to adjusters and supervisors;
  - Claimant notification and contract standards;
  - Reserving practices and philosophy;
  - Efforts to enforce the Ninety (90) Day Panel Requirement;
  - Medical Bill Review Procedures;
  - Preferred Provider Networks (please include Lackawanna Specific Medical Providers in your network);
  - Case management philosophy;
  - Assignment of nurse case managers;
  - Procedures to conduct independent medical exams;
  - Procedures regarding modified or light duty/return to work programs.
7. Disclose the maximum pending caseload for each adjuster proposed to work on this account, including information on what will occur if the maximum caseload per adjuster is reached or exceeded.
8. Provide a detailed implementation plan that outlines how you will phase in the delivery of services:
  - Timeline of how your firm will take over all existing claim files
  - Training of City of Scranton Staff on reporting claims
  - Meeting with personnel directly responsible for City of Scranton program
9. Selected vendor will agree to allow the City input on the selection of Third-Party Vendors.
10. Provide a detailed description of your claim management system.
11. Confirm the ability and willingness to act as the City's agent in ensuring compliance with Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007 (MMSEA) including the completion of and reporting of all necessary claims, files and reports.
12. Demonstrate Statement on Auditing Standards (SAS) 70.

### Scope of Services

The following is a general scope of what is required to manage a cost effective Workers' Compensation Program. There may be services your vendor may provide not listed, please outline those in detail as well.

1. Act as administrator of the City of Scranton's Workers' Compensation Program, pay claims and expenses on the City of Scranton's behalf and provide monthly financial reports.
2. Establish records of all claims, including those resulting in no payment ("Record Only"), medical only and compensable, including allocated loss adjustment expenses (ALAE).
3. Complete any regulatory reporting forms, or other documents required by governing authorities.
4. Establish claimant contact in a timely fashion, and make necessary medical and loss time payments to claimants and medical providers.

5. Employ third party vendors and special investigators when necessary. The City of Scranton reserves the right to select those vendors.
6. Attempt to achieve the return to work of injured employees, and render advice to the City regarding the return to work and light duty options that could be utilized.
7. Establish appropriate reserves and maintain records of all payments for medical indemnity, and expenses for each Worker's Compensation claims.
8. Meet with City of Scranton personnel at least once per quarter to review the status of the claims administration process and other matters pertinent to the services being performed.
9. Conduct an annual stewardship meeting reviewing the services performed the previous year, the status of open claims, loss payment history and trends, and incurred loss experience and trends, with recommendations for the upcoming year.
10. Report claims to the excess insurer in accordance with the requirements of the policy.
11. Provide claim status reports as requested by the City.

Attached as Exhibit "A" please find a copy of the evaluation performed by Gary R. Abramson, ACAS, MAAA, which provides a reserve analysis and loss forecast of the City's Self Insured program, along with claims data.

#### Qualifications

All qualifications submitted to the City of Scranton shall include the following:

1. A certificate of insurance of the prospective bidder's insurance coverage. The City requires the successful bidder to carry Professional Liability insurance at a minimum of \$2000.00 occurrence/aggregate. All insurance coverages must be kept in effect during the contract period. The loss of insurance coverages could result in voiding of the contract.
2. A statement of assurance that the prospective bidder is not currently in violation of any regulatory rules and regulations that may have any impact on its operations.
3. A statement that the prospective bidder is not involved in any current litigation with the City.

#### Insurance

Qualifications must include a statement of the prospective bidder's insurance coverage. Proposer shall procure and maintain, at its own cost and expense, insurance with companies that have an A.M. Best's Rating of not less than A- and acceptable to City of Scranton, with coverage limits of not less than stipulated below. The City of Scranton, the Commonwealth of Pennsylvania, and their respective officers, employees, directors, boards, Commissions and agents, shall be included as Additional Insureds on the General Liability, Automobile Liability and Excess/Umbrella Liability Insurance policies. An endorsement is required stating that Proposer's policies will be primary to any other coverage available to the City of Scranton and/or the Commonwealth of Pennsylvania and their respective officers, employees, directors, boards, commissions, and agents. Any insurance maintained by the City of Scranton will be excess and non-contributory. Furthermore, no act or omission of the City of Scranton and/or the Commonwealth of Pennsylvania and their respective officers, employees, directors, boards, commissions, and agents, shall invalidate the coverage. All

insurance coverage must be kept in effect during the Contract Period. Loss of insurance coverages could result in the voiding/termination of the Contract.

- Worker's Compensation and Employers Liability. Worker's Compensation Insurance as required by statute. Employers Liability coverage to be carried with limits of not less than \$1,000,000.00/per accident, \$1,000,000.00/disease (policy limit), \$1,000,000.00/disease (each employee).
- Commercial General Liability. Commercial General Liability Insurance is required with limits of not less than \$1,000,000.00 Each Occurrence; \$2,000,000.00 General Aggregate; \$2,000,000.00 Products/Completed Operations Aggregate and \$1,000,000.00 Personal/Advertising Injury. The policy shall also cover liability arising from Blanket Contractual, Broad Form Property Damage, liability assumed under an insured contract (including tort liability of another assumed in a business contract), and Personal Injury (including coverage for discrimination, defamation, harassment, malicious prosecution, slander, and mental anguish). Products and Completed Operations must be included. ISO Endorsement CG 21 39 10 93 (Contractual Liability Limitation) shall not apply to this contract. Such policy must contain a "Severability of Interests" clause. This insurance shall be excess over any other insurance, whether primary, excess, contingent, or on any other basis, that is available to the contractor or its subcontractor covering liability for damages because of Bodily Injury or Property Damage for which the contractor has been included as an Additional Insured. The City of Scranton and the Commonwealth of Pennsylvania and their respective officers, employees, directors, boards, commissions, and agents shall be included as Additional Insureds. A copy of the actual Additional Insured Endorsement or policy wording is required.
- Automobile Liability. Business Automobile Liability covering all owned, non-owned, and hired autos in required with limits of not less than \$1,000,000.00 Combined Single Limit for Bodily Injury and Property Damage. Such policy must contain a "Severability of Interests" clause. The City of Scranton, and the Commonwealth of Pennsylvania and their respective officers, employees, directors, boards, commissions, and agents, shall be included as Additional Insureds. A copy of the actual Additional Insured Endorsement or policy wording is required.
- Excess/Umbrella Liability. Proposer shall provide evidence of Excess/Umbrella Liability Insurance with limits of not less than \$5,000,000.00 in Any One Claim or Occurrence. Coverage shall include, but not be limited to, coverage provided by any underlying insurance. Underlying insurance shall include all liability coverage required by this contract except Professional Liability/Errors or Omissions coverage as outlined below. The City of Scranton and the Commonwealth of Pennsylvania and their respective officers, employees, directors, boards, commissions and agents shall be included as Additional Insureds. A copy of the actual Additional Insured Endorsement or policy wording is required.
- Professional Liability/Errors & Omissions Coverage. Evidence of Professional Liability/Errors & Omissions coverage, including Privacy Liability, must be provided,

- with limits of not less than \$10,000,000.00, with a deductible not to exceed \$10,000.00. Errors & Omissions coverage shall be applicable to any occurrence arising out of the performance of services required under the Professional Services Contract and shall cover liability arising from information technology services including, but not limited to, intellectual property infringement, privacy infringement, and, if applicable, software development services and computer or electronic information technology services. Coverage under an occurrence form shall be maintained in full force and effect under the policy during the contract period. Under a claims made form, continuous coverage is required. Should an Extended Discovery Period or "tail" coverage be required in the event coverage is terminated, such coverage must be maintained for a period of not less than three (3) years.
- Fidelity/Blanket Crime Insurance. Evidence of Fidelity/Blanket Crime Insurance with an Employee Dishonesty limit of not less than \$5,000,000.00 shall be submitted to the City of Scranton prior to the commencement of services. Proposer must maintain Third Party (includes money, securities, client's property, and other properties) coverage under the Crime policy. The City of Scranton shall be included as a co-loss payee. A copy of the actual Loss Payee Endorsement is required.

#### **Additional Provisions**

A certificate of insurance evidencing all of the above coverages shall be filed with the City of Scranton prior to the commencement of work. It shall be the responsibility of the successful Proposer to ensure that all subcontractors carry insurance of not less than coverage and limits specified herein. Proper evidence of this compliance must be forwarded to the City of Scranton prior to the inception of any work by subcontractor.

Renewal certificates and policies, as required, shall be forwarded to the City of Scranton for as long as professional contractor performs the work as specified in this contract. All certificates and policies shall contain a provision that coverage afforded will not be cancelled or materially altered until at least thirty (30) days prior written notice has been given to the City of Scranton.

Qualifications must include a statement of assurance that the prospective bidder is not currently in violation of any regulatory rules and regulations that may have any impact on its operations, as well as a statement that the prospective bidder is not involved in any current litigation with the City of Scranton.

Qualifications must include a copy of any and all contractual language, including any and all governing terms of the agreement.

#### **Indemnification**

The Proposer will be required in the contract to "protect, defend, indemnify and hold harmless the City of Scranton, and the Commonwealth of Pennsylvania, and their respective officers, directors, boards, commissions, commissioners, agents, contractors, employees, and/or their invitees from and against all claims, demands, loss, fines, penalties, and causes

of action, damages, or liability (i) for bodily injury, including death, and for damage to property, including the property of any of them, incurred by reason of any willful or negligent act of commission or omission of successful Proposer, its agents or employees, arising out of or taking place in the courts of the performance of this contract; (ii) or results from or arises out of the violation of any third party's trade secrets, trademarks, copyright, patent rights, or other proprietary rights in connection with a breach of any warranty set forth in the contract." The indemnification shall include the fees and expenses of attorneys and experts, etc. The Successful Proposer's indemnification expressly includes any claims for personal injuries or death made by or on behalf of Proposer's employees against the City of Scranton, the Commonwealth of Pennsylvania and each of their respective employees, officers, directors, commissions, commissioners, agents, contractors, employees, and/or invitees.

The City of Scranton does not indemnify.

#### Certificate of Non-Indebtedness

The Proposer will be required to certify and represent that Proposer and Proposer's parent company(ies) and subsidiary(ies) are not indebted (at the time of signing of the contract) to the Commonwealth of Pennsylvania, or the City of Scranton, and will not at any time during the term of the contract (including any extensions or renewals thereof) be indebted to the City, for or on account of any delinquent taxes (including, but not limited to, taxes collected by the City on behalf of the School District), liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established. In addition to any other rights or remedies available to the City of Scranton at law or in equity, Proposer acknowledges that upon any breach or failure to conform to such certification the City of Scranton shall have the right to, and may, at the option of the City of Scranton, withhold payments otherwise due to Proposer, and, if such breach or failure is not resolved to the City of Scranton's satisfaction within a reasonable time frame as specified by the City of Scranton in writing, this will offset any such indebtedness against said payments and/or terminate this Agreement for default (in which case Proposer shall be liable for all excess costs and other damages including reasonable attorney's fees resulting from the termination).

#### Non-Discrimination

Proposer shall not discriminate or permit discrimination against any person because of race, color, religion, national origin, sex, or sexual orientation. In the event of such discrimination, the City of Scranton may, in addition to any other rights or remedies available under the contract, at law or in equity, terminate any contract with Proposer forthwith.

Proposer shall comply with the provisions of Title VII of the Civil Rights Act of 1964 (42 U.S.C. §200d et seq.), §504 of the Federal Rehabilitation Act of 1973 (29 U.S.C. §794), The Age Discrimination Act of 1975 (42 U.S.C. §6101 et seq.), Title IX of the Education Amendments of 1972 (20 U.S.C. §1681), and 45 C.F.R. Part 92, as they may be amended from time to time, which together prohibit discrimination on the basis of race, color, national origin, sex, handicap, age, and religion.

Proposer understands and agrees that no individual with a disability shall, on the basis of the disability, be excluded from participation in any contract of Proposer with the City of Scranton or from activities or services provided under such contract. As a condition of accepting and executing such contract, Proposer shall comply with all provisions of the Americans with Disabilities Act, 42 U.S.C. §12101 et seq., and all regulations promulgated thereunder, as the Act and regulations may be amended from time to time, which are applicable (a) to Proposer, (b) to the benefits, services, activities, facilities, and programs provided in connection with this Agreement, (c) to the City of Scranton, or the Commonwealth of Pennsylvania, and (d) to the benefits, services, activities, facilities, and programs of the City of Scranton or of the Commonwealth.

Without limiting the generality of the preceding sentence, Proposer shall comply with the "General Prohibitions Against Discrimination," 28 C.F.R. §35.130, and all other regulations promulgated under Title II of "The Americans with Disabilities Act," as they may be amended from time to time, which are applicable to the benefits, services, programs, and activities provided by the City of Scranton through contracts with outsider contractors.

#### Governing Laws

Any contract entered into by the City of Scranton will be executed in and shall be governed by the laws of the Commonwealth of Pennsylvania.

#### Certain Required Disclosures

In accordance with the Commonwealth of Pennsylvania's contract reform legislation, persons and entities who wish to provide goods and services to the City of Scranton must provide certain information about contributions they have made to elected City officials or candidates for City offices. All Proposers must, therefore, complete Attachment E and include such completed Attachment with their qualifications. Please note that the selected Proposer will be required to update such disclosure during the term of its agreement with the City of Scranton and for one (1) year thereafter.

**Attachment A: Reserve Analysis and Loss Forecast with Claims Data**

Please see attached.

### Attachment B. Affirmative Action Certification

During the term of this contract, Bidder agrees as follows:

- (1) Bidder shall not discriminate against any employee, applicant for employment, independent contractor or any other person because of race, color, religious creed, ancestry, national origin, age, sex or handicap. Bidder shall take affirmative action to insure that applicants are employed, and that employees or agents are treated during employment, without regard to their race, color, religious creed, ancestry, national origin, age, sex or handicap. Such affirmative action shall include, but is not limited to the following: employment, upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training. Bidder shall post in conspicuous places, available to employees, agents, applicants for employment, and other persons, a notice to be provided by the contracting agency setting forth the provision of this affirmative action certification.
- (2) Bidder shall, in advertisements or requests for employment placed by it or on its behalf, state all qualified applicants will receive consideration for employment without regard to race, color, religious creed, ancestry, national origin, age, sex or handicap.
- (3) Bidder shall send each labor union or workers' representative with which it has a collective bargaining agreement to other contract or understanding, a notice advising said labor union or worker's representative of its commitment to this affirmative action certification. Similar notice shall be sent to every other source of recruitment regularly utilized by bidder.
- (4) It shall be no defense to a finding of noncompliance with this affirmative action certification that bidder has delegated some of its employment practices to any union, training program, or other source of recruitment which prevents it from meeting its obligations. However, if the evidence indicates that the bidder was not on notice of the third-party discrimination or made a good faith effort to correct it, such a factor shall be considered in mitigation in determining appropriate sanctions.
- (5) Where the practices of a union or of any training program or other source of recruitment will result in the exclusion of minority group persons, so bidder will be unable to meet its obligations under this affirmative action certification, bidder shall then employ and fill vacancies through other affirmative action employment procedures.
- (6) Bidder shall comply with all state and federal laws prohibiting discrimination in hiring or employment opportunities. In the event of bidder's

noncompliance with affirmative action certification of this contract or with any such laws, this contract may be terminated or suspended, in whole or in part, and bidder may be declared temporarily ineligible for further City of Scranton contracts, and other sanctions may be imposed and remedies invoked.

- (7) Bidder shall furnish all necessary employment documents and records to, and permit access to its books, records, and accounts by, the City of Scranton Department of Business Administration, for purposes of investigation to ascertain Compliance with the provision of this certification. If bidder does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the City of Scranton Department of Business Administration.
- (8) Bidder shall actively recruit minority subcontractors or subcontractors with substantial minority representation among their employees.
- (9) Bidder shall include the provisions of this affirmative action certification in every subcontract, so that such provisions will be binding upon each subcontractor.
- (10) Bidder's obligations under this clause are limited to the bidder's facilities within Pennsylvania, or where the contract is for purchase of goods manufactured outside of Pennsylvania, the facilities at which such goods are actually produced.

DATE: \_\_\_\_\_

\_\_\_\_\_  
(Name of Bidder)

BY \_\_\_\_\_

TITLE \_\_\_\_\_

**Attachment C. Certificate of Non-Segregated Facilities**

The bidder certifies that he does not maintain or provide for his employees and segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder agrees that a breach of this certification will be a violation of the Equal opportunity clause in any contract resulting from acceptance of his bid. As used in this certification, the term "segregated Facilities," means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. The Bidder agrees that (except where he has obtained identical certifications from proposal sub-contractors for specific time periods) he will obtain identical certifications from proposed sub-contractors prior to the award of sub-contracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause, and that he will retain such certification in his files.

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. §1001.

DATE: \_\_\_\_\_

\_\_\_\_\_  
(Name of Bidder)

BY \_\_\_\_\_

TITLE \_\_\_\_\_

**Attachment D. Non-Collusion Affidavit of Prime Bidder**

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

\_\_\_\_\_, being  
first duly sworn, deposes and says that:

1. He is \_\_\_\_\_  
(Owner, partner, officer, representative or agent)

of \_\_\_\_\_, the Bidder that has  
submitted the bid;

2. He is fully informed respecting the preparation and contents of the attached Bid and of all pertinent circumstances respecting such Bid;
3. Such Bid is genuine and is not a collusive or sham Bid;
4. Neither the said Bidder nor any of its officers, partners, owners, agents, Representatives, employees or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, or to Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the City of Scranton (Local Public Agency) or any person interested in the proposed Contract; and;
5. The price or prices quoted in the attached Bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the bidder or any of its agents, representatives, owners, employees or parties in interest, including this affiant.

Non-Collusion Affidavit  
Signature Page

Signed \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(TITLE)

SUBSCRIBED AND SWORN TO BEFORE ME

THIS \_\_\_\_\_ DAY OF \_\_\_\_\_  
\_\_\_\_\_, 20 \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(TITLE)

MY COMMISSION EXPIRES \_\_\_\_\_  
\_\_\_\_\_, 20 \_\_\_\_\_

### Attachment E. Disclosures by Current Contractors

1. Provide the names and titles of all individuals providing professional services to the City of Scranton Workers' Compensation and Heart and Lung program identified above including advisors and subcontractors, if any. After each name, please provide the responsibilities of that person with regard to the professional services provided to the City of Scranton Workers' Compensation and Heart and Lung Program.
  - List the names of any of the above individuals who are current or former officials or employees of the City of Scranton and their position;
  - List the names of any of the above individuals who has been a registered federal or state lobbyist and the date of the most recent renewal/registration.
2. Since January 1, 2011, have any of the individuals identified in paragraph two above been employed by the City of Scranton. If yes, please identify the individual by his/her name and position with the City of Scranton and dates of employment.
3. Since January 1, 2011, has the Contractor employed paid compensation to a third party intermediary, agent, or lobbyist to directly or indirectly communicate with any individual on the list of municipal officials in connection with any transaction or investment involving the Contractor and the Workers' Compensation and Heart and Lung Program. This question does not apply to any officer or employee of the Contractor who is acting within the scope of the Contractor's standard professional duties on behalf of the Contractor including the actual provision of legal, accounting, engineering, real estate, or other professional advice, services or assistance pursuant to its professional services contract with the Workers' Compensation and Heart and Lung Program.
4. Since January 1, 2011 has any agent, officer, director, or employee of the Contractor solicited a third party to make a political contribution to any municipal official or candidate for municipal office in the City of Scranton or to the political party or political committee for whom the solicitation was made. If yes, please identify the agent, officer, director, or employee who made the solicitation; the individual or individuals who were solicited, and the municipal officers, candidates, political party, or political committee for whom the solicitation was made.
5. Since January 1, 2011, has the contractor made any Contribution to a municipal official or candidate for municipal office in the City of Scranton. If yes, please identify the recipient, the amount, and the date of the contribution.
6. Does the Contractor have a direct financial, commercial, or business relationships with any individual on the List of Municipal Officials. With regard to every municipal official for which the answer is yes, identify that individual and provide a detailed written description of that relationship.
7. Since January 1, 2011, has the Contractor conferred any gift of more than nominal value to any individual on the List of Municipal Officials. A gift includes money, services, loans, travel, and

entertainment, at value or discounted value. With regard to every municipal official for which the answer is yes, identify the recipient, the gift, and the date it was conferred.

8. Did the Contractor make political contributions the meet all of the following four criteria: (i) The contribution was made at any time since January 1, 2011; (ii) the contribution was made by an officer, director, executive-level employee, or owner of at least five percent (5%) of the Contractor; (iii) the amount of the contribution was at least \$500.00 in the form of either a single contribution by an officer, director, executive-level employee or owner of at least five percent (5%) or the aggregate of all contributions by all officers, directors, executive-level employees, and owners of at least five percent (5%) and (iv) the contribution was made to a candidate for any public office in the Commonwealth of Pennsylvania or to an individual who holds that office, or to a political committee of a candidate for public office in the Commonwealth of Pennsylvania or of an individual who holds that office. If yes, then the Contractor shall provide the following information: the name and address of the contributor, the contributor's relationship to the Contractor, the name and office or position of each recipient, the amount of the contribution, and the date of the contribution.
9. Regarding the provision of professional services to the City of Scranton Workers' Compensation and Heart and Lung Program, are you aware of any conflicts of interest, whether apparent, potential, or actual, with respect to any officer, director, or employee of the Contractor and officials or employees of the City of Scranton. If yes, please provide a detailed written explanation of the circumstances which you believe provide a basis to conclude that an apparent, potential, or actual conflict of interest may exist.
10. Please provide the name(s) and person(s) completing this form. One of the individuals identified by the Contractor in paragraph two must participate in completing this form and must sign the verification statement below.

### VERIFICATION

I, \_\_\_\_\_, hereby state that I am \_\_\_\_\_  
for \_\_\_\_\_, and am authorized to make this verification.

I verify that the facts set forth in the foregoing Act 44 Disclosure Form for entities providing professional services to the City of Scranton are true and correct to the best of my knowledge, information, and belief. I understand that false statements herein are made subject to penalties of 18 P.A.C.S section 4904 relating to unsworn falsification to authorities.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

# GRA Consulting

September 25, 2016

Mr. David Bulzoni  
Business Administrator  
City of Scranton  
Department of Business Administration  
City Hall  
340 North Washington Avenue  
Scranton, Pennsylvania 18503

Re: The City's Self-Insured Workers' Compensation Program  
Reserve Analysis and Loss Forecast, Self-Insurance Renewal Application

Dear Mr. Bulzoni:

Gary R. Abramson, Casualty Actuarial Services ("GRA Consulting") has been retained by The City of Scranton to evaluate outstanding losses for the City's workers' compensation self-insurance program as of August 31, 2016. This analysis has been conducted to assist the administration of the City with their financial reporting requirements as well as to assist the City in their self-insurance renewal application process with the PA Bureau of Workers' Compensation.

By using the loss experience of The City of Scranton in combination with the City's own development patterns weighted with those patterns as promulgated by the Pennsylvania Bureau of Workers' Compensation, GRA Consulting has estimated the total discounted outstanding liabilities as of August 30, 2016 to be \$22,103,877. As displayed on Exhibit 4, this amount represents the sum of estimated outstanding losses discounted for future investment earnings at an annual rate of 2.75 percent. This is an increase of \$2.1Mil over the prior report. The predominant impacts are threefold:

1. The death claim for police officer John Wilding (dol 7/11/15) – the indemnity benefits reserve is just under \$1.8Mil when one year prior it was at \$4,599,
2. The introduction of the new program year 2016/2017 which contributed over \$1.43Mil to the total increase, and
3. A 0.25 decrease in the discount rate utilized in discounting the outstanding losses of the program. Estimated increase of \$404,500 to the total obligation.

These three factors significantly outweighed the reductions due to the closing of 96 claims over the past year, including one critical claim carrying a reserve of almost \$450,000.

Gary R. Abramson, Casualty Actuarial Services  
9 South 12th Avenue, Manville, NJ 08835  
Tel. (908) 642-3031

Mr. David Bulzoni  
9/25/2016  
Page 2 of 3

Exhibit 5 details the level of anticipated, expected claims and claims expense expenditures for the 2017 calendar year, which total \$3,323,826. This is an increase of just over \$607,000 above the prior year's expected claims expenditures and is predominantly due to the impact of the reserve increase in the Wilding claim. It is the Bureau's position that the estimated ultimate losses used in Exhibit 5 to project the upcoming cash payouts in 2017 be gross of any reinsurance recoverable. We have estimated that this position by the Bureau results in an overstatement of the expected cash payout during 2017 for this one year alone of \$275,000.

In Exhibit 5, we continue to employ a selection process that is based upon the midpoint of a range of possible estimates of the claims and associated claims expense to be paid out in 2017. We had a prior history of overstating the expected payouts due to two issues: the selected paid loss development factors continued to overestimate the ultimate final costs, and, two, the Bureau's position that the starting point of this exhibit should be estimated ultimate losses by program year that reflect zero potential reinsurance recoveries for any year regardless of whether or not the providing carrier is viewed as qualified or not. This has been the Bureau's position since November of 2005. In other words, this amount is now gross of any amounts that may be reimbursed by your excess carriers.

Finally, as outlined in Table A, combining the expected claims to be paid in 2017 with the other expenses of the Fund as provided by the Business Administration staff, the total expenditures to the Fund for 2017 are anticipated to be \$3,758,821.

As noted previously, a change in the claims administration management of this program can have many impacts, from increasing reserves to a speed up in the payment of claims, or visa versa. It will take another two August 31<sup>st</sup> evaluations to determine whether the claims management philosophy of the newest TPA will have a material impact on the projected results of this program. At this time, it appears that the initial impact of PMA Companies has been an increase in payments on open claims, coupled with resultant reserve takedowns and closings. We will continue to closely monitor changes in paid and reported loss emergence patterns for future analyses.

Should you have any questions or need for further clarification; please do not hesitate to contact me at (908) 642-031. One original of this report and one working copy for the reinsurance company have been provided. In the interest of complying with the PA WC Bureau's request for a timely review of the actuarial report, I have forwarded an original of this report to Lac Longson, Actuary, PA Bureau of Workers' Compensation in Harrisburg.

Mr. David Bulzoni  
9/25/2016  
Page 3 of 3

The invoice for our services has been included in a separate cover within this mailing.

Sincerely,



Gary R. Abramson, ACAS, MAAA  
Consulting Actuary

GRA: Soranton\_cover\_September 25\_2016.doc

Gary R. Abramson, Casualty Actuarial Services  
9 South 12<sup>th</sup> Avenue, Manville, NJ 0885  
Tel. (908) 642-0331

# GRA Consulting

September 25, 2016

Mr. Lao Longson  
Actuary  
Commonwealth of Pennsylvania  
Department of Labor & Industry  
Self-Insurance and Safety Division  
Bureau of Workers' Compensation  
1171 S. Cameron Street  
Harrisburg, PA 17104-2501

RE: The City of Scranton  
Pennsylvania Self-Insurance Renewal Application Security Requirements

Dear Mr. Longson:

Gary R. Abramson, Casualty Actuarial Services ("GRA Consulting") has been retained by The City of Scranton to evaluate outstanding losses for the City's workers' compensation self-insurance program. This analysis has been conducted to assist the administration of the City with their annual renewal application establishing security requirements with the Pennsylvania Bureau of Workers' Compensation, Self-Insurance and Safety Division.

By using the loss experience of The City of Scranton in combination with their own historical development patterns, weighted with Pennsylvania statewide development patterns as promulgated by your Department, GRA Consulting has estimated the total discounted outstanding liabilities as of August 31, 2016 to be \$22,103,877. As displayed on Exhibit 4, this amount represents the sum of estimated outstanding losses discounted for future investment earnings at an annual rate of 2.75 percent.

The attached Table A summarizes the projected expenditures for the City's self-insured workers' compensation program for the calendar year commencing January 1, 2017. It includes estimates of the cost of claims and claim expense payments (gross of any anticipated reinsurance recoveries), claims administrative costs, general self-insurance costs and the Trust Fund operating expenses. The development of the claims liability expenses is explained within the attached synopsis; otherwise the expenses associated with 2017 are as estimated by The City based upon expected outlays. As displayed within this table, the projected annual expenditures for calendar year 2017 for all categories combined is \$3,758,821.

If you should have any questions, please do not hesitate to call me at (908) 642-0311.

Sincerely,



Gary R. Abramson, ACAS, MAAA  
Consulting Actuary

Enclosures

GRA: DOC: SCRANTON\_SMRV\_8.31.16.DOC  
cc: David Bulzoni, Business Administrator

Gary R. Abramson, Casualty Actuarial Services  
9 South 12<sup>th</sup> Avenue, Manville, NJ 08835  
Tel. (908) 642-3031

# GRA Consulting

September 25, 2016

Mr. David Bulzoni  
Business Administrator  
City of Scranton  
Department of Business Administration  
City Hall  
340 North Washington Avenue  
Scranton, Pennsylvania 18503

Re: The City's Self-Insured Workers' Compensation Program  
Reserve Analysis and Loss Forecast, Self-Insurance Renewal Application

Dear Mr. Bulzoni:

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These three factors significantly outweighed the reductions due to the closing of 96 claims over the past year, including one critical claim carrying a reserve of almost \$450,000.

Gary R. Abramson, Casualty Actuarial Services  
9 South 12th Avenue, Manville, NJ 08835  
Tel. (908) 642-3031

Exhibit 5 details the level of anticipated, expected claims and claims expense expenditures for the 2017 calendar year, which total \$3,323,826. This is an increase of just over \$607,000 above the prior year's expected claims expenditures and is predominantly due to the impact of the reserve increase in the Wilding claim. It is the Bureau's position that the estimated ultimate losses used in Exhibit 5 to project the upcoming cash payouts in 2017 be gross of any reinsurance recoverable. We have estimated that this position by the Bureau results in an overstatement of the expected cash payout during 2017 for this one year alone of \$275,000.

In Exhibit 5, we continue to employ a selection process that is based upon the midpoint of a range of possible estimates of the claims and associated claims expense to be paid out in 2017. We had a prior history of overstating the expected payouts due to two issues: the selected paid loss development factors continued to overestimate the ultimate final costs, and, two, the Bureau's position that the starting point of this exhibit should be estimated ultimate losses by program year that reflect zero potential reinsurance recoveries for any year regardless of whether or not the providing carrier is viewed as qualified or not. This has been the Bureau's position since November of 2005. In other words, this amount is now gross of any amounts that may be reimbursed by your excess carriers.

Finally, as outlined in Table A, combining the expected claims to be paid in 2017 with the other expenses of the Fund as provided by the Business Administration staff, the total expenditures to the Fund for 2017 are anticipated to be \$3,758,821.

As noted previously, a change in the claims administration management of this program can have many impacts, from increasing reserves to a speed up in the payment of claims, or visa versa. It will take another two August 31<sup>st</sup> evaluations to determine whether the claims management philosophy of the newest TPA will have a material impact on the projected results of this program. At this time, it appears that the initial impact of PMA Companies has been an increase in payments on open claims, coupled with resultant reserve takedowns and closings. We will continue to closely monitor changes in paid and reported loss emergence patterns for future analyses.

Should you have any questions or need for further clarification; please do not hesitate to contact me at (908) 642-0311. One original of this report and one working copy for the reinsurance company have been provided. In the interest of complying with the PA WC Bureau's request for a timely review of the actuarial report, I have forwarded an original of this report to Lac Longson, Actuary, PA Bureau of Workers' Compensation in Harrisburg.

Gary R. Abramson, Casualty Actuarial Services  
9 South 12<sup>th</sup> Avenue, Manville, NJ 0885  
Tel. (908) 642-0331

Mr. David Bulzoni  
9/25/2016  
Page 3 of 3

The invoice for our services has been included in a separate cover within this mailing.

Sincerely,



Gary R. Abramson, ACAS, MAAA  
Consulting Actuary

GRA: Soranton\_cover\_September 25\_2016.doc

Gary R. Abramson, Casualty Actuarial Services  
9 South 12<sup>th</sup> Avenue, Manville, NJ 0885  
Tel. (908) 642-0331

# GRA Consulting

September 25, 2016

Mr. Lac Longson  
Actuary  
Commonwealth of Pennsylvania  
Department of Labor & Industry  
Self-Insurance and Safety Division  
Bureau of Workers' Compensation  
1171 S. Cameron Street  
Harrisburg, PA 17104-2501

RE: **The City of Scranton  
Pennsylvania Self-Insurance Renewal Application Security Requirements**

Dear Mr. Longson:

Gary R. Abramson, Casualty Actuarial Services ("GRA Consulting") has been retained by The City of Scranton to evaluate outstanding losses for the City's workers' compensation self-insurance program. This analysis has been conducted to assist the administration of the City with their annual renewal application establishing security requirements with the Pennsylvania Bureau of Workers' Compensation, Self-Insurance and Safety Division.

By using the loss experience of The City of Scranton in combination with their own historical development patterns, weighted with Pennsylvania statewide development patterns as promulgated by your Department, GRA Consulting has estimated the total discounted outstanding liabilities as of August 31, 2016 to be \$22,103,877. As displayed on Exhibit 4, this amount represents the sum of estimated outstanding losses discounted for future investment earnings at an annual rate of 2.75 percent.

The attached Table A summarizes the projected expenditures for the City's self-insured workers' compensation program for the calendar year commencing January 1, 2017. It includes estimates of the cost of claims and claim expense payments (gross of any anticipated reinsurance recoveries), claims administrative costs, general self-insurance costs and the Trust Fund operating expenses. The development of the claims liability expenses is explained within the attached synopsis; otherwise the expenses associated with 2017 are as estimated by The City based upon expected outlays. As displayed within this table, the projected annual expenditures for calendar year 2017 for all categories combined is \$3,758,821.

If you should have any questions, please do not hesitate to call me at (908) 642-0311.

Sincerely,



Gary R. Abramson, ACAS, MAAA  
Consulting Actuary

Enclosures

GRA: DOC: SCRANTON\_SMKY\_8.31.16.DOC  
cc: David Bulzoni, Business Administrator

Gary R. Abramson, Casualty Actuarial Services  
9 South 12<sup>th</sup> Avenue, Manville, NJ 08835  
Tel. (908) 642-3031

The City of Scranton  
Worker's Compensation

Projected Annual Expenditure Amounts  
Calendar Year 2017

<u>Category</u>	<u>Amount</u>
1. Claims Liability - midpoint of reasonableness range (Losses & ALAE payments, from Exhibit 5)	\$3,323,826
2. Claims Administrative Expense (PMA Claims Services annual services fee)	\$68,750
3. General Self-Insurance Expenses (Excess Reinsurance, Risk Mgmt Services, Loss Control & Special Assessments)	\$312,000
4. Trust Operating Expenses (Trust Fund fees including investment, accounting and actuarial services)	<u>\$54,245</u>
Total Projected Annual Expenditures (January 1, 2017 through December 31, 2017)	<u>\$3,758,821</u>

25-Sep-16

Table A.x/s

Gary R. Abramson, Casualty Actuarial Services

**THE CITY OF SCRANTON**  
Workers' Compensation

SYNOPSIS OF PROCEDURES

The general thrust of this analysis has involved the estimation of expected ultimate losses by program year. This is accomplished in the following fashion.

For all historical injury periods, loss development factors as promulgated by the PA Bureau of Workers' Compensation, Self-Insurance and Safety Division, are combined with the historical development patterns of The City and then applied to the most recent evaluation of losses. This link ratio approach results in the estimation of ultimate losses by program year.

This methodology parallels that employed by the Bureau with the following exceptions:

- (1) Individual large losses, if necessary, are capped at their respective per occurrence retentions, subject to the reinsurance in-force being that as provided by a licensed carrier with a financial rating of at least B+.
- (2) Reported and paid loss development procedures are utilized prior to selecting ultimate loss estimates which are based upon a 60/40 weighted average of the two procedures, and
- (3) The estimated outstanding losses as of the date of evaluation are discounted to a present value basis utilizing the underlying payment pattern of the specific losses at a yield rate representative of the U.S. 30 year Treasury Bond in effect at the time of evaluation, as specified in the PA Bureau of Workers' Compensation, Self-Insurance and Safety Division Regulations, § 125.9 (f).

A detailed explanation of the exhibits and analysis follows.

EXHIBIT 1

Sheet 1 of this exhibit provides a summary of the loss experience under analysis. The experience is that as provided by the PMA Companies, evaluated as of August 31, 2016. PMA assumed all claims administrative responsibilities from PA Claims Services as of March 1, 2013. The data displayed is the collective experience of all previous TPA's as provided to and assimilated by PMA. A comparison of the losses for accident years up through and including 2015/16, will show that during the previous twelve months, the program paid out \$3,804,000 in claims and related expenses, while the reported losses increased by approximately \$2,830,000 over the same time frame. This implies a decrease in the outstanding losses for the City's self-insured program of approximately \$975,000 for policy years up through and including 2015/16. This data has not been audited for accuracy but has been reviewed for reasonableness and consistency.

Sheet 2 of this exhibit provides basic exposure information in the form of number of employees and payroll for the current, prospective and nineteen historical program periods. Trends in the average annual wage per employee are displayed for each year and for the nineteen year history overall.

Gary R. Abramson, Casualty Actuarial Services  
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Tel. (908) 642-3031

EXHIBIT 2

Exhibit 2 presents the development of the estimated ultimate losses for the respective accident periods.

Three versions of Exhibit 2 are presented – ultimate losses projected on a fully unlimited basis; ultimate loss projections limited to each policy periods specific per occurrence retention; and ultimate losses limited by the specific per occurrence retention for those reinsurers who have been approved by the Bureau as responsive reinsurers for the time periods under review.

The estimated losses of Exhibit 2, Sheets 2 & 3 have been presented on a limited basis. Excess insurance purchased by the City effectively limits the impact of any large loss to a specific per occurrence retention underlying the program. Column (F) identifies the critical large loss amount by accident period. Any claim at or exceeding this limit would effectively be subject to a special capping procedure, thereby limiting its impact on the overall obligations of the City. As of this valuation, 66 individual claims meet this criterion. This is an increase of three (3) critical value claim from the prior August 2015 analysis.

From Sheet 3 of this exhibit, when the large claims are removed from this capping procedure due to the unlikely recovery of any reinsurance recoverables due from Frontier Insurance for program years 1995 and 1996 and the General Reinsurance Pappy Plan of late 1990-93, the number of critical claims declines to 36 overall. This is an increase of two critical claims over the prior analysis. When comparing sheets 2 & 3 of this exhibit, the impact of the unresponsive reinsurance can be estimated at approximately \$6.725 Million. It is Sheet 3 of this exhibit that forms the basis of the final analysis for this review.

The selected expected ultimate losses of this exhibit are based upon a 60/40 weighted average between the two loss development methodologies employed – reported & paid. Due to the influence of the City's previous and highly successful buyout program of older, open claims, it is anticipated that the estimate based solely upon paid losses would overstate the true underlying ultimate losses by program period. Therefore, while it is likely that the true ultimate losses by year will lie somewhere between the estimates developed by the two methodologies, it is expected that they will probably be more closely aligned with those of the reported methodology. This weighting methodology will need to be closely monitored on an ongoing basis to properly reflect the reserving and payment practices of the current TPA.

Development of the selected loss development factors utilized in the projection of ultimate losses for this exhibit is explained in greater detail in the commentary underlying Appendix A.

EXHIBIT 3

Exhibit 3 develops estimated ultimate losses for the current and prospective program years by extending loss-per-exposure estimates from prior accident periods. Various averages are displayed on this exhibit and the selected average attempts to balance responsiveness to current trends with the stability inherent in reviewing several years of experience. The selected average loss rate, per \$100 of payroll, is then multiplied by the estimated payroll base for the individual years, to yield estimated expected ultimate losses for the current, relatively immature March 1, 2016 - February 28, 2017 program year as well as the forecasted results for the March 1, 2017 – February 28, 2018 accident period. The selected loss rate for accident year 2016/17 is \$0.50 larger than the selected rate from the prior analysis and now matches that selected two reviews prior. This is a 4% increase in the selected loss rate and is reflective of the highly volatile results of the more recent program years.

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Loss and exposure trends utilized in this exhibit are selections based upon insurance industry averages. To the extent that the City's actual underlying trend is different, a slight bias in the estimate may result. However, the excess insurance purchased by the City should limit the impact of this risk, at least from a severity viewpoint.

#### EXHIBIT 4

Exhibit 4 develops the estimated outstanding losses as of August 31, 2016 on both a nominal basis and a discounted basis. The estimated outstanding losses as of August 31, 2016 are calculated by subtracting the paid losses as of that date from the estimate of the limited ultimate losses derived in Exhibit 2, Sheet 3 and Exhibit 3 for program year 2016/17. The discounted outstanding losses of this exhibit were produced through the application of discount factors derived based upon the prevailing 30 year U.S. Treasury Bond rate in effect as of August 31, 2016 and the underlying payment pattern for the specific losses. In addition, there are ten large claims in the 1986/87-1988/89 program years plus another thirteen in the 1999 - 2002, and 2004 years as identified in Appendix B with paid to date amounts in excess of their underlying retention. Since Exhibit 2 has already limited these claims to a maximum of the underlying retention, any excess payments have to be backed-out in order to eliminate a double credit for reinsurance recoverable.

The discounted outstanding loss as calculated within Exhibit 4 is approximately \$2.1Mil more than the prior analysis. It is reflective of the \$1.79Mil reserve increase in the July 2015 Wilding death claim, the impact of the new 2016/2017 program year to the analysis, and a 0.25 percent decrease in the rate of return utilized to discount the outstanding losses. The 0.25 point decrease in the underlying rate of interest utilized in discounting the expected payout pattern is responsible for approximately \$405,000 of the difference between these two annual evaluations. The growth in the Wilding obligation coupled with the introduction of the new 2016/17 program year offset much of the impact of 96 claims closing in the past year including one critical claim which had a reserve takedown of almost \$450,000.

#### EXHIBIT 5

Exhibit 5 develops a projection of the calendar year 2017 expected claims payments, including allocated claims expenses, for each program year under review. This exhibit simply extrapolates from the unlimited ultimate losses as previously derived for the anticipated annual expenditures commencing January 1, 2017. The projection is based upon the underlying paid loss development patterns that underlie the development of the ultimate losses by program year (attached as Appendix A, Sheets 1-5). By converting the cumulative paid factors into a percentage of losses paid at a given maturity and then comparing that percentage twelve months later, a percentage of losses expected to be paid in the upcoming twelve months can be calculated. The subsequent multiplication across program years yields an anticipated annual expenditure for calendar year 2017 of \$3,798,658. This figure is inclusive of allocated claims expenses since they are contained within the underlying loss data as presented by PMA Companies for this analysis and is further presented gross of any anticipated reinsurance recoveries.

A review of prior years' payouts had shown that this method had generally overstated the projected claims payments for the upcoming twelve months by upwards of 25%. The reasoning is two-fold; historical paid development factors are overly conservative and the ultimate losses used to project the upcoming payments do not reflect potential reinsurance recoveries. Our mid-point of a reasonable range of estimates (\$3,323,826) results in a 12.5% decrease in expected costs. Based upon the average monthly payments over the past twelve months (\$317,000), the \$3.23M midpoint appears to be reasonable.

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APPENDIX A

Appendix A presents the analysis of historical loss development patterns utilizing a variety of curve fitting techniques and display's various goodness of fit tests. Pennsylvania WC Bureau development patterns for paid and reported losses and reported claim counts have been used to supplement the City's own experience. The City's own loss development patterns are displayed in the triangulations of Sheets 1-2 & 6-7, for paid and reported losses respectively.

Various averages of the development factors are shown, as are those of the Bureau of WC. The selected development factors attempt to weigh the responsiveness of the City's own experience with the stability inherent in those of the collective insurance industry in the Commonwealth of Pennsylvania for Industry Grouping 16, Public Administration entities. Selections of paid and reported loss development factors have remained steady over prior valuations and will need to be closely monitored going forward.

PMA has been the current TPA for over three years and continues to aggressively settle claims and establish reasonable reserves, resulting in some volatility in payouts especially in the more recent program years. The final selection process attempts to smooth over these variable data anomalies. Due to the termination of the previous TPA and the resultant laborious task by PMA to re-establish accurate claim files, annual aggregate evaluations for 12.31.12 through 12.31.13 have not been available. We have started to build new development pattern tables based on recent evaluations but currently have only two successive August 31<sup>st</sup> evaluations upon which to back-fill the new tables.

APPENDIX B

Appendix B, Sheet 1 presents the derivation of the critical reported loss amounts necessary to identify current large losses that would require special treatment under various per claim retention programs.

These critical loss amounts were used during a review of individual large losses of the City as detailed through a PA Claims Statement of Losses valued as of August 31, 2016. As mentioned previously, currently sixty-six losses meet or exceed these critical amounts and are displayed individually by program year within Sheets 2 through 5 of this Appendix.

APPENDIX C

Appendix C presents the derivation of discount factors used in discounting each accident periods' outstanding liabilities. This exhibit utilizes a discount rate of 2.75% per annum in combination with the selected payment pattern underlying the paid losses. The discount rate is representative of the effective yield as of August 31, 2016 for 30 year US Treasury Bonds.

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The City of Scranton  
Summary of Historical Loss Experience  
As of August 31, 2016

Accident Year	Maturity (months)	Number of Claims			Paid Losses (Net of Subro)	Reported Losses
		Closed	Open	Total		
03/01/79-02/28/80	460	5	1	6	\$1,273,392	\$1,286,638
03/01/80-02/28/81	438	5	2	7	\$1,774,156	\$1,903,159
03/01/81-02/28/82	426	6	1	7	\$2,166,020	\$2,269,337
03/01/82-02/28/83	414	8	1	9	\$716,307	\$799,233
03/01/83-02/28/84	402	2	1	3	\$1,616,948	\$1,753,155
03/01/84-02/28/85	390	5	0	5	\$134,535	\$134,535
03/01/85-02/28/86	378	3	1	4	\$1,306,240	\$1,348,721
03/01/86-02/28/87	366	1	2	3	\$1,377,750	\$1,537,292
03/01/87-02/28/88	354	10	1	11	\$2,434,486	\$2,468,436
03/01/88-02/28/89	342	5	5	10	\$3,022,839	\$3,811,436
03/01/89-02/28/90	330	10	1	11	\$1,972,365	\$2,023,237
03/01/90-02/28/91	318	18	2	20	\$2,746,861	\$3,140,143
03/01/91-02/28/92	306	114	4	118	\$5,462,868	\$5,869,389
03/01/92-02/28/93	294	201	2	203	\$5,265,433	\$5,347,546
03/01/93-02/28/94	282	176	5	181	\$7,531,025	\$7,807,289
03/01/94-02/28/95	270	194	0	194	\$1,815,475	\$1,815,480
03/01/95-02/28/96	258	274	3	277	\$6,886,196	\$6,981,008
03/01/96-02/28/97	246	220	3	223	\$2,360,875	\$2,950,533
03/01/97-02/28/98	234	235	1	236	\$2,268,003	\$2,270,747
03/01/98-02/28/99	222	219	2	221	\$2,216,524	\$2,441,945
03/01/99-02/28/00	210	233	0	233	\$2,026,959	\$2,026,957
03/01/00-02/28/01	198	194	0	194	\$1,751,046	\$1,751,054
03/01/01-02/28/02	186	191	0	191	\$2,506,028	\$2,505,031
03/01/02-02/28/03	174	206	3	209	\$5,627,769	\$5,695,317
03/01/03-02/28/04	162	150	2	152	\$1,524,313	\$1,962,581
03/01/04-02/28/05	150	148	2	150	\$3,087,333	\$3,094,492
03/01/05-02/28/06	138	156	0	156	\$1,576,424	\$1,576,649
03/01/06-02/28/07	126	169	1	170	\$1,712,312	\$1,908,508
03/01/07-02/28/08	114	174	1	175	\$1,510,863	\$1,527,844
03/01/08-02/28/09	102	141	2	143	\$1,503,913	\$1,511,127
03/01/09-02/28/10	90	157	1	158	\$1,395,458	\$1,412,329
03/01/10-02/28/11	78	156	2	158	\$1,747,523	\$1,769,998
03/01/11-02/28/12	66	144	4	148	\$1,919,618	\$2,096,891
03/01/12-02/28/13	54	132	4	136	\$1,230,575	\$1,332,040
03/01/13-02/28/14	42	123	2	125	\$1,225,407	\$1,256,112
03/01/14-02/28/15	30	108	7	115	\$1,476,079	\$1,627,129
03/01/15-02/28/16	18	104	19	123	\$1,852,708	\$3,941,242
03/01/16-02/28/17	6	28	24	52	\$252,066	\$437,821
Totals		4425	112	4537	\$88,273,622	\$95,392,361

Source: PMA Companies Loss Summary by Policy, Account # 0441006  
Statement of Losses Valued as of: August 31, 2016

Note: Claim counts include claims closed without payment, and notice & medical only claims

The City of Scranton  
Summary of Historical Exposure  
As of August 31, 2016

<u>Calendar Year</u>	<u>Number of Employees</u>	<u>Payroll</u>	<u>Average Pay Per EE</u>	<u>Annual Change in Avg Payroll</u>
1997	671	\$18,920,100	\$33,135	
1998	584	\$18,968,992	\$32,481	-2.0%
1999	485	\$19,098,399	\$39,378	21.2%
2000	516	\$22,307,900	\$43,232	9.8%
2001	605	\$24,626,474	\$40,705	-5.8%
2002	580	\$21,313,870	\$36,748	-9.7%
2003	543	\$16,463,598	\$30,320	-17.5%
2004	562	\$20,214,639	\$35,969	18.6%
2005	520	\$17,887,985	\$34,400	-4.4%
2006	529	\$17,807,008	\$33,662	-2.1%
2007	516	\$18,738,747	\$36,315	7.9%
2008	525	\$19,114,409	\$36,408	0.3%
2009	549	\$18,670,308	\$34,008	-6.6%
2010	555	\$24,921,069	\$44,903	32.0%
2011	480	\$24,992,200	\$52,067	16.0%
2012	468	\$22,633,282	\$48,362	-7.1%
2013	498	\$28,699,650	\$57,630	19.2%
2014	480	\$30,574,331	\$63,697	10.5%
2015	475	\$32,395,961	\$68,202	7.1%
2016	487	\$31,468,362	\$64,617	-5.3%
<i>Average Annual Trend in Average Payroll per Employee:</i>				5.0%
2017 Budgetary	489	\$29,587,900	\$60,507	-11.3%

Source: City of Scranton, Department of Business Administration

Estimation of Unlimited Ultimate Losses

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Accident Period	Evaluation Date	Maturity (months)	Reported Losses at 6/30/16	Paid Losses at 6/30/16	Large Loss Critical Amount	Number of Losses > Column (F)	Reported on Large Losses	Paid on Large Losses
03/01/88-02/28/87	03/01/2016	366.0	\$1,537,292	\$1,377,700	N/A	N/A	N/A	N/A
03/01/87-02/28/86	03/01/2016	354.0	\$2,408,438	\$2,434,488	N/A	N/A	N/A	N/A
03/01/86-02/28/85	03/01/2016	342.0	\$4,811,438	\$3,022,839	N/A	N/A	N/A	N/A
03/01/85-02/28/84	03/01/2016	330.0	\$2,023,237	\$1,972,365	N/A	N/A	N/A	N/A
03/01/84-02/28/83	03/01/2016	318.0	\$3,140,145	\$2,740,801	N/A	N/A	N/A	N/A
03/01/83-02/28/82	03/01/2016	306.0	\$5,859,389	\$5,482,858	N/A	N/A	N/A	N/A
03/01/82-02/28/81	03/01/2016	294.0	\$5,247,548	\$6,285,433	N/A	N/A	N/A	N/A
03/01/81-02/28/80	03/01/2016	282.0	\$7,007,209	\$7,591,025	N/A	N/A	N/A	N/A
03/01/80-02/28/79	03/01/2016	270.0	\$1,815,480	\$1,815,475	N/A	N/A	N/A	N/A
03/01/79-02/28/78	03/01/2016	258.0	\$8,981,008	\$6,888,188	N/A	N/A	N/A	N/A
03/01/78-02/28/77	03/01/2016	246.0	\$7,950,533	\$2,280,875	N/A	N/A	N/A	N/A
03/01/77-02/28/76	03/01/2016	234.0	\$2,270,747	\$2,288,003	N/A	N/A	N/A	N/A
03/01/76-02/28/75	03/01/2016	222.0	\$2,441,945	\$2,210,524	N/A	N/A	N/A	N/A
03/01/75-02/28/74	03/01/2016	210.0	\$2,028,957	\$2,028,850	N/A	N/A	N/A	N/A
03/01/74-02/28/73	03/01/2016	198.0	\$1,751,054	\$1,751,048	N/A	N/A	N/A	N/A
03/01/73-02/28/72	03/01/2016	186.0	\$2,505,831	\$2,505,820	N/A	N/A	N/A	N/A
03/01/72-02/28/71	03/01/2016	174.0	\$5,686,317	\$5,627,789	N/A	N/A	N/A	N/A
03/01/71-02/28/70	03/01/2016	162.0	\$1,962,581	\$1,524,318	N/A	N/A	N/A	N/A
03/01/70-02/28/69	03/01/2016	150.0	\$3,084,482	\$3,087,335	N/A	N/A	N/A	N/A
03/01/69-02/28/68	03/01/2016	138.0	\$1,575,848	\$1,576,424	N/A	N/A	N/A	N/A
03/01/68-02/28/67	03/01/2016	126.0	\$1,908,508	\$4,712,812	N/A	N/A	N/A	N/A
03/01/67-02/28/66	03/01/2016	114.0	\$1,527,844	\$1,510,869	N/A	N/A	N/A	N/A
03/01/66-02/28/65	03/01/2016	102.0	\$1,511,127	\$1,503,913	N/A	N/A	N/A	N/A
03/01/65-02/28/64	03/01/2016	90.0	\$1,412,829	\$1,385,458	N/A	N/A	N/A	N/A
03/01/64-02/28/63	03/01/2016	78.0	\$1,789,890	\$1,747,523	N/A	N/A	N/A	N/A
03/01/63-02/28/62	03/01/2016	66.0	\$2,008,881	\$1,818,818	N/A	N/A	N/A	N/A
03/01/62-02/28/61	03/01/2016	54.0	\$1,882,040	\$1,290,675	N/A	N/A	N/A	N/A
03/01/61-02/28/60	03/01/2016	42.0	\$4,268,112	\$1,225,407	N/A	N/A	N/A	N/A
03/01/60-02/28/59	03/01/2016	30.0	\$1,827,129	\$1,478,070	N/A	N/A	N/A	N/A
03/01/59-02/28/58	03/01/2016	18.0	\$3,941,242	\$1,852,708	N/A	N/A	N/A	N/A
03/01/58-02/28/57	03/01/2016	6.0	\$380,871	\$282,885	N/A	N/A	N/A	N/A
<b>Total</b>			<b>\$85,897,883</b>	<b>\$79,226,084</b>				

(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
Accident Period	Evaluation Date	Maturity (months)	Cumulative Rptd Loss Dev Factor	Implied Limited Ultimate Losses	Cumulative Paid Loss Dev Factor	Implied Limited Ultimate Losses	Implied Limited Ultimate Losses
03/01/88-02/28/87	03/01/2016	366.0	1.041	\$1,600,894	1.178	\$1,623,242	\$1,623,242
03/01/87-02/28/86	03/01/2016	354.0	1.043	\$2,573,384	1.185	\$2,805,055	\$2,805,055
03/01/86-02/28/85	03/01/2016	342.0	1.044	\$4,980,312	1.192	\$3,804,707	\$3,804,707
03/01/85-02/28/84	03/01/2016	330.0	1.048	\$2,116,798	1.200	\$2,387,788	\$2,387,788
03/01/84-02/28/83	03/01/2016	318.0	1.048	\$4,291,938	1.208	\$3,321,203	\$3,321,203
03/01/83-02/28/82	03/01/2016	306.0	1.051	\$8,155,406	1.218	\$6,650,416	\$6,650,416
03/01/82-02/28/81	03/01/2016	294.0	1.053	\$5,531,507	1.229	\$5,488,468	\$5,488,468
03/01/81-02/28/80	03/01/2016	282.0	1.058	\$8,243,071	1.240	\$8,338,823	\$8,338,823
03/01/80-02/28/79	03/01/2016	270.0	1.059	\$1,922,230	1.252	\$2,272,882	\$2,272,882
03/01/79-02/28/78	03/01/2016	258.0	1.062	\$7,414,448	1.265	\$8,713,395	\$8,713,395
03/01/78-02/28/77	03/01/2016	246.0	1.068	\$3,144,478	1.280	\$3,822,201	\$3,822,201
03/01/77-02/28/76	03/01/2016	234.0	1.070	\$2,429,215	1.287	\$2,840,576	\$2,840,576
03/01/76-02/28/75	03/01/2016	222.0	1.074	\$2,623,446	1.315	\$2,814,443	\$2,814,443
03/01/75-02/28/74	03/01/2016	210.0	1.079	\$2,187,876	1.335	\$2,705,884	\$2,705,884
03/01/74-02/28/73	03/01/2016	198.0	1.085	\$1,800,307	1.359	\$2,378,125	\$2,378,125
03/01/73-02/28/72	03/01/2016	186.0	1.092	\$2,785,143	1.385	\$3,488,858	\$3,488,858
03/01/72-02/28/71	03/01/2016	174.0	1.099	\$8,201,970	1.416	\$7,366,381	\$7,366,381
03/01/71-02/28/70	03/01/2016	162.0	1.108	\$2,175,294	1.451	\$2,211,441	\$2,211,441
03/01/70-02/28/69	03/01/2016	150.0	1.118	\$3,462,240	1.492	\$4,606,517	\$4,606,517
03/01/69-02/28/68	03/01/2016	138.0	1.131	\$1,788,688	1.541	\$2,428,404	\$2,428,404
03/01/68-02/28/67	03/01/2016	126.0	1.146	\$2,187,955	1.600	\$2,739,951	\$2,739,951
03/01/67-02/28/66	03/01/2016	114.0	1.165	\$1,788,028	1.673	\$2,527,068	\$2,527,068
03/01/66-02/28/65	03/01/2016	102.0	1.189	\$1,706,074	1.780	\$2,652,037	\$2,652,037
03/01/65-02/28/64	03/01/2016	90.0	1.218	\$1,721,894	1.880	\$2,623,988	\$2,623,988
03/01/64-02/28/63	03/01/2016	78.0	1.250	\$2,230,153	2.038	\$3,558,304	\$3,558,304
03/01/63-02/28/62	03/01/2016	66.0	1.308	\$2,782,711	2.253	\$4,325,524	\$4,325,524
03/01/62-02/28/61	03/01/2016	54.0	1.404	\$1,869,846	2.575	\$3,181,065	\$3,181,065
03/01/61-02/28/60	03/01/2016	42.0	1.545	\$1,241,223	3.097	\$3,735,123	\$3,735,123
03/01/60-02/28/59	03/01/2016	30.0	1.818	\$2,954,874	4.076	\$8,016,888	\$8,016,888
03/01/59-02/28/58	03/01/2016	18.0	2.504	\$8,898,117	6.604	\$12,049,527	\$12,049,527
03/01/58-02/28/57	03/01/2016	6.0	8.803	\$2,990,888	20.231	\$5,098,377	\$5,098,377
<b>Total</b>				<b>\$103,849,888</b>		<b>\$114,370,999</b>	<b>\$114,370,999</b>

Column (J) and (K): Exhibit 1, Sheet 1  
 Column (L): Not Applicable  
 Column (M): Not Applicable  
 Column (N): Appendix A, Sheet 3 & 4A  
 Column (O): Col (L) x Col (N)  
 Column (P): 80% of Col (N) and 40% of Col (O)  
 Column (Q): 80% of Col (N) and 40% of Col (P)

Estimation of Limited Ultimate Losses  
Limited to Specific per Claim Retention (Assuming Full Reinsurance Recoveries)

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Accident Period	Evaluation Date	Maturity (months)	Reported Losses at 8/31/16	Fold Losses at 8/31/16	Large Loss Critical Amount	Number of Losses > \$100,000	Reported on Large Losses	Fold on Large Losses
03/01/86-02/28/87	03/31/2016	360.0	\$1,537,282	\$1,377,750	\$240,135	3	\$1,637,281	\$1,377,750
03/01/87-02/28/88	03/31/2016	354.0	\$2,480,439	\$2,434,480	\$45,959	4	\$2,118,842	\$2,054,882
03/01/88-02/28/89	03/31/2016	342.0	\$3,014,436	\$3,022,839	-\$8,403	5	\$2,721,930	\$1,966,947
03/01/89-02/28/90	03/31/2016	330.0	\$2,023,237	\$1,872,265	\$150,972	1	\$502,570	\$452,098
03/01/90-02/28/91	03/31/2016	318.0	\$3,140,143	\$2,746,861	\$393,282	2	\$1,483,989	\$1,070,707
03/01/91-02/28/92	03/31/2016	306.0	\$5,860,389	\$5,482,888	\$377,501	8	\$4,212,449	\$3,005,837
03/01/92-02/28/93	03/31/2016	294.0	\$5,347,540	\$5,285,433	\$62,107	4	\$2,571,730	\$2,461,820
03/01/93-02/28/94	03/31/2016	282.0	\$7,807,289	\$7,631,026	\$176,263	9	\$5,135,531	\$4,853,349
03/01/94-02/28/95	03/31/2016	270.0	\$1,815,480	\$1,816,475	-\$99,995	0	\$0	\$0
03/01/95-02/28/96	03/31/2016	258.0	\$9,991,000	\$8,886,186	\$1,104,814	5	\$3,022,838	\$2,826,080
03/01/96-02/28/97	03/31/2016	246.0	\$2,950,533	\$2,380,875	\$569,658	2	\$1,432,839	\$847,476
03/01/97-02/28/98	03/31/2016	234.0	\$2,270,747	\$2,288,803	-\$18,056	1	\$205,272	\$195,272
03/01/98-02/28/99	03/31/2016	222.0	\$2,444,945	\$2,216,524	\$228,421	1	\$594,444	\$346,011
03/01/99-02/28/00	03/31/2016	210.0	\$2,026,957	\$2,026,803	\$150,154	3	\$842,188	\$842,188
03/01/00-02/28/01	03/31/2016	198.0	\$1,751,054	\$1,751,044	\$9,999	3	\$1,008,418	\$1,008,418
03/01/01-02/28/02	03/31/2016	186.0	\$2,505,031	\$2,505,028	\$3,003	4	\$1,292,419	\$1,292,419
03/01/02-02/28/03	03/31/2016	174.0	\$5,895,317	\$5,637,789	\$257,528	5	\$2,150,048	\$2,136,543
03/01/03-02/28/04	03/31/2016	162.0	\$1,992,581	\$1,524,313	\$468,268	1	\$688,103	\$289,423
03/01/04-02/28/05	03/31/2016	150.0	\$3,094,452	\$3,087,333	\$7,119	2	\$815,287	\$815,287
03/01/05-02/28/06	03/31/2016	138.0	\$1,576,849	\$1,578,424	-\$1,575	0	\$0	\$0
03/01/06-02/28/07	03/31/2016	126.0	\$1,908,503	\$1,712,312	\$196,191	1	\$858,493	\$482,297
03/01/07-02/28/08	03/31/2016	114.0	\$1,527,844	\$1,510,853	\$166,991	0	\$0	\$0
03/01/08-02/28/09	03/31/2016	102.0	\$1,511,127	\$1,503,913	\$7,214	0	\$0	\$0
03/01/09-02/28/10	03/31/2016	90.0	\$1,412,329	\$1,395,458	\$16,871	0	\$0	\$0
03/01/10-02/28/11	03/31/2016	78.0	\$1,769,899	\$1,747,523	\$22,376	0	\$0	\$0
03/01/11-02/28/12	03/31/2016	66.0	\$2,068,881	\$1,919,818	\$149,063	0	\$0	\$0
03/01/12-02/28/13	03/31/2016	54.0	\$1,332,040	\$1,290,575	\$41,465	0	\$0	\$0
03/01/13-02/28/14	03/31/2016	42.0	\$1,268,112	\$1,225,407	\$42,705	0	\$0	\$0
03/01/14-02/28/15	03/31/2016	30.0	\$1,827,129	\$1,478,878	\$348,251	2	\$2,385,160	\$815,861
03/01/15-02/28/16	03/31/2016	18.0	\$3,841,242	\$1,852,788	\$1,988,454	0	\$0	\$0
03/01/16-02/28/17	03/31/2016	6.0	\$437,821	\$202,056	\$235,765	0	\$0	\$0
<b>Totals</b>			<b>\$85,897,583</b>	<b>\$76,268,064</b>	<b>\$9,629,519</b>	<b>86</b>	<b>\$35,886,824</b>	<b>\$30,170,896</b>

(J)	(K)	(L)	(M)	(N)	(O)	(P)
Accident Period	Evaluation Date	Maturity (months)	Cumulative Rptd Loss Dev Factor	Implied Limited Ultimate Losses	Cumulative Paid Loss Dev Factor	Implied Limited Ultimate Losses
03/01/86-02/28/87	03/31/2016	366.0	1.041	\$855,801	1.178	\$855,000
03/01/87-02/28/88	03/31/2016	354.0	1.043	\$1,784,885	1.165	\$1,814,582
03/01/88-02/28/89	03/31/2016	342.0	1.044	\$2,897,779	1.192	\$2,959,141
03/01/89-02/28/90	03/31/2016	330.0	1.046	\$2,090,569	1.208	\$2,325,053
03/01/90-02/28/91	03/31/2016	318.0	1.046	\$2,767,478	1.209	\$3,028,570
03/01/91-02/28/92	03/31/2016	306.0	1.051	\$4,540,811	1.218	\$4,818,943
03/01/92-02/28/93	03/31/2016	294.0	1.053	\$4,621,109	1.229	\$5,006,094
03/01/93-02/28/94	03/31/2016	282.0	1.068	\$8,420,889	1.240	\$8,912,204
03/01/94-02/28/95	03/31/2016	270.0	1.059	\$1,822,280	1.252	\$2,272,882
03/01/95-02/28/96	03/31/2016	258.0	1.062	\$6,703,826	1.285	\$7,508,445
03/01/96-02/28/97	03/31/2016	246.0	1.066	\$2,817,680	1.280	\$2,837,350
03/01/97-02/28/98	03/31/2016	234.0	1.070	\$2,408,358	1.287	\$2,829,087
03/01/98-02/28/99	03/31/2016	222.0	1.074	\$2,444,981	1.315	\$2,853,084
03/01/99-02/28/00	03/31/2016	210.0	1.072	\$1,920,831	1.338	\$2,180,834
03/01/00-02/28/01	03/31/2016	198.0	1.085	\$1,555,935	1.359	\$1,759,000
03/01/01-02/28/02	03/31/2016	186.0	1.092	\$2,404,803	1.385	\$2,758,864
03/01/02-02/28/03	03/31/2016	174.0	1.099	\$5,398,003	1.416	\$5,442,000
03/01/03-02/28/04	03/31/2016	162.0	1.108	\$1,707,584	1.451	\$2,195,588
03/01/04-02/28/05	03/31/2016	150.0	1.119	\$3,239,218	1.492	\$4,040,880
03/01/05-02/28/06	03/31/2016	138.0	1.131	\$4,783,685	1.541	\$7,429,403
03/01/06-02/28/07	03/31/2016	126.0	1.140	\$2,183,044	1.600	\$2,750,203
03/01/07-02/28/08	03/31/2016	114.0	1.185	\$1,780,028	1.673	\$2,527,069
03/01/08-02/28/09	03/31/2016	102.0	1.189	\$1,795,074	1.783	\$2,652,897
03/01/09-02/28/10	03/31/2016	90.0	1.219	\$1,721,694	1.883	\$2,623,888
03/01/10-02/28/11	03/31/2016	78.0	1.280	\$2,230,153	2.038	\$3,558,304
03/01/11-02/28/12	03/31/2016	66.0	1.318	\$2,762,711	2.253	\$4,325,524
03/01/12-02/28/13	03/31/2016	54.0	1.404	\$1,808,846	2.576	\$3,180,865
03/01/13-02/28/14	03/31/2016	42.0	1.545	\$1,841,273	3.067	\$3,785,123
03/01/14-02/28/15	03/31/2016	30.0	1.810	\$2,954,874	4.078	\$8,018,880
03/01/15-02/28/16	03/31/2016	18.0	2.504	\$5,496,527	6.604	\$10,289,770
03/01/16-02/28/17	03/31/2016	6.0	6.603	\$2,000,857	20.231	\$5,089,377
<b>Totals</b>				<b>\$87,598,895</b>		<b>\$147,784,775</b>

Column (J) and (K): Exhibit 1, Sheet 1  
 Column (L): Appendix B, Sheet 1 & 2  
 Column (M) through (O): PMA Large Loss Report by Policy Period  
 Column (N): Appendix A, Sheet 9 & 9A  
 Column (P): (Col(J) - Col(K)) x Col(M) + Col(O) x Specific Retention  
 Column (Q): Appendix A, Sheet 4 & 4A  
 Column (R): (Col(L) - Col(M)) x Col(Q) + Col(O) x Specific Retention  
 Column (S): 80% of Col. (N) and 100% of Col. (P)

25-Sep-16

Estimation of Limited Ultimate Losses  
Limited to Specific per Claim Retention

(Assumes Allowable Reinsurance recoveries - all but from 1994-1998 and General Property Plan 1990-1993)

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Accident Period	Evaluation Date	Maturity (months)	Reported Losses at 03/31/98	Paid Losses at 03/31/98	Large Loss Critical Amount	Number of Losses > Col.(F)	Reported on Large Losses	Paid on Large Losses
03/01/85-02/28/87	03/31/2018	366.0	\$1,537,292	\$1,377,750	\$240,136	3	\$1,537,291	\$1,377,750
03/01/87-02/28/89	03/31/2018	354.0	\$2,458,438	\$2,434,488	\$23,950	4	\$2,118,842	\$2,084,802
03/01/88-02/28/90	03/31/2018	342.0	\$3,011,436	\$3,022,830	\$11,394	6	\$2,721,830	\$1,988,847
03/01/89-02/28/91	03/31/2018	330.0	\$2,023,257	\$1,972,355	\$50,902	1	\$502,870	\$452,098
03/01/90-02/28/92	03/31/2018	318.0	\$3,140,143	\$2,746,861	\$393,282	0	\$0	\$0
03/01/91-02/28/93	03/31/2018	306.0	\$5,859,380	\$5,482,859	\$376,521	0	\$0	\$0
03/01/92-02/28/94	03/31/2018	294.0	\$5,347,548	\$5,285,433	\$62,115	0	\$0	\$0
03/01/93-02/28/95	03/31/2018	282.0	\$7,897,289	\$7,531,025	\$366,264	0	\$0	\$0
03/01/94-02/28/96	03/31/2018	270.0	\$1,815,490	\$1,815,475	\$20,015	0	\$0	\$0
03/01/95-02/28/97	03/31/2018	258.0	\$6,981,008	\$6,880,106	\$100,902	0	\$0	\$0
03/01/96-02/28/98	03/31/2018	246.0	\$2,080,533	\$2,380,875	\$300,342	1	\$395,272	\$395,272
03/01/97-02/28/99	03/31/2018	234.0	\$2,270,747	\$2,258,083	\$12,664	1	\$538,444	\$348,811
03/01/98-02/28/00	03/31/2018	222.0	\$2,441,895	\$2,216,524	\$225,371	3	\$842,188	\$842,188
03/01/99-02/28/01	03/31/2018	210.0	\$2,028,857	\$2,028,859	\$0	3	\$1,008,418	\$1,008,418
03/01/00-02/28/02	03/31/2018	198.0	\$1,761,054	\$1,751,048	\$9,996	4	\$1,292,419	\$1,292,419
03/01/01-02/28/03	03/31/2018	186.0	\$2,505,031	\$2,396,028	\$109,003	5	\$2,150,049	\$2,138,543
03/01/02-02/28/04	03/31/2018	174.0	\$5,895,317	\$5,527,769	\$367,548	1	\$688,103	\$268,423
03/01/03-02/28/05	03/31/2018	162.0	\$1,982,561	\$1,824,313	\$158,248	2	\$915,257	\$915,257
03/01/04-02/28/06	03/31/2018	150.0	\$3,084,482	\$3,057,333	\$27,149	0	\$0	\$0
03/01/05-02/28/07	03/31/2018	138.0	\$1,576,548	\$1,576,424	\$122,124	1	\$668,403	\$462,267
03/01/06-02/28/08	03/31/2018	126.0	\$1,800,880	\$1,712,812	\$88,068	0	\$0	\$0
03/01/07-02/28/09	03/31/2018	114.0	\$1,527,844	\$1,510,853	\$16,991	0	\$0	\$0
03/01/08-02/28/10	03/31/2018	102.0	\$1,811,127	\$1,503,813	\$307,314	0	\$0	\$0
03/01/09-02/28/11	03/31/2018	90.0	\$1,412,328	\$1,395,458	\$16,870	0	\$0	\$0
03/01/10-02/28/12	03/31/2018	78.0	\$1,789,998	\$1,747,523	\$42,475	0	\$0	\$0
03/01/11-02/28/13	03/31/2018	66.0	\$2,095,891	\$1,918,518	\$177,373	0	\$0	\$0
03/01/12-02/28/14	03/31/2018	54.0	\$1,332,040	\$1,230,575	\$101,465	0	\$0	\$0
03/01/13-02/28/15	03/31/2018	42.0	\$1,268,112	\$1,226,407	\$41,705	0	\$0	\$0
03/01/14-02/28/16	03/31/2018	30.0	\$1,527,189	\$1,476,079	\$51,110	0	\$0	\$0
03/01/15-02/28/17	03/31/2018	18.0	\$3,841,242	\$1,852,708	\$1,988,534	2	\$2,985,160	\$815,051
03/01/16-02/28/17	03/31/2018	6.0	\$4,567,881	\$3,520,000	\$1,047,881	0	\$0	\$0
Totals			\$55,887,583	\$49,388,084	\$6,500,000	18	\$17,856,847	\$14,108,877

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Accident Period	Evaluation Date	Maturity (months)	Cumulative Rptd Loss Dev Factor	Implied Limited Ultimate Losses	Cumulative Paid Loss Dev Factor	Implied Limited Ultimate Losses		
03/01/85-02/28/87	03/31/2018	366.0	1.041	\$855,001	1.178	\$855,000		
03/01/87-02/28/89	03/31/2018	354.0	1.043	\$1,764,865	1.185	\$1,814,832		
03/01/88-02/28/90	03/31/2018	342.0	1.044	\$2,837,779	1.192	\$2,899,141		
03/01/89-02/28/91	03/31/2018	330.0	1.048	\$2,080,589	1.200	\$2,226,053		
03/01/90-02/28/92	03/31/2018	318.0	1.048	\$3,201,838	1.209	\$3,321,293		
03/01/91-02/28/93	03/31/2018	306.0	1.051	\$8,188,488	1.210	\$8,858,418		
03/01/92-02/28/94	03/31/2018	294.0	1.053	\$5,831,607	1.224	\$6,488,183		
03/01/93-02/28/95	03/31/2018	282.0	1.056	\$9,243,071	1.240	\$9,336,823		
03/01/94-02/28/96	03/31/2018	270.0	1.059	\$1,222,230	1.252	\$2,272,892		
03/01/95-02/28/97	03/31/2018	258.0	1.062	\$7,414,419	1.265	\$8,713,395		
03/01/96-02/28/98	03/31/2018	246.0	1.065	\$9,144,478	1.280	\$3,022,231		
03/01/97-02/28/99	03/31/2018	234.0	1.070	\$2,406,858	1.287	\$2,820,067		
03/01/98-02/28/00	03/31/2018	222.0	1.074	\$2,444,981	1.315	\$2,308,084		
03/01/99-02/28/01	03/31/2018	210.0	1.079	\$1,820,831	1.335	\$2,198,834		
03/01/00-02/28/02	03/31/2018	198.0	1.085	\$1,865,935	1.359	\$1,753,000		
03/01/01-02/28/03	03/31/2018	186.0	1.092	\$2,404,083	1.385	\$2,759,854		
03/01/02-02/28/04	03/31/2018	174.0	1.099	\$5,388,083	1.416	\$6,442,000		
03/01/03-02/28/05	03/31/2018	162.0	1.108	\$1,787,594	1.451	\$2,195,558		
03/01/04-02/28/06	03/31/2018	150.0	1.118	\$3,238,215	1.482	\$4,040,030		
03/01/05-02/28/07	03/31/2018	138.0	1.131	\$1,788,885	1.541	\$2,429,403		
03/01/06-02/28/08	03/31/2018	126.0	1.146	\$2,183,044	1.600	\$2,790,788		
03/01/07-02/28/09	03/31/2018	114.0	1.165	\$1,780,828	1.673	\$2,527,088		
03/01/08-02/28/10	03/31/2018	102.0	1.189	\$1,795,074	1.763	\$2,852,837		
03/01/09-02/28/11	03/31/2018	90.0	1.219	\$1,721,894	1.880	\$2,823,988		
03/01/10-02/28/12	03/31/2018	78.0	1.260	\$2,280,153	2.058	\$3,558,304		
03/01/11-02/28/13	03/31/2018	66.0	1.318	\$2,782,711	2.259	\$4,325,524		
03/01/12-02/28/14	03/31/2018	54.0	1.404	\$1,888,848	2.576	\$3,168,885		
03/01/13-02/28/15	03/31/2018	42.0	1.546	\$1,041,273	3.087	\$3,795,123		
03/01/14-02/28/16	03/31/2018	30.0	1.818	\$2,954,874	4.078	\$8,018,808		
03/01/15-02/28/17	03/31/2018	18.0	2.504	\$5,485,527	8.504	\$10,298,770		
03/01/16-02/28/17	03/31/2018	6.0	8.803	\$2,000,000	20.231	\$5,089,371		
Totals				\$83,929,040		\$122,072,865		\$105,188,467

\* Column (D) and (E) Exhibit 1, Sheet 1  
 Column (F): Appendix B, Sheet 1  
 Column (G) through (I): PMA Large Loss Report by Policy Period  
 Column (J): Appendix A, Sheet 8 & 9  
 Column (N): Col (D) - Col (E) x Col (M) + Col (G) x Specific Retention  
 Column (O): Appendix A, Sheet 4 & 4A  
 Column (P): Col (E) - Col (N) x Col (C) + Col (G) x Specific Retention  
 Column (Q): 80% of Col (N) and 40% Col (P)

The City of Scranton  
Workers' Compensation

Estimation of Limited Ultimate Losses

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Accident Period	Limited Ultimate Losses	Loss Trend Factor	Trended Limited Ultimate Losses	Payroll	Payroll Trend Factor	Adjusted Payroll	Loss Rate per \$100 of Payroll
03/01/06-02/28/07	\$2,409,910	1.791	\$4,315,781	\$17,992,298	1.411	\$25,337,595	\$17.03
03/01/07-02/28/08	\$2,078,844	1.689	\$3,512,164	\$18,801,357	1.363	\$25,624,320	\$13.71
03/01/08-02/28/09	\$2,138,459	1.594	\$3,408,380	\$19,040,392	1.317	\$25,072,560	\$13.59
03/01/09-02/28/10	\$2,082,611	1.504	\$3,131,477	\$19,712,101	1.272	\$25,079,298	\$12.49
03/01/10-02/28/11	\$2,761,413	1.419	\$3,917,118	\$24,932,924	1.229	\$30,648,930	\$12.78
03/01/11-02/28/12	\$3,387,837	1.338	\$4,533,690	\$24,599,047	1.188	\$29,215,951	\$15.52
03/01/12-02/28/13	\$2,389,454	1.262	\$3,016,630	\$23,644,343	1.148	\$27,132,428	\$11.12
03/01/13-02/28/14	\$2,682,813	1.191	\$3,195,273	\$28,012,097	1.109	\$32,166,230	\$9.93
03/01/14-02/28/15	\$4,179,647	1.124	\$4,696,251	\$30,877,936	1.071	\$33,077,217	\$14.20
03/01/15-02/28/16	\$7,417,824	1.060	\$7,852,893	\$32,241,361	1.035	\$33,369,809	\$23.56
<b>Total</b>	<b>\$31,528,812</b>		<b>\$41,589,657</b>			<b>\$286,724,338</b>	<b>\$14.51</b>
Excl HI & Lo			\$30,531,491			\$221,188,299	\$13.80
Avg Last 5 Yrs			\$23,304,737			\$154,961,635	\$15.04
Avg Last 3 Yrs			\$15,754,417			\$98,613,256	\$15.98

(I)	(J)	(K)	(L)
Accident Period	Selected Loss Rate	Payroll	Forecast Limited Ultimate Losses
03/01/16-02/28/17	\$13.50	\$31,154,952	\$4,205,918
03/01/17-02/28/18	\$13.83	\$29,760,496	\$4,114,712

Column(F): Based upon a selected annual wage trend of 3.5%  
 Column(G): Column (E) x Column (F)  
 Column(H): Column (D) / Column (G)  
 Column(J): Selected average of Column (H), trended for 2017-18  
 Column(K): Exhibit 1, Sheet 2  
 Column(L): Column (J) x Column (K)

Column(B): Exhibit 2, Sheet 3  
 Column(C): Based upon a selected annual loss trend of 6.0%  
 Column(D): Column (B) x Column (C)  
 Column(E): Exhibit 1, Sheet 2

FORECAST.XLS

Gary R. Abramson, Casualty Actuarial Services

25-Sep-16

The City of Scranton  
Worker's Compensation

Exhibit A

Projection of Discounted Outstanding Losses

(A) Accident Year	(B) Limited Ultimate Losses	(C) Paid Losses	(D) Outstanding Losses	(E) Discount Factor	(F) Discounted Outstanding Losses
As of August 31, 2016:					
Pre - 1986	\$9,494,778	\$8,987,638	\$507,240	0.973	\$493,664
1986/87	\$855,001	\$850,000	\$5,001	0.973	\$4,867
1987/88	\$1,784,612	\$1,749,794	\$34,819	0.963	\$33,518
1988/89	\$2,886,324	\$2,624,094	\$262,230	0.952	\$249,656
1989/90	\$2,184,363	\$1,972,365	\$211,998	0.939	\$199,142
1990/91	\$3,303,676	\$2,746,861	\$556,815	0.927	\$515,980
1991/92	\$6,362,458	\$5,462,868	\$899,590	0.914	\$821,935
1992/93	\$5,966,691	\$5,265,433	\$701,258	0.901	\$631,618
1993/94	\$8,680,572	\$7,531,025	\$1,149,547	0.888	\$1,020,434
1994/95	\$2,062,495	\$1,815,475	\$247,020	0.875	\$216,062
1995/96	\$7,934,028	\$6,886,196	\$1,047,832	0.862	\$902,944
1996/97	\$3,095,578	\$2,360,875	\$734,703	0.849	\$623,600
1997/98	\$2,575,050	\$2,268,003	\$307,047	0.836	\$255,671
1998/99	\$2,609,414	\$2,216,524	\$392,890	0.823	\$323,385
1999/00	\$2,032,012	\$1,832,579	\$199,433	0.810	\$161,617
2000/01	\$1,537,161	\$1,481,672	\$155,489	0.798	\$124,029
2001/02	\$2,546,263	\$2,303,711	\$242,552	0.788	\$191,029
2002/03	\$5,815,602	\$4,968,706	\$846,896	0.777	\$658,454
2003/04	\$1,950,777	\$1,524,313	\$426,464	0.770	\$328,325
2004/05	\$3,559,285	\$2,972,076	\$587,209	0.762	\$447,608
2005/06	\$2,041,972	\$1,576,424	\$465,548	0.757	\$352,555
2006/07	\$2,409,910	\$1,712,312	\$697,598	0.752	\$524,814
2007/08	\$2,078,844	\$1,510,863	\$567,981	0.750	\$425,902
2008/09	\$2,138,459	\$1,503,913	\$634,546	0.747	\$474,252
2009/10	\$2,082,611	\$1,395,458	\$687,153	0.747	\$513,253
2010/11	\$2,761,413	\$1,747,523	\$1,013,890	0.748	\$758,115
2011/12	\$3,387,837	\$1,919,618	\$1,468,219	0.750	\$1,100,769
2012/13	\$2,389,454	\$1,230,575	\$1,158,879	0.753	\$872,605
2013/14	\$2,682,813	\$1,225,407	\$1,457,406	0.757	\$1,103,762
2014/15	\$4,179,647	\$1,476,079	\$2,703,568	0.763	\$2,062,045
2015/16	\$7,417,824	\$1,852,708	\$5,565,116	0.769	\$4,278,080
2016/17	<u>\$2,102,959</u>	<u>\$252,056</u>	<u>\$1,850,903</u>	0.774	<u>\$1,433,187</u>
Totals	\$113,009,883	\$85,223,044	\$27,786,839		\$22,103,877

Column (B): Exhibit 2, Sheet 3, or Exhibit 1, Sheet 1 for Pre-1986

Accident Year 2016/17 from Loss Forecast, Exhibit 3, as of 6 months

Column (C): Exhibit 1, Sheet 1, less claim payments in excess of SIR

(applicable to program years 1986 - 1988, 1999 - 2002, and 2004)

Column (D): Column (B) - Column (C)

Column (E): Appendix C

Column (F): Column (D) x Column (E)

DISC\_OS.XLS

Gary R. Abramson, Casualty Actuarial Services

25-Sep-16

Projection of Annual Expenditure Amounts  
Calendar Year 2017

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Accident Year	Unlimited Ultimate Losses	Accident Year Age (in months) at 12/31/16	Ultimate Paid Loss Development Factor	Percentage Paid As of at 12/31/16	Percentage of Losses Paid in Upcoming 12 Months	Anticipated Losses & ALAE Paid in Upcoming 12 Months
Pre - 1986	\$9,494,778	418	1.107	90.3%	1.0%	\$94,948
1986/87	\$1,609,353	370	1.127	88.7%	1.0%	\$16,094
1987/88	\$2,698,052	358	1.140	87.7%	1.0%	\$27,306
1988/89	\$3,830,070	346	1.153	86.7%	1.0%	\$37,888
1989/90	\$2,217,194	334	1.167	85.7%	1.0%	\$23,074
1990/91	\$3,303,676	322	1.181	84.7%	1.0%	\$33,566
1991/92	\$6,362,458	310	1.196	83.6%	1.1%	\$67,581
1992/93	\$5,966,691	298	1.211	82.6%	1.0%	\$61,807
1993/94	\$8,680,572	286	1.227	81.5%	1.1%	\$93,490
1994/95	\$2,062,495	274	1.243	80.5%	1.0%	\$21,641
1995/96	\$7,934,028	262	1.259	79.4%	1.0%	\$81,134
1996/97	\$3,095,578	250	1.275	78.4%	1.0%	\$30,861
1997/98	\$2,633,760	238	1.291	77.5%	1.0%	\$25,606
1998/99	\$2,739,844	226	1.309	76.4%	1.0%	\$28,633
1999/00	\$2,395,539	214	1.328	75.3%	1.1%	\$27,258
2000/01	\$2,091,834	202	1.351	74.0%	1.2%	\$26,003
2001/02	\$3,029,029	190	1.376	72.7%	1.4%	\$41,280
2002/03	\$6,943,734	178	1.405	71.2%	1.5%	\$104,149
2003/04	\$2,189,735	166	1.438	69.5%	1.7%	\$36,298
2004/05	\$3,919,951	154	1.478	67.7%	1.8%	\$72,136
2005/06	\$2,041,972	142	1.524	65.6%	2.1%	\$41,920
2006/07	\$2,408,754	130	1.579	63.3%	2.3%	\$55,459
2007/08	\$2,078,844	118	1.647	60.7%	2.6%	\$53,988
2008/09	\$2,138,459	106	1.731	57.8%	2.9%	\$63,035
2009/10	\$2,082,611	94	1.838	54.4%	3.4%	\$70,149
2010/11	\$2,761,413	82	1.979	50.5%	3.9%	\$107,055
2011/12	\$3,387,837	70	2.172	46.0%	4.5%	\$152,328
2012/13	\$2,389,454	58	2.452	40.8%	5.3%	\$125,580
2013/14	\$2,682,813	46	2.891	34.6%	6.2%	\$166,031
2014/15	\$4,179,647	34	3.668	27.3%	7.3%	\$306,289
2015/16	\$10,741,281	22	5.379	18.6%	8.7%	\$931,975
2016/17	\$4,206,918	10	11.749	8.5%	10.1%	\$423,877
2017/18	\$4,114,712	0	N/A	0.0%	8.5%	\$350,222
Totals	\$128,412,089					\$3,798,668

Column (B): Exhibit 2, Sheet 1 or Exhibit 3 for Accident Years 2016 and 2017

Column (D): Appendix A, Sheet 5

Column (E): 1/Column (D)

Column (F): Annual Differences in Column (E)

Pre-1986 based upon factors from Appendix A, Sheet 3, 4 year prior

Column (G): Column (B) x Column (F)

\$2,848,994 @ 75%  
\$3,323,826 Midpoint





The City of Scranton  
City of Scranton WC Paid Loss Development Factors

ANALYSIS OF DEVELOPMENT PATTERNS  
USING THE METHOD OF LEAST SQUARES

X	Y	ACTUAL VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES	
		X	Y	LN(LN(X))	LN(Y)	X	Y	X	Y	LN(X)	LN(Y-1)	X	Y	X	Y
12	71.418	12.00	0.92	1.478	2.46	1.551	120	1.551	-2.46	2.44	120	1.622	120	1.651	
24	5.806	24.00	0.54	1.882	3.38	1.468	132	1.468	-3.18	1.53	132	1.561	132	1.486	
36	8.867	36.00	0.30	1.507	3.58	1.397	144	1.397	-3.58	1.05	144	1.494	144	1.397	
48	3.232	48.00	0.18	1.248	3.87	0.99	156	0.99	-3.87	0.44	156	1.416	156	1.340	
60	2.547	60.00	-0.07	1.201	4.09	0.70	168	0.70	-4.09	0.44	168	1.406	168	1.233	
72	2.225	72.00	-0.22	1.164	4.29	0.52	180	0.52	-4.29	0.20	180	1.372	180	1.254	
84	1.960	84.00	-0.40	1.134	4.49	0.34	192	0.34	-4.49	-0.04	192	1.342	192	1.230	
96	1.805	96.00	-0.53	1.109	4.69	0.21	204	0.21	-4.69	-0.22	204	1.317	204	1.192	
108	1.674	108.00	-0.66	1.074	4.89	0.09	216	0.09	-4.89	-0.39	216	1.295	216	1.168	
				228	1.147		228	1.147			228	1.275	228	1.147	
				240	1.113		240	1.113			240	1.258	240	1.125	
				252	1.081		252	1.081			252	1.242	252	1.113	
				264	1.041		264	1.041			264	1.226	264	1.099	
				276	1.004		276	1.004			276	1.211	276	1.087	
				288	0.971		288	0.971			288	1.205	288	1.077	
				300	0.939		300	0.939			300	1.194	300	1.068	
				312	0.910		312	0.910			312	1.185	312	1.059	
				324	0.884		324	0.884			324	1.178	324	1.046	
				336	0.861		336	0.861			336	1.168	336	1.046	
				348	0.841		348	0.841			348	1.161	348	1.041	
SUM		540.00	0.03		35.17	-8.18									
AVERAGE		60.00	0.01		4.27	-1.02									

Curve 1:  $Y = A \cdot X^B$  (Power Model)

PARAMETER ESTIMATES

N = 9.000  
A = 13.490  
B = 0.894  
R^2 = 0.977

Curve 2:  $Y = 1 / (1 - \exp(-AX^B))$  (Weibull)

PARAMETER ESTIMATES

N = 9.000  
A = 0.006  
B = 1.069  
R^2 = 0.956

Curve 3:  $Y = A \cdot (1/Y)^B + 1$  (Inverse Power Curve)

PARAMETER ESTIMATES

N = 9.000  
A = 273.603  
B = 1.271  
R^2 = 0.997

CITY\_PAID\_TAILER

09/25/18

Geoffrey Anderson, Casualty Actuarial Services

The City of Scranton  
Weighted Average of PA Bureau of WC Paid Loss Development Factors  
City of Scranton WC Paid Loss Development Factors

ANALYSIS OF DEVELOPMENT PATTERNS  
USING "THE METHOD OF LEAST SQUARES"

ACTUAL VALUES		Curve: $Y = A(B^X)$ (Power Model)		Curve: $Y = 1/(1 - \exp(-aX^b))$ (Weibull)		Curve: $Y = A^*(1/100)^B + 1$ (Inverse Power Curve)	
X	Y	X	Y	LN(X)	Double-Log LN(Y-1)	LN(100)	LN(Y-1)
12	10.084	12.00	0.84	2.48	-2.25	6.0	17.701
24	4.721	24.00	0.44	3.18	-1.44	18.0	6.503
36	3.429	36.00	0.21	3.58	-1.06	30.0	4.190
48	2.892	48.00	0.09	3.87	-0.86	42.0	3.188
60	2.404	60.00	-0.19	4.09	-0.62	54.0	2.525
72	2.143	72.00	-0.27	4.28	-0.47	66.0	2.098
84	1.948	84.00	-0.41	4.43	-0.33	78.0	2.022
96	1.819	96.00	-0.52	4.56	-0.22	90.0	1.842
		102.0	1.641	102.0	1.705	102.0	1.598
		114.0	1.410	114.0	1.519	114.0	1.673
		126.0	1.232	126.0	1.269	126.0	1.600
		138.0	1.145	138.0	1.145	138.0	1.541
		150.0	1.069	150.0	1.069	150.0	1.492
		162.0	1.000	162.0	1.000	162.0	1.451
		174.0	0.946	174.0	0.946	174.0	1.419
		186.0	0.895	186.0	0.895	186.0	1.385
		198.0	0.846	198.0	0.846	198.0	1.358
		210.0	0.800	210.0	0.800	210.0	1.336
		222.0	0.756	222.0	0.756	222.0	1.316
		234.0	0.714	234.0	0.714	234.0	1.287
SUM	532.00	532.00	0.22	30.48	-7.25	5.28	5.28
AVERAGE	54.00	54.00	0.03	3.81	-0.91	-8.81	0.68

PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES	
N	R <sup>2</sup>	N	R <sup>2</sup>	N	R <sup>2</sup>
8,000	0.985	5,000	0.980	8,000	0.998
10,364	0.985	0.010	0.980	147,967	1.189

PAID\_FIT.xls

09/25/16

Gayle Abramson, Director, Actuarial Services



The City of Scranton  
Weighted Average of PA Bureau of WIC Paid Loss Development Factors  
City of Scranton WIC Paid Loss Development Factors

ANALYSIS OF DEVELOPMENT PATTERNS  
USING THE METHOD OF LEAST SQUARES\*

ACTUAL VALUES		Curve: $Y = A(B)^X$ (Power Model)		Curve: $Y = 1/(1 - \exp(-AX^B))$ (Weibull)		Curve: $Y = A * (100)^{B * X + 1}$ (Inverse Power Curve)	
X	Y	TRANSFORMED VALUES	FITTED VALUES	TRANSFORMED VALUES	FITTED VALUES	TRANSFORMED VALUES	FITTED VALUES
Maternity Period (Months)	Cumulative Paid Loss (Dollars)	$X$	$LN(LN(Y))$	$LN(X)$	Double Log $Y/(Y-1)$	$LN(X)$	$LN(Y-1)$
12	10,084	12.00	0.94	2.48	-2.25	-2.48	2.20
24	4,721	24.00	0.44	3.18	-1.44	-3.18	1.31
36	3,438	36.00	0.21	3.88	-1.05	-3.88	0.89
48	2,892	48.00	0.08	4.58	-0.86	-4.58	0.64
60	2,404	60.00	-0.13	5.28	-0.62	-5.28	0.44
72	2,148	72.00	-0.27	5.98	-0.47	-5.98	0.31
84	1,948	84.00	-0.41	6.68	-0.33	-6.68	0.21
96	1,813	96.00	-0.52	7.38	-0.22	-7.38	0.14
108		108.00		8.08		-8.08	
120		120.00		8.78			
132		132.00		9.48			
144		144.00		10.18			
156		156.00		10.88			
168		168.00		11.58			
180		180.00		12.28			
192		192.00		12.98			
204		204.00		13.68			
216		216.00		14.38			
228		228.00		15.08			
240		240.00		15.78			
252		252.00		16.48			
264		264.00		17.18			
276		276.00		17.88			
288		288.00		18.58			
300		300.00		19.28			
312		312.00		19.98			
324		324.00		20.68			
336		336.00		21.38			
348		348.00		22.08			
360		360.00		22.78			
372		372.00		23.48			
384		384.00		24.18			
396		396.00		24.88			
408		408.00		25.58			
420		420.00		26.28			
432		432.00		26.98			
444		444.00		27.68			
456		456.00		28.38			
468		468.00		29.08			
480		480.00		29.78			
492		492.00		30.48			
504		504.00		31.18			
516		516.00		31.88			
528		528.00		32.58			
540		540.00		33.28			
552		552.00		33.98			
564		564.00		34.68			
576		576.00		35.38			
588		588.00		36.08			
600		600.00		36.78			
612		612.00		37.48			
624		624.00		38.18			
636		636.00		38.88			
648		648.00		39.58			
660		660.00		40.28			
672		672.00		40.98			
684		684.00		41.68			
696		696.00		42.38			
708		708.00		43.08			
720		720.00		43.78			
732		732.00		44.48			
744		744.00		45.18			
756		756.00		45.88			
768		768.00		46.58			
780		780.00		47.28			
792		792.00		47.98			
804		804.00		48.68			
816		816.00		49.38			
828		828.00		50.08			
840		840.00		50.78			
852		852.00		51.48			
864		864.00		52.18			
876		876.00		52.88			
888		888.00		53.58			
900		900.00		54.28			
912		912.00		54.98			
924		924.00		55.68			
936		936.00		56.38			
948		948.00		57.08			
960		960.00		57.78			
972		972.00		58.48			
984		984.00		59.18			
996		996.00		59.88			
1008		1008.00		60.58			
1020		1020.00		61.28			
1032		1032.00		61.98			
1044		1044.00		62.68			
1056		1056.00		63.38			
1068		1068.00		64.08			
1080		1080.00		64.78			
1092		1092.00		65.48			
1104		1104.00		66.18			
1116		1116.00		66.88			
1128		1128.00		67.58			
1140		1140.00		68.28			
1152		1152.00		68.98			
1164		1164.00		69.68			
1176		1176.00		70.38			
1188		1188.00		71.08			
1200		1200.00		71.78			
1212		1212.00		72.48			
1224		1224.00		73.18			
1236		1236.00		73.88			
1248		1248.00		74.58			
1260		1260.00		75.28			
1272		1272.00		75.98			
1284		1284.00		76.68			
1296		1296.00		77.38			
1308		1308.00		78.08			
1320		1320.00		78.78			
1332		1332.00		79.48			
1344		1344.00		80.18			
1356		1356.00		80.88			
1368		1368.00		81.58			
1380		1380.00		82.28			
1392		1392.00		82.98			
1404		1404.00		83.68			
1416		1416.00		84.38			
1428		1428.00		85.08			
1440		1440.00		85.78			
1452		1452.00		86.48			
1464		1464.00		87.18			
1476		1476.00		87.88			
1488		1488.00		88.58			
1500		1500.00		89.28			
1512		1512.00		89.98			
1524		1524.00		90.68			
1536		1536.00		91.38			
1548		1548.00		92.08			
1560		1560.00		92.78			
1572		1572.00		93.48			
1584		1584.00		94.18			
1596		1596.00		94.88			
1608		1608.00		95.58			
1620		1620.00		96.28			
1632		1632.00		96.98			
1644		1644.00		97.68			
1656		1656.00		98.38			
1668		1668.00		99.08			
1680		1680.00		99.78			
1692		1692.00		100.48			
1704		1704.00		101.18			
1716		1716.00		101.88			
1728		1728.00		102.58			
1740		1740.00		103.28			
1752		1752.00		103.98			
1764		1764.00		104.68			
1776		1776.00		105.38			
1788		1788.00		106.08			
1800		1800.00		106.78			
1812		1812.00		107.48			
1824		1824.00		108.18			
1836		1836.00		108.88			
1848		1848.00		109.58			
1860		1860.00		110.28			
1872		1872.00		110.98			
1884		1884.00		111.68			
1896		1896.00		112.38			
1908		1908.00		113.08			
1920		1920.00		113.78			
1932		1932.00		114.48			
1944		1944.00		115.18			
1956		1956.00		115.88			
1968		1968.00		116.58			
1980		1980.00		117.28			
1992		1992.00		117.98			
2004		2004.00		118.68			
2016		2016.00		119.38			
2028		2028.00		120.08			
2040		2040.00		120.78			
2052		2052.00		121.48			
2064		2064.00		122.18			
2076		2076.00		122.88			
2088		2088.00		123.58			
2100		2100.00		124.28			
2112		2112.00		124.98			
2124		2124.00		125.68			
2136		2136.00		126.38			
2148		2148.00		127.08			
2160		2160.00		127.78			
2172		2172.00		128.48			
2184		2184.00		129.18			
2196		2196.00		129.88			
2208		2208.00		130.58			
2220		2220.00		131.28			
2232		2232.00		131.98			
2244		2244.00		132.68			
2256		2256.00		133.38			
2268		2268.00		134.08			
2280		2280.00		134.78			
2292		2292.00		135.48			
2304		2304.00		136.18			
2316		2316.00		136.88			
2328		2328.00		137.58			
2340		2340.00		138.28			
2352		2352.00		138.98			
2364		2364.00		139.68			
2376		2376.00		140.38			
2388		2388.00		141.08			
2400		2400.00		141.78			
2412		2412.00		142.48			
2424		2424.00		143.18			
2436		2436.00		143.88			
2448		2448.00		144.58			
2460		2460.00		145.28			
2472		2472.00		145.98			
2484		2484.00		146.68			
2496		2496.00		147.38			
2508		2508.00		148.08			
2520		2520.00		148.78			





The City of Scranton  
City of Scranton WC Inquired Loss Development Factors

ANALYSIS OF DEVELOPMENT PATTERNS  
USING "THE METHOD OF LEAST SQUARES"

ACTUAL VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES	
X	Y	X	LN(LN(Y))	X	Y	X	LN(X)	Double Log Y/(X-1)	X	Y	X	LN(X)	LN(X) <sup>2</sup>	X	Y	X	Y
12	3,930	12.00	0.91	120.0	1.009	2.48	-1.23	1.010	120	1.010	-2.48	1.08	1.062	120	1.062	120	1.010
24	1,944	24.00	-0.41	132.0	1.005	3.18	-0.32	1.008	132	1.008	-3.18	-0.06	1.044	132	1.044	132	1.006
36	1,493	36.00	-0.91	144.0	1.003	3.53	0.10	1.003	144	1.003	-3.53	-0.71	1.038	144	1.038	144	1.003
48	1,260	48.00	-1.47	168.0	1.002	3.87	0.48	1.002	168	1.002	-3.87	-1.35	1.033	168	1.033	168	1.002
60	1,164	60.00	-1.88	180.0	1.001	4.09	0.67	1.001	180	1.001	-4.09	-1.81	1.029	180	1.029	180	1.001
				192.0	1.000			1.000	192	1.000			1.025	192	1.025	192	1.000
				204.0	1.000			1.000	204	1.000			1.020	204	1.020	204	1.000
				216.0	1.000			1.000	216	1.000			1.016	216	1.016	216	1.000
				228.0	1.000			1.000	228	1.000			1.017	228	1.017	228	1.000
				240.0	1.000			1.000	240	1.000			1.015	240	1.015	240	1.000
				252.0	1.000			1.000	252	1.000			1.014	252	1.014	252	1.000
				264.0	1.000			1.000	264	1.000			1.013	264	1.013	264	1.000
				276.0	1.000			1.000	276	1.000			1.013	276	1.013	276	1.000
				288.0	1.000			1.000	288	1.000			1.011	288	1.011	288	1.000
				300.0	1.000			1.000	300	1.000			1.010	300	1.010	300	1.000
				312.0	1.000			1.000	312	1.000			1.010	312	1.010	312	1.000
				324.0	1.000			1.000	324	1.000			1.009	324	1.009	324	1.000
				336.0	1.000			1.000	336	1.000			1.008	336	1.008	336	1.000
				348.0	1.000			1.000	348	1.000			1.008	348	1.008	348	1.000
SUM		1800.0	24.38			17.21	-0.32										
AVERAGE		36.00	-0.87			3.44	-0.06										

\*\*\* SELECTED \*\*\*

Curve:  $Y = A \cdot (LN(X)^B + 1)$   
(Inverse Power Curve)

Curve:  $Y = 1 / (1 - \exp(-AX^B))$   
(Weibull)

Curve:  $Y = A \cdot (X^B)^C$   
(Power Model)

PARAMETER ESTIMATES  
N= 5,000  
A= 255,180  
B= 1,775  
R^2 = 0,985

PARAMETER ESTIMATES  
N= 5,000  
A= 0,016  
B= 1,180  
R^2 = 0,988

PARAMETER ESTIMATES  
N= 5,000  
A= 8,437  
B= 0,958  
R^2 = 0,991

CITY\_RPTD\_FIT\_TAIL.XLS

08/25/16

Gary R. Ardman, Casualty Actuarial Services



The City of Scranton  
Weighted Average of PA Burial of WC Incurred Loss Development Factors  
City of Scranton WC Incurred Loss Development Factors

ANALYSIS OF DEVELOPMENT PATTERNS  
USING "THE METHOD OF LEAST SQUARES"

X	Y	ACTUAL VALUES		TRANSFORMED VALUES		FITTED VALUES		Curve: $Y = A \cdot (1/Q)^{BX}$ (Power Model)		Curve: $Y = 1 / (1 - \exp(-AX^B))$ (Weibull)		TRANSFORMED VALUES		FITTED VALUES		Curve: $Y = A \cdot (1/Q)^{BX} + 1$ (Inverse Power Curve)		TRANSFORMED VALUES		FITTED VALUES		
		X	Y	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y	
12	3,620	12.00	0.25	12.00	1.007	246.0	1.007	2.48	-1.19	2.48	1.018	246.0	1.018	2.48	0.98	246.0	1.085	2.48	0.98	246.0	1.085	
24	2,086	24.00	-0.34	24.00	1.005	258.0	1.005	3.18	-0.39	3.18	1.018	258.0	1.018	-3.18	0.94	258.0	1.082	-3.18	0.94	258.0	1.082	
36	1,848	36.00	-0.69	36.00	1.004	270.0	1.004	3.58	-0.07	3.58	1.018	270.0	1.018	-3.58	-0.43	270.0	1.059	-3.58	-0.43	270.0	1.059	
48	1,428	48.00	-1.04	48.00	1.003	282.0	1.003	3.87	0.19	3.87	1.011	282.0	1.011	-3.87	-0.85	282.0	1.056	-3.87	-0.85	282.0	1.056	
60	1,320	60.00	-1.28	60.00	1.003	284.0	1.003	4.08	0.35	4.08	1.010	284.0	1.010	-4.08	-1.14	284.0	1.053	-4.08	-1.14	284.0	1.053	
72	1,292	72.00	-1.35	72.00	1.002	308.0	1.002	4.28	0.40	4.28	1.008	308.0	1.008	-4.28	-1.23	308.0	1.061	-4.28	-1.23	308.0	1.061	
84	1,257	84.00	-1.48	84.00	1.001	316.0	1.001	4.45	0.45	4.45	1.007	316.0	1.007	-4.45	-1.36	316.0	1.048	-4.45	-1.36	316.0	1.048	
96	1,217	96.00	-1.63	96.00	1.001	330.0	1.001	4.56	0.55	4.56	1.006	330.0	1.006	-4.56	-1.53	330.0	1.048	-4.56	-1.53	330.0	1.048	
						342.0	1.002				1.002	342.0	1.002			342.0	1.044			342.0	1.044	
						354.0	1.001				1.005	354.0	1.005			354.0	1.043			354.0	1.043	
						366.0	1.001				1.004	366.0	1.004			366.0	1.041			366.0	1.041	
						378.0	1.000				1.003	378.0	1.003			378.0	1.039			378.0	1.039	
						390.0	1.000				1.003	390.0	1.003			390.0	1.038			390.0	1.038	
						402.0	1.000				1.003	402.0	1.003			402.0	1.037			402.0	1.037	
						414.0	1.000				1.002	414.0	1.002			414.0	1.035			414.0	1.035	
						426.0	1.000				1.002	426.0	1.002			426.0	1.034			426.0	1.034	
						438.0	1.000				1.002	438.0	1.002			438.0	1.033			438.0	1.033	
						450.0	1.000				1.001	450.0	1.001			450.0	1.032			450.0	1.032	
						462.0	1.000				1.001	462.0	1.001			462.0	1.031			462.0	1.031	
						474.0	1.000				1.001	474.0	1.001			474.0	1.030			474.0	1.030	
SUM		482.00	-7.57					30.48	0.35	30.48					30.48	-5.65			30.48	-5.65		
AVERAGE		54.00	-0.95					3.81	0.04	3.81					-3.81	-0.69			-3.81	-0.69		

REPORT FITTED

09/25/16

Gary R. Ahnstrom, Casualty Actuarial Services

The City of Scranton  
 PA Bureau of WC - Reported Claim Development Factors, Public Administration  
 ANALYSIS OF DEVELOPMENT PATTERNS  
 USING "THE METHOD OF LEAST SQUARES"

Appendix A  
 Sheet 10

ACTUAL VALUES		CURVE: $Y = A \cdot (X)^B + 1$ (Power Model)		CURVE: $Y = 1 / (1 + \text{Exp}(-A \cdot X^B))$ (Weibull)		CURVE: $Y = A \cdot (X)^B + 1$ (Inverse Power Curve)		*** SELECTED ***	
X	Y	X	Y	X	Y	X	Y	X	Y
18	1.087	18.00	-2.73	8.0	1.146	8.0	2.393	8.0	1.270
30	1.072	30.00	-4.46	20.0	1.044	20.0	1.052	20.0	1.048
42	1.006	42.00	-5.20	32.0	1.013	32.0	1.010	32.0	1.013
54	1.002	54.00	-6.48	44.0	1.004	44.0	1.009	44.0	1.004
66	1.001	66.00	-7.69	56.0	1.001	56.0	1.001	56.0	1.001
				68.0	1.000	68.0	1.001	68.0	1.000
				80.0	1.000	80.0	1.000	80.0	1.000
				92.0	1.000	92.0	1.000	92.0	1.000
				104.0	1.000	104.0	1.000	104.0	1.000
				116.0	1.000	116.0	1.000	116.0	1.000
				128.0	1.000	128.0	1.000	128.0	1.000
				140.0	1.000	140.0	1.000	140.0	1.000
				152.0	1.000	152.0	1.000	152.0	1.000
				164.0	1.000	164.0	1.000	164.0	1.000
				176.0	1.000	176.0	1.000	176.0	1.000
				188.0	1.000	188.0	1.000	188.0	1.000
				200.0	1.000	200.0	1.000	200.0	1.000
				212.0	1.000	212.0	1.000	212.0	1.000
				224.0	1.000	224.0	1.000	224.0	1.000
				236.0	1.000	236.0	1.000	236.0	1.000
SUM		210.00	-26.40	18.21	8.06	-18.21	-26.36	-18.21	-26.36
AVERAGE		42.00	-5.28	3.64	1.61	3.64	-5.27	3.64	-5.27
		PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES	
		N=	5.000	N=	5.000	N=	6.000	N=	6.000
		A=	1.844	A=	0.823	A=	2416.726	A=	2416.726
		B=	0.908	B=	0.751	B=	8.587	B=	8.587
		R^2=	0.987	R^2=	0.989	R^2=	0.980	R^2=	0.980

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09/25/16

Gary R. Abramson, Casualty Actuarial Services



Derivation of Large Loss Critical Values

(A) Accident Period	(B) Implied Trend Factor to 2017	(C) Large Loss Definition	(D) Maturity at 8/31/16 (months)	(E) Reported Loss Development Factor	(F) Reported Claim Development Factor	(G) Large Loss Critical Reported Amount at 8/31/16
01/01/86-12/31/86	N/A	\$250,000	368	1.041	1.000	\$240,135
01/01/87-12/31/87	N/A	\$350,000	356	1.043	1.000	\$335,545
01/01/88-12/31/88	N/A	\$300,000	344	1.044	1.000	\$287,334
01/01/89-12/31/89	N/A	\$500,000	332	1.046	1.000	\$477,975
01/01/90-12/31/90	N/A	\$500,000	320	1.048	1.000	\$477,063
01/01/91-12/31/91	N/A	\$350,000	308	1.050	1.000	\$333,308
01/01/92-12/31/92	N/A	\$400,000	296	1.052	1.000	\$380,199
01/01/93-12/31/93	N/A	\$400,000	284	1.055	1.000	\$379,118
01/01/94-12/31/94	N/A	\$350,000	272	1.058	1.000	\$330,788
01/01/95-12/31/95	N/A	\$500,000	260	1.061	1.000	\$471,218
01/01/96-12/31/96	N/A	\$500,000	248	1.065	1.000	\$469,449
01/01/97-12/31/97	N/A	\$400,000	236	1.069	1.000	\$374,154
01/01/98-12/31/98	N/A	\$400,000	224	1.074	1.000	\$372,602
01/01/99-12/31/99	N/A	\$250,000	212	1.079	1.000	\$231,794
01/01/00-12/31/00	N/A	\$250,000	200	1.084	1.000	\$230,581
01/01/01-12/31/01	N/A	\$250,000	188	1.091	1.000	\$229,212
01/01/02-12/31/02	N/A*	\$300,000	176	1.098	1.000	\$273,189
01/01/03-12/31/03	N/A*	\$350,000	164	1.107	1.000	\$316,227
01/01/04-12/31/04	N/A*	\$400,000	152	1.117	1.000	\$358,112
01/01/05-12/31/05	N/A*	\$500,000	140	1.129	1.000	\$442,842
01/01/06-12/31/06	N/A	\$750,000	128	1.144	1.000	\$655,771
01/01/07-12/31/07	N/A	\$750,000	116	1.162	1.000	\$645,623
01/01/08-12/31/08	N/A	\$750,000	104	1.184	1.000	\$633,906
01/01/09-12/31/09	N/A	\$750,000	92	1.213	1.000	\$618,081
01/01/10-12/31/10	N/A	\$800,000	80	1.252	1.000	\$638,764
01/01/11-12/31/11	N/A	\$800,000	68	1.306	1.000	\$612,107
01/01/12-12/31/12	N/A	\$800,000	56	1.387	1.001	\$576,244
01/01/13-12/31/13	N/A	\$800,000	44	1.516	1.004	\$525,719
01/01/14-12/31/14	N/A	\$800,000	32	1.755	1.013	\$450,070
01/01/15-12/31/15	N/A	\$800,000	20	2.326	1.048	\$328,170
01/01/16-12/31/16	N/A	\$800,000	8	4.971	1.270	\$126,743

Note(\*): retention increased from \$250,000 to \$300,000 effective 10/17/01, then to \$350,000 10/17/02, and then to \$400,000 effective 10/17/03. At 10/17/04, the SFR increased to \$500,000 and then \$1,500,000 from 10/17/05 to 12/1/05 and then decreased to \$750,000 through the 1/1/09 renewal.

Column (B): Appendix A, Sheet 11; runoff 1996 and prior  
 Column (F): Appendix A, Sheet 10  
 Column (C): Column (C) / Column (E) / Column (F)

25-Sep-16

CRTLV.XLS

Gary R. Abramson, Casualty Actuarial Services

The City of Scranton  
Workers' Compensation

APPENDIX B  
Sheet 2

Summary of Critical Value Disability Losses  
As of August 31, 2016

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Date of Loss	Named Insured	Medical Paid	Indemnity Paid	Expense Paid	Total Paid	Outstanding Reserves	Total Incurred	Large Loss Critical Reported Amount
03/01/86-02/28/87								
03/01/86	SABLE	\$2,394	\$396,722	\$6,832	\$407,948	\$117,732	\$525,680	\$240,135
07/01/86	MCGEE	\$6,213	\$429,029	\$21,743	\$456,984	\$41,809	\$498,793	\$240,135
01/09/87	HOBAN 3 Claims	\$48,817	\$413,963	\$50,038	\$512,818	\$0	\$512,818	\$335,545
					\$1,377,750	\$159,541	\$1,537,291	
02/01/87-02/26/88								
08/04/87	KERRIGAN	\$175,284	\$433,507	\$20,433	\$629,224	\$33,950	\$663,174	\$335,545
08/09/87	ROSS III	\$8,995	\$368,392	\$2,022	\$379,410	\$0	\$379,410	\$335,545
08/15/87	NOVAK	\$15,304	\$371,897	\$15,027	\$402,228	\$0	\$402,228	\$335,545
09/01/87	GENOVESE 4 Claims	\$166,035	\$484,785	\$23,011	\$673,831	\$0	\$673,831	\$335,545
					\$2,054,692	\$33,950	\$2,118,642	
03/01/88-02/28/89								
05/06/88	MCGOWAN	\$17,515	\$485,405	\$15,655	\$528,575	\$179,920	\$708,495	\$287,334
07/14/88	TASSEY	\$3,990	\$263,635	\$3,038	\$270,663	\$131,621	\$402,284	\$287,334
07/17/88	RESCIGNO	\$0	\$194,168	\$3,372	\$197,539	\$350,980	\$548,519	\$287,334
08/13/88	MCHALE	\$31,714	\$300,486	\$23,443	\$355,642	\$0	\$355,642	\$287,334
01/14/89	HOFFMAN 5 Claims	\$32,119	\$554,820	\$17,587	\$614,526	\$82,462	\$696,988	\$477,975
					\$1,966,947	\$754,983	\$2,721,930	
02/16/90	ABDA 1 Claim	\$4,805	\$445,732	\$1,560	\$452,098	\$50,872	\$502,970	\$477,063
					\$462,098	\$60,872	\$522,970	
06/26/90	JONES	\$0	\$505,238	\$12,695	\$517,934	\$357,829	\$875,763	\$477,063
12/30/90	BENTLER 2 Claims	\$88,963	\$444,556	\$30,505	\$562,713	\$35,453	\$598,228	"Pappy Plant"
					\$1,070,707	\$393,282	\$1,463,989	

LgLosses.xls

25-Sep-16

Gary R. Abramson, Casualty Actuarial Services

The City of Scranton  
Workers' Compensation

APPENDIX B  
Sheet 3

Summary of Critical Value Disability Losses  
As of August 31, 2016

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Date of Loss	Named Insured	Medical Paid	Indemnity Paid	Expense Paid	Total Paid	Outstanding Reserves	Total Incurred	Large Loss Critical Reported Amount
	03/01/91-02/28/92							
06/06/91	PRICE	\$23,868	\$338,364	\$1,956	\$364,188	\$78,420	\$442,608	\$333,308
07/19/91	WHALEN	\$138,044	\$295,115	\$18,444	\$451,602	\$0	\$451,602	\$333,308
07/24/91	MALINOWSKI	\$58,782	\$484,855	\$45,088	\$568,534	\$157,532	\$726,066	\$333,308
08/01/91	PETRINI	\$1,720	\$404,049	\$6,897	\$411,566	\$59,370	\$471,036	\$333,308
08/21/91	HARVEY	\$119,714	\$322,891	\$58,992	\$501,597	\$0	\$501,597	\$333,308
09/08/91	HUBSHMAN	\$13,294	\$398,781	\$51,227	\$473,302	\$0	\$473,302	\$333,308
11/06/91	SEYMOUR	\$96,312	\$612,215	\$21,388	\$741,106	\$11,190	\$741,106	\$333,308
02/07/92	BIDWELL 8 Claims	\$0	\$395,914	\$9,218	\$405,133	\$0	\$405,133	\$380,199
					\$3,805,937	\$406,512	\$4,212,449	
	03/01/92-02/28/93							
08/02/92	DAVIS, B.	\$123,164	\$381,864	\$88,082	\$543,111	\$0	\$543,111	\$380,199
08/26/92	GRISKO	\$72,664	\$536,788	\$31,122	\$639,573	\$74,196	\$713,769	\$380,199
10/14/92	MONAHAN	\$34,940	\$644,818	\$77,566	\$757,324	\$7,914	\$765,238	\$380,199
11/29/92	DAVIS, Wm. 4 Claims	\$90,017	\$403,035	\$58,660	\$551,613	\$0	\$551,613	\$380,199
					\$2,481,620	\$82,110	\$2,573,730	
	03/01/93-02/28/94							
03/04/93	POWELL	\$132,188	\$606,882	\$91,864	\$832,934	\$74,536	\$907,459	\$379,118
04/16/93	CONLON	\$77,228	\$566,572	\$19,084	\$662,834	\$47,123	\$709,957	\$379,118
05/02/93	WASYLYNIAK	\$59,871	\$470,649	\$27,214	\$557,734	\$0	\$557,734	\$379,118
05/14/93	JEFFERS	\$31,885	\$318,155	\$36,513	\$387,553	\$0	\$387,553	\$379,118
06/22/93	PALUTIS	\$76,477	\$390,796	\$48,169	\$515,442	\$0	\$515,442	\$379,118
07/09/93	ARMFIELD	\$11,005	\$553,412	\$16,879	\$581,296	\$86,460	\$677,746	\$379,118
07/24/93	CRAWLEY	\$34,855	\$345,596	\$42,994	\$423,245	\$0	\$423,245	\$379,118
08/11/93	CAFFARO	\$49,843	\$488,507	\$3,681	\$542,231	\$68,074	\$610,305	\$379,118
01/19/94	BURRIER 8 Claims	\$59,239	\$256,436	\$31,406	\$346,081	\$0	\$346,081	\$330,768
					\$4,659,349	\$276,182	\$5,135,531	

25-Sep-16

LgLosses.xls

Gary R. Abramson, Casualty Actuarial Services

The City of Scranton  
Workers' Compensation

APPENDIX B  
Sheet 4

Summary of Critical Value Disability Losses  
As of August 31, 2016

(A) Date of Loss	(B) Named Insured	(C) Medical Paid	(D) Indemnity Paid	(E) Expense Paid	(F) Total Paid	(G) Outstanding Reserves	(H) Total - Insured	(I) Large Loss Critical Reported Amount
03/01/95-02/28/96								
07/20/95	MCGINNIS	\$91,758	\$494,787	\$40,216	\$626,771	\$0	\$626,771	\$471,218
08/23/95	DERMODY	\$10,151	\$625,434	\$89,771	\$705,357	\$40,561	\$745,918	\$471,218
09/18/95	ANDREJACK	\$44,124	\$369,700	\$61,612	\$459,437	\$20,392	\$479,829	\$471,218
12/07/95	HINKLEY	\$61,862	\$362,619	\$55,856	\$480,438	\$0	\$480,438	\$471,218
01/05/96	DUDZINSKI	\$57,964	\$549,209	\$50,971	\$658,030	\$33,856	\$691,886	\$469,449
	6 Claims				\$2,928,030	\$94,809	\$3,022,839	
03/01/96-02/28/97								
07/24/96	DOYLE	\$586	\$458,249	\$12,317	\$469,152	\$427,516	\$896,668	\$469,449
09/04/96	MUSSO	\$178,614	\$154,800	\$45,010	\$378,324	\$157,647	\$535,971	
	2 Claims				\$647,476	\$685,163	\$1,432,639	
03/01/97-02/28/98								
06/09/97	MATTICKS	\$52,307	\$275,891	\$67,074	\$395,272	\$0	\$395,272	\$374,154
	1 Claim				\$395,272	\$0	\$395,272	
03/01/98-02/28/99								
08/24/98	CORBY	\$63,796	\$267,469	\$17,346	\$348,611	\$189,893	\$538,444	\$372,602
	1 Claim				\$348,611	\$189,893	\$538,444	
03/01/99-02/28/00								
04/06/99	OTTONE	\$24,493	\$227,617	\$33,777	\$285,787	\$0	\$285,787	\$231,794
05/10/99	KLEE	\$15,904	\$209,899	\$22,015	\$247,818	\$0	\$247,818	\$231,794
01/26/00	MARTIN	\$272,273	\$89,236	\$47,084	\$408,593	\$0	\$408,593	\$230,581
	3 Claims				\$942,198	\$0	\$942,198	
03/01/00-02/28/01								
06/09/00	MEDALLIS	\$103,100	\$148,552	\$30,040	\$281,692	\$0	\$281,692	\$230,581
07/13/00	WAZNAK	\$224,468	\$220,048	\$43,166	\$487,682	\$0	\$487,682	\$230,581
02/17/01	BATYKO	\$44,640	\$156,846	\$37,559	\$239,044	\$0	\$239,044	\$229,212
	3 Claims				\$1,008,418	\$0	\$1,008,418	

LjLossaxix

15-399-76

Gary R. Abramson, Casualty Actuarial Services

Summary of Critical Injured Disability Losses  
As of August 31, 2016

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Date of Loss	Nominal Insured	Medical Paid	Indemnity Paid	Expense Paid	Total Paid	Outstanding Reserve	Total Incurred	Large Loss Critical Reported Amount
03/01/01-02/28/02								
08/10/01	LANNING 1 Claim	\$58,827	\$219,620	\$25,557	\$301,704	\$0	\$301,704	\$229,212
08/23/01	GALELLA 1 Claim	\$44,321	\$184,416	\$27,920	\$256,656	\$0	\$256,656	\$229,212
02/11/02	MACKIN 1 Claim	\$46,184	\$221,969	\$22,969	\$291,102	\$0	\$291,102	\$273,189
02/20/02	OZOVEK 4 Claims	\$143,964 (2 post 10/17/01 SIR) (2 pre 10/17/01 SIR)	\$260,672	\$30,331	\$442,957	\$0	\$442,957	\$273,189
					\$1,292,419	\$0	\$1,292,419	
03/01/02-02/28/03								
04/15/02	FARGIONE 1 Claim	\$126,603	\$304,542	\$27,010	\$463,519	\$0	\$463,519	\$273,189
08/12/02	GISOLFI 1 Claim	\$144,885	\$294,596	\$45,856	\$485,317	\$0	\$485,317	\$273,189
07/21/02	ROSAR, J. 1 Claim	\$79,913	\$308,354	\$44,816	\$433,162	\$0	\$433,162	\$273,189
07/25/02	BOEZI 1 Claim	\$183,648	\$223,981	\$89,415	\$477,046	\$13,506	\$490,552	\$273,189
08/24/02	PIAZZA 6 Claims	\$43,922 (all pre 10/17/02)	\$207,269	\$26,289	\$277,480	\$0	\$277,480	\$273,189
					\$2,136,543	\$13,506	\$2,150,049	
03/01/03-02/28/04								
11/25/03	MALONE 1 Claim	\$4,886 (1 post 10/16/03 SIR)	\$256,212	\$8,325	\$269,423	\$418,680	\$688,103	\$361,402
					\$269,423	\$418,680	\$688,103	
03/01/04-02/28/05								
06/24/04	EIBACH 1 Claim	\$155,654	\$284,209	\$58,192	\$498,055	\$0	\$498,055	\$358,112
09/19/04	MCINTYRE 2 Claims	\$149,519 (pre 10/17/04)	\$236,458	\$20,023	\$417,202	\$0	\$417,202	\$358,112
					\$915,257	\$0	\$915,257	
03/01/06-02/28/07								
09/12/06	SVETOVICH 1 Claim	\$135,026	\$242,684	\$94,587	\$462,297	\$196,196	\$658,493	\$665,771
					\$462,297	\$196,196	\$658,493	
03/01/15-02/28/16								
07/11/16	WILDING 1 Claim	\$93,143	\$56,381	\$4,540	\$154,063	\$1,797,561	\$1,951,614	\$328,170
11/28/16	PIERSON 2 Claims	\$327,083	\$27,117	\$8,788	\$360,988	\$72,568	\$433,546	\$328,170
					\$515,051	\$72,568	\$587,619	

LgLosses.xls

Gary R. Abramson | Casualty Actuarial Services

Derivation of Discount Factors as of 8/31/16

(A)	(B)	(C) Cumulative Paid Loss Development Factor	(D) % Losses Paid at 8/31/16	(E) Midpoint Upcoming Period	(F) % Losses Paid Upcoming Period	(G) Column(F) Discounted	(H) Discount Rate
2016/2017	0.50	20.231	4.9%	1.0	10.4%	0.102	0.773
2015/2016	1.50	6.504	15.4%	2.0	9.2%	0.087	0.765
2014/2015	2.50	4.076	24.5%	3.0	7.8%	0.071	0.757
2013/2014	3.50	3.097	32.3%	4.0	6.5%	0.059	0.750
2012/2013	4.50	2.575	38.8%	5.0	5.6%	0.048	0.743
2011/2012	5.50	2.253	44.4%	6.0	4.7%	0.040	0.736
2010/2011	6.50	2.036	49.1%	7.0	4.1%	0.034	0.730
2009/2010	7.50	1.880	53.2%	8.0	3.6%	0.028	0.724
2008/2009	8.50	1.763	56.7%	9.5	3.0%	0.025	0.718
	10.50	1.600	62.5%	11.5	2.5%	0.022	0.713
	12.50	1.492	67.0%	13.5	2.0%	0.019	0.708
	14.50	1.416	70.6%	15.5	1.6%	0.017	0.703
	16.50	1.359	73.5%	17.5	1.3%	0.015	0.698
	18.50	1.315	76.0%	19.5	1.0%	0.014	0.693
	20.50		78.8%	21.5	0.8%	0.013	0.688
	22.50		81.7%	23.5	0.6%	0.012	0.683
	24.50		85.0%	25.5	0.5%	0.011	0.678
	26.50		88.6%	27.5	0.4%	0.010	0.673
	28.50		92.6%	29.5	0.3%	0.009	0.668
	30.50		96.9%	31.5	0.2%	0.008	0.663
ULT	32.50	1.000	100.0%			0.013	0.658

Annual Interest Rate: 2.75%

Column(C): Appendix A, Sheet 1

Column(D): 1 / Column (C)

Column(E): [Column (B), current line + Column (B), next line] / 2

Column(F): Column (D), next line - Column (D), current line

with runoff after 19 years based upon an annual increase of 10% over prior period

Column(G): Column(F) x [1 + Interest Rate]<sup>n</sup> / [-Column(E)]

Column(H): [1 + Interest Rate]<sup>n</sup> / [1 - Column(D)] x [Upward Sum, Column(G)]

DFAXXLS

25-Sep-16



# TPA & Risk Services for Workers' Compensation

Presented to:



Closing Date: February 13, 2017 at 10:00 a.m.

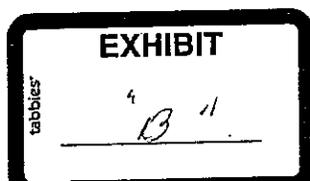
Ryan Sharp - Account Executive  
PMA Management Corp.  
245 Grandview Avenue  
Camp Hill, PA 17011  
(717)730-8120 •  
[www.pmamc.com](http://www.pmamc.com)

**25 Years**  
TPA & Risk  
Services  
Expertise

**95%**  
Avg. Client  
Retention

**100  
Years**  
in Workers'  
Compensation

**95%**  
of Clients  
Would  
Recommend  
PMA



OLD REPUBLIC INSURANCE GROUP

January 31, 2017

Member of Old Republic Companies

Jessica L. Boyles, Esquire  
**City Solicitor**  
City of Scranton  
340 North Washington Avenue  
Scranton, PA 18503

**Re: Request for Qualifications for Third Party Administrative (TPA) Services Workers Compensation**

Dear Ms. Boyles:

Thank you for the opportunity to submit this proposal for your consideration. As the current Workers' Compensation TPA for The City of Scranton, our proposal focuses on demonstrating our positive results over the previous four years and our plan to sustain, at a competitive price, the results The City of Scranton expects from PMA. Here are some of the highlights of your program:

- ⊖ 100 years of Claims Management Expertise
- ⊖ 95% Client Satisfaction from all recent Client Surveys
- ⊖ 95% Clients Would Recommend PMA
- ⊖ Proven Workers' Compensation claims model
- ⊖ PA WC Municipal/Heart and Lung Expertise
- ⊖ 86% Closure Rate for Lost Time and Medical Only Claims
- ⊖ 64% Takeover Closure Rate
- ⊖ 63% Medical Savings
- ⊖ 37% Pharmacy Savings
- ⊖ 61% PPO Penetration Rate
- ⊖ \$1,186,799 Recoveries since 2013
- ⊖ Reporting Time 5 Days or Less
- ⊖ 97% Online Reporting
- ⊖ Average Paid per Lost Time Claim - \$32,085
- ⊖ In-house Risk Control Specialists & Nurse Case Managers
- ⊖ State-of-the-art Risk Management Information System (PMA Cinch)

We will be honored to continue as The City's business partner, and look forward to your response. Because of our familiarity with the city's people, programs, and processes, there is no learning curve with PMA as their partner. Should you have any questions about our proposal, please do not hesitate to contact me at (717) 730-8120 or by e-mail at [Ryan\\_Sharp@pmagroup.com](mailto:Ryan_Sharp@pmagroup.com).

Very truly yours,



Ryan Sharp  
Account Executive



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# Contents

<b>Executive Summary .....</b>	<b>4</b>
<b>Company Profile .....</b>	<b>12</b>
About PMA Companies.....	12
About PMA Management Corp. ....	12
Industry Expertise .....	12
<b>PMA's Holistic Approach to Risk Management .....</b>	<b>14</b>
Unique Approach to TPA and Risk Services .....	14
Pre-Loss .....	14
Loss-Reduction .....	14
Post-Loss.....	15
PMA Data Analytics & Visualization Tools to Spot Trends.....	16
Results that Make a Difference .....	17
<b>The Building Blocks of Your Success .....</b>	<b>17</b>
Account Management.....	18
Our Results-focused Claims Service.....	19
Comprehensive and Integrated Managed Care to Help Control Claims Costs .....	26
Risk Control Services.....	30
<b>How We Deliver Results .....</b>	<b>32</b>
PMA People.....	32
PMA Partnership Approach.....	33
PMA Technology.....	33
<b>Points of Pride .....</b>	<b>36</b>
Client Satisfaction & Retention.....	36
Nationally Recognized Clients.....	36
Expertise.....	36
<b>Pricing Proposal .....</b>	<b>38</b>
<b>PMA Companies eBilling Solution .....</b>	<b>41</b>
<b>Response to Qualifications Questionnaire .....</b>	<b>42</b>
<b>Attachments .....</b>	<b>56</b>



# Executive Summary

We are pleased and excited to provide City of Scranton with a comprehensive proposal for your workers' compensation program. We welcome the opportunity to continue working in partnership to improve their results and exceed your service expectations. Our proposal focuses not only on the results we have achieved over the previous four years, but also our plan to sustain them and uncover new opportunities for improvement along the way

Key Result Area	City of Scranton
Lost Time & Medical Only Closure Rate 2013-2016	86%
Closure Rate Takeover Claims	64%
Lost Time Claim Closure Rates Comparison 2013-2016	67% versus 77% for PA Self Insured Municipality
Lost Time Claims Closed within 90 Days Comparison 2013-2016	13% versus 11% for PA Self Insured Municipality
2016 Payments	\$3,989,351 * Settlements total \$812,457*
All Recoveries (Subro, Excess)	\$1,186,799 Average \$296,699 per year
Medical Savings	63% or \$6,614,223 off \$10,430,424 invoiced.
% PPO on # of Bills	61%
Pharmacy Savings 2016	37% Total Savings = \$54,135
Reporting Lag Time 2016	5.3 days and 60% claims received in 3 days
Median Days	3.0 Days
Online Reporting	97%
Average Paid Per Closed Lost time	\$32,085 versus \$24,035 for PA Self Insured Municipality
Average Paid per Closed Medical Only Comparison	\$1,100 versus \$1,244 for PA Self Insured Municipality



# Why PMAMC?

Key Result Area	PMA	Other TPAs
No Learning Curve	√	
Cost Saving Through Our Holistic Approach of Risk Control, Claims Management and Loss Analysis to create Best Practices	√	
Local Service Team Including: Sr. Mgmt., Acct. Mgr., Claims Supervisor, Dedicated Adjusters, Dedicated MO Adjusters, Dedicated Nurse, RC Manager, Account Executive, Call Center	√	
No interruption in injured employee benefits or transition fees	√	
No Data Transfer Issues	√	
Continued Risk Control Improvement in the area of Frequency and Severity Reduction	√	
Customized Loss Reports that assist with business decisions delivered to you in paper form and available online	√	
Benchmark Reports to compare City of Scranton performance to others	√	
Strong Financial Strength backed by Fortune 100 company	√	
Quality Assurance Specialists that analyze claims at 90 day point	√	
Nurse on staff triaging all Lost Time and higher Med-only claims	√	
Pharmaceutical Nurse on staff consulted on narcotic and high-dollar prescriptions	√	
Access to over 25 medical networks with an in-house cost containment team constantly evaluating your best options	√	
Direct access to specialty networks (Physical Therapy, Durable Medical Equipment, Diagnostic services, etc.)	√	
Dedicated Complex Bill Review unit provides line audits of targeted bills to identify fraud, waste and abuse	√	
Leverage Complex Bill Review Unit to negotiate down costs of Out of Network services	√	
4 Year track record of strong performance – stewardship results	√	



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Here are some additional touch points and valued added services we have provided to City of Scranton:

We assisted the City with an excess issue with the State (previously Frontier). Several WC files that Frontier and then the State had been refusing to reimburse us even though we felt their allegations were unfounded. When all was said and done, The City was able to get the State to agree to settle out the issue for a portion of what was owed. The City handled the negotiations with the State but we provided all of the necessary information. The City recovered \$250,000.

The response time from the PMA claims team of Paul and Kim is excellent and they have a great relationship with the WC team at the City – Deb, Jack, and Jessica.

We have also provided solid outcomes for the following claims:

W001771622  
W001773004  
W000719200  
W000719194  
W000718740



# Action Plan for Continuous Improvement

PMA realizes how important it is for The City of Scranton to control its workers' compensation costs. Most municipal and public entity budgets have been drastically reduced and we understand this pressure because we work with so many PA municipal self-insured clients. Our goal is to continue to assist City of Scranton in improving their workers' compensation program through loss and post-loss initiatives. At our next stewardship meeting we will demonstrate how we would like to involve our risk control team with your program so we can add the pre loss stage and have all 3 phases of the holistic approach working together. The plan listed below will enable City of Scranton to provide a quality, cost-effective workers' compensation program to its employees.

1. Continue to provide results-driven service through professional, timely, and courteous service. Our leadership team of Terry Smith (Assistant Vice President of Claims), Matt Stairs (Client Service Manager) Ryan Sharp (Account Executive), Lisa Transue (Regional Claims Supervisor), Paul Kelly (Senior Account Claims Representative) and Kim Ellis (Account Claims Representative) and Bethany Schneck (Account Claims Associate) have more than 100 combined years of Pennsylvania workers' compensation experience.
2. Your Account Manager/Client Service Manager will continue to be Matt Stairs. Terry Smith, Lisa Transue, Paul Kelly, Kim Ellis who have been involved with your organization since 2013, will continue leveraging their knowledge of the intricacies and requirements of your program. They clearly understand your expectations and know how to ensure we meet them. They will work closely with the City of Scranton team to ensure that PMA is communicating with all levels of your organization for an unparalleled ease of doing business
3. Draw from our four years of partnering with City of Scranton and our PA WC Heart and Lung experience to ensure the workers' compensation program is constantly improving. Because of our familiarity and experience with your people, processes, programs, and requirements, there is no learning curve with PMA and there will be no data conversion. We will continue to leverage our 100 years of workers' compensation experience to make improvements to your program.
4. Operate your workers' compensation program in accordance with techniques that will provide you with the best outcomes. We will be able to accomplish this plan because our claims team understands your expectations. We will provide our adjusters with fair workloads and access to your claims data via our online risk management information system. You can see your results on page 6 are very strong and we will continue to deliver strong outcomes.

Continue to build on our success through focusing on and measuring the following key result areas:

- Outstanding Reserves
- Claims Closure Rates
- Medical Savings Programs
- Claims Settlements
- Reduced Frequencies and Severities
- Subrogation and Supersedeas Recoveries

- Claims Reporting Times
  - Benchmarking in all key result areas
5. Work closely with City of Scranton in controlling every expense. For example, we suggest legal counsel involvement in quarterly claim meetings and claim conference calls in an effort to improve closure rates and reduce legal expenses.
  6. Identify areas for improvement. For example, we met with your team in February 2016 for our annual stewardship meeting and reviewed the importance of WC metrics and a formal safety program and holistic approach. We will continue to have additional recommendations for how to reduce your frequency and we will have a claims and risk control analysis at our upcoming February 2017 stewardship meeting.
  7. Allocate additional resources to ensure the program continues to improve. These additional resources include our Special Investigations Unit (SIU), Nurse Case Manager, Quality Assurance Specialist, IS Consultant, etc. These individuals can assist City of Scranton on very specific issues. For example, our SIU Team will work closely with you on pursuing workers' compensation fraud cases.
  8. Provide claims reviews when requested for specific departments/divisions; especially for key loss driver locations.
  9. Conduct annual Stewardship meetings. The purpose of these meetings is to review our results and to set goals to drive down costs. The Stewardship Report is a detailed report that focuses on financial results, benchmarking, medical savings, pending analysis, results by location, and risk management reports, etc.
  10. Provide a quality work product at every level of the organization. City of Scranton has every workers' compensation file at its fingertips through PMA Cinch, our online risk management information system. The Risk Management Office will be able to read our log notes, view action plans, review all documents, and much more.
  11. Continue aggressively pursuing fraud.
  12. We want to work with City of Scranton to design a detailed safety program that will assist with reducing the frequency and severity of claims. For more details, please refer to the Lost-Time WC Risk Profile and we will discuss in more detail at our February 2017 stewardship meeting.

# Preventing WC Losses Before They Occur

Our goal is to continue to reduce your claim frequency, cost per claim, and claim-related expenses. Throughout this RFP, we will outline our "Holistic Approach" to reducing your total cost of risk. Enclosed is the workers' compensation lost-time "Risk Profile" of City of Scranton. With tools like this, we know where to direct our loss prevention efforts.

**CITY OF SCRANTON - 0441006**  
**Workers' Compensation - Lost-Time Claims Profile**

Accidents 03/01/13 To 01/01/17

Claim Status: Closed, Open

**Gender**

Gender	# LT Claims	% of Claims	Total Incurred	Avg Incurred
MALE	125	96.2%	\$8,965,619	\$55,725
FEMALE	5	3.8%	\$168,904	\$37,781
	130	100.0%	\$7,154,523	\$55,035

**Accident Cause Group**

Accident Cause	# LT Claims	% of Claims	Avg Incurred
STRAIN OR INJURY BY	48	36.9%	\$47,809
FALL OR SLIP INJURY	35	26.9%	\$87,539
MISCELLANEOUS CAUSES	16	12.3%	\$50,645
CUT, PUNCTURE, SCRAPE INJURED BY	9	6.9%	\$8,792
MOTOR VEHICLE	8	6.2%	\$50,463
STRIKING AGAINST OR STEPPING ON	7	5.4%	\$24,673
CAUGHT IN OR BETWEEN	3	2.3%	\$59,846
STRUCK OR INJURED BY	3	2.3%	\$48,478
BURN OR SCALD-HEAT OR COLD EXPOSURE	1	0.8%	\$1,788
	130	100.0%	\$55,035

**Age at Accident**

Gender	Age at Accd	# LT Claims	% of Claims	Avg Incurred
FEMALE	35-49 Years	4	3.1%	\$19,197
	50-64 Years	1	0.8%	\$112,116
MALE	15-24 Years	1	0.8%	\$3,230
	25-34 Years	14	10.8%	\$157,312
	35-49 Years	65	50.0%	\$35,257
	50-64 Years	44	33.8%	\$55,483
	Over 65 Years	1	0.8%	\$27,033
		130	100.0%	\$55,035

**Top 10 Lost-Time Claims by Total Incurred**

Claim Number	O/C	Acct Date	Total	Total Paid
W001470553	O	07/11/15	\$1,951,615	\$171,181
W001279105	O	08/23/14	\$243,896	\$146,046
W001203166	C	04/18/14	\$200,892	\$200,891
W001335381	C	11/25/14	\$180,745	\$180,745
W001005917	O	10/01/13	\$170,882	\$162,984
W001286757	C	09/07/14	\$169,410	\$169,410
W001469990	C	07/15/15	\$166,039	\$166,039
W001459314	C	06/16/15	\$131,614	\$131,613
W000762000	C	04/07/13	\$130,699	\$130,699
W001417196	O	04/01/15	\$123,808	\$122,693

**Part of Body**

Part Of Body	# LT Claims	% of Claims	Avg Incurred
LOWER BACK AREA	25	19.2%	\$40,543
KNEE	24	18.5%	\$54,312
SHOULDER(S)	12	9.2%	\$27,447
HAND	8	6.2%	\$22,923
FOOT	7	5.4%	\$16,164
ABDOMEN INCLUDING GROIN	6	4.6%	\$19,351
SOFT TISSUE	5	3.8%	\$63,201
FACIAL SOFT TISSUE	5	3.8%	\$14,866
LOWER LEG	4	3.1%	\$67,102
FINGERS	4	3.1%	\$3,852
HIP	3	2.3%	\$72,715
WRIST	3	2.3%	\$98,514
ELBOW	3	2.3%	\$19,701
UPPER ARM	2	1.5%	\$82,947
WRIST(S) & HAND(S)	2	1.5%	\$31,523
LOWER ARM	2	1.5%	\$27,112
EYE(S)	2	1.5%	\$47,545
CHEST	2	1.5%	\$21,864
SKULL	2	1.5%	\$54,413
INTERNAL ORGANS	1	0.8%	\$11,171
MULTIPLE TRUNK	1	0.8%	\$12,819
MULTIPLE HEAD INJURY	1	0.8%	\$1,951,615
BRAIN	1	0.8%	\$57,528
ANKLE	1	0.8%	\$5,548
BUTTOCKS	1	0.8%	\$70,636
DISC	1	0.8%	\$169,410
MULTIPLE NECK INJURY	1	0.8%	\$37,719
THUMB	1	0.8%	\$1,272
	130	100.0%	\$55,035

**Policy Yr Summary**

Effective Date	# LT Claims	# Open	Total Incurred	Total Paid
03/01/13	39	1	\$1,102,617	\$1,094,722
03/01/14	28	4	\$1,544,537	\$1,432,299
03/01/15	33	12	\$3,482,027	\$1,599,744
03/01/16	30	25	\$1,025,342	\$709,819
	130	42	\$7,154,523	\$4,836,583



# How will PMAMC Continue to Reduce City of Scranton Total Cost of Risk?

- Together we have built a solid foundation. We understand your culture; we know your philosophies and your desires, and your need to continue to reduce your total cost of risk.
- Our proposal includes a focus on pre-loss, which means reducing the frequency of your claims. Since your average closed lost-time claim is approximately \$32,085 over the last four years, we will outline how we can prevent claims from happening in the first place.
- We expect our PBM partner, Express Scripts, to increase your pharmacy savings and prevent abuse.
- We will continue our efforts with your various vendors; including legal, medical, etc. The purposes of these meetings are to ensure that every dollar is spent as efficiently as possible and to hold our partners accountable for favorable results.
- We will continue to improve your cash flow through our success in subrogation, supersedeas recoveries, etc.
- We have designed a scorecard on page 6 and several back-up reports to assist you with monitoring your key result areas and ensuring plans are in place to hit desired goals.
- We will continue our aggressive pursuit of fraud referrals to the relevant jurisdictional authorities with the anticipated goal of a successful prosecution when possible.
- We will continue to reduce interest and penalties assessed against the City of Scranton, either through proper management of the medical invoice process or through litigation management to ensure positive outcomes.
- We will continue to monitor and expand the legal audit process we collectively implemented while ensuring that the expenses of litigation are in line with what the defense counsel guidelines allow.
- We will review your panel providers to ensure that they understand their obligation to the City of Scranton employees within the confines of the Pennsylvania Workers' Compensation Act. The input from the claims team and the nurse case manager as well as the City of Scranton workers' compensation manager has been vital to assisting with any recent panel changes. We will continue to encourage their participation in this process.

Workers' compensation represents an increasingly complex and costly benefit that can have a significant impact on your bottom line and most important resource: your employees.

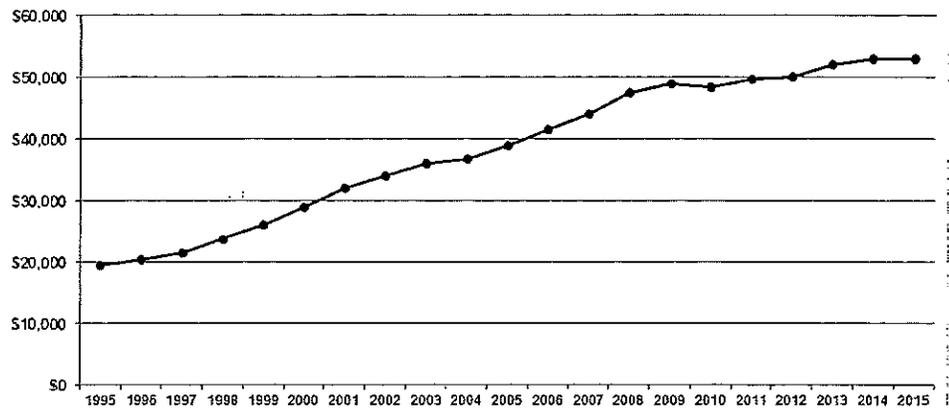
Workers' compensation cost and complexity are being driven by a number of factors:

- The aging of America's workforce
- A growing presence of comorbid medical conditions, such as hypertension, obesity, and diabetes impacting work injuries and recovery times
- Escalating pharmacy costs and narcotic use/abuse
- Rising inpatient and outpatient medical costs
- Changing state and federal regulatory requirements, including Electronic Data Interface (EDI) reporting requirements, Medicare Affordable Care Act, Medicare Secondary Payer, and ICD-10.

PMA Companies has specialized in workers' compensation for over 100 years. That makes us uniquely positioned to help reduce your frequency and severity of claims, including indemnity and medical costs, outstanding reserves, and overall workers' compensation budget—while providing access to appropriate medical care and improving return-to-work outcomes for injured workers.

PMA is a leading provider of property and casualty third-party administration and risk services in the United States. PMA's TPA & Risk Services business client retention averages 95% and client satisfaction averages 95% per independent surveys. PMA aims to deliver tangible value every day, striving to exceed our clients' service expectations and improve their financial results.

## Average Cost of a Lost-time WC Claim



Source: National Council on Compensation Insurance, September 2016

# Company Profile

## About PMA Companies

PMA Companies provides risk management solutions and services in the U.S., specializing in workers' compensation and offering property and casualty insurance. Headquartered in Blue Bell, PA, PMA has over 100 years of workers' compensation experience. As part of Old Republic Companies (NYSE: ORI)—one of the nation's 50 largest publicly held insurance organizations with consolidated assets of \$17.99 billion (as of June 30, 2016)—PMA offers long-term financial strength and stability.

## About PMA Management Corp.

PMA Management Corp. offers a unique, holistic approach to managing your total cost of risk and providing results-driven TPA and Risk Services. PMA Management Corp. provides complete, multi-level claims and risk management services—including claims administration for workers' compensation, commercial auto, commercial property, and general liability, as well as medical cost-containment programs and risk control services. PMA Management Corp. has been partnering with self-insured, self-insured group/trust, captive, and unbundled clients to understand their loss drivers, implement effective risk control and cost containment measures, and optimize the claims process since 1991.

## Industry Expertise

Although customers in any industry can benefit from PMA Companies' unique holistic approach, we've developed particular expertise in your industry.

Our largest TPA business segment, we serve 300+ state and local governments, transit and utility authorities, K-12 schools, colleges and universities, and healthcare organizations

- City of Allentown
- City of Bethlehem
- City of Reading
- City York

Through decades of experience and research collaboration with the National Public Risk Management Association (PRIMA) organization, PMA has amassed deep insights on your workers' compensation challenges. Our recent joint PMA/PRIMA workers' compensation survey of the organization's members revealed an aging workforce, controlling claim frequency, and returning injured

## About PMA Companies

- 100+ years of workers' compensation experience
- 450+ TPA clients with client retention averaging 95%
- Active member of:



- Thought leadership:
  - *Workers' Compensation Benchmarking Survey Results, Facts, and Solutions*, which highlights findings of research by URMIA and PMA Companies
  - *Zero In on Workers' Compensation Cost Drivers*, which highlights findings of research by PRIMA and PMA Companies
  - *Integrating Risk Management and Wellness Programs*
  - *Predicting and Preventing Severe Workplace Injuries*



employees to work as most public entity risk managers' top concerns. We help you manage those issues through our holistic approach to claims management—taking proactive steps for more effective loss prevention, management, and analysis. PMA's pre-loss services aim to reduce the overall frequency and costs of claims. When claims occur, our experienced adjusters and nurses work to reduce the amount of disability, while our comprehensive managed care services help reduce the overall cost of medical bills and prescription medications. PMA's online resources enable public sector risk managers to track key results and respond promptly to emerging issues in their programs. In addition, your PMA client service manager, working in concert with one of our risk control consultants, can deliver a scorecard of results with a Stewardship Report designed especially for public entities. Your mission is to serve your constituents; ours is to support your success.

### Spotlight on Success *Prince William County, Virginia*

Located in northern Virginia, Prince William County provides a full range of local government services, including police, fire and rescue, court, library, and parks and recreation, to approximately 419,000 residents.

#### Partnership Results as of 2013

- Above-average in-network usage, driving an average of 32% savings in billed medical charges
- 71% of claims reported within 24 hours
- Return-to-Work process starts with contact with the injured worker, the medical provider, and the employer within 24 hours of receiving a claim
- The County's Risk Management Division Chief, Lori Gray, named 2013 Risk Manager of the Year by *Business Insurance*

PMA and representatives from the county meet quarterly—and sometimes more often—to discuss pending claims and strategies for moving the cases forward. This keeps the partnership on track and the county's results trending positively.



*"We have an outstanding relationship with PMA. They truly develop a partnership and work with us—it's a team approach. I choose PMA year after year because they help us achieve positive results. PMA means success to me."*

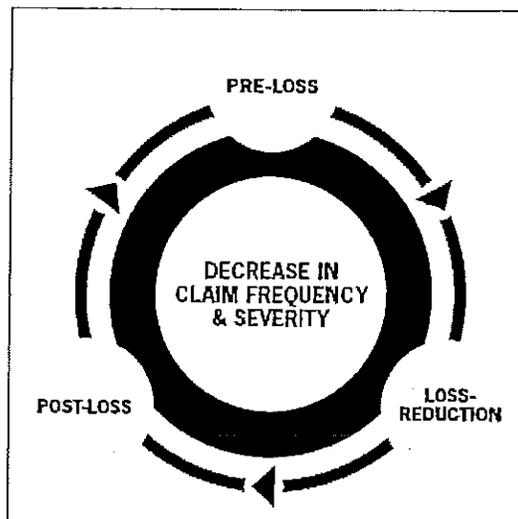
Lori Gray | Risk Management Division Chief | Prince William County

# PMA's Holistic Approach to Risk Management

## Unique Approach to TPA and Risk Services

PMA's holistic approach integrates three key strategies that can help you reduce the frequency and severity of your claims by focusing on risk control, claims, managed care, and risk management information services:

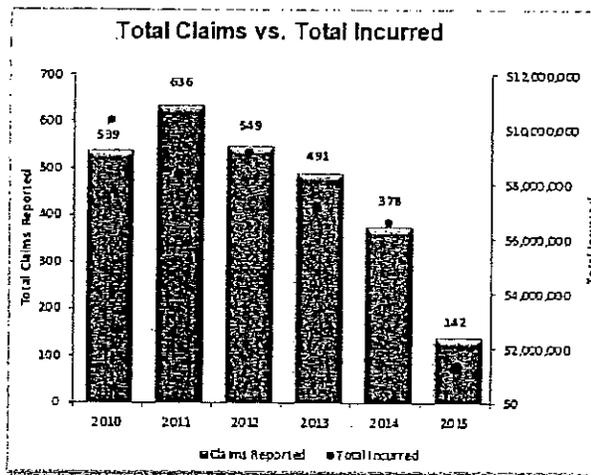
- **Pre-Loss** – Prevents claims before they occur.
- **Loss-Reduction** – Mitigates the cost of claims that do occur with timely, quality medical treatment, integrated claims and managed care services, and return-to-work programs.
- **Post-Loss** – Learn from losses that have occurred so your organization can prevent similar losses from occurring again.



### Pre-Loss

We will partner with you to understand your loss drivers and implement effective risk control measures. Our pre-loss strategies typically include the following:

- **Risk Management Assessment** – We will perform an assessment of your operations and risk management program to identify your past loss exposures and opportunities for future improvements to lower frequency and severity of claims.
- **Goal Setting** – We will collaborate with you to establish goals and identify performance metrics to guide our improvement efforts.
- **Planning** – We will work with you to develop a plan to guide the improvement process and enhance results for a greater return on investment.



Sample chart tracking frequency and severity of workers' compensation claims.

PMA offers a full range of in-person and online risk control services and resources, including access to PMA Websource®, our interactive online safety and risk management portal.

### Loss-Reduction

Our claims service is designed to aid in reducing your overall exposures and controlling your costs. Early intervention on each claim will help us manage claims to cost-effective resolutions and mitigate your exposure on all claims. Each step of our comprehensive claims management process is structured to achieve favorable results.



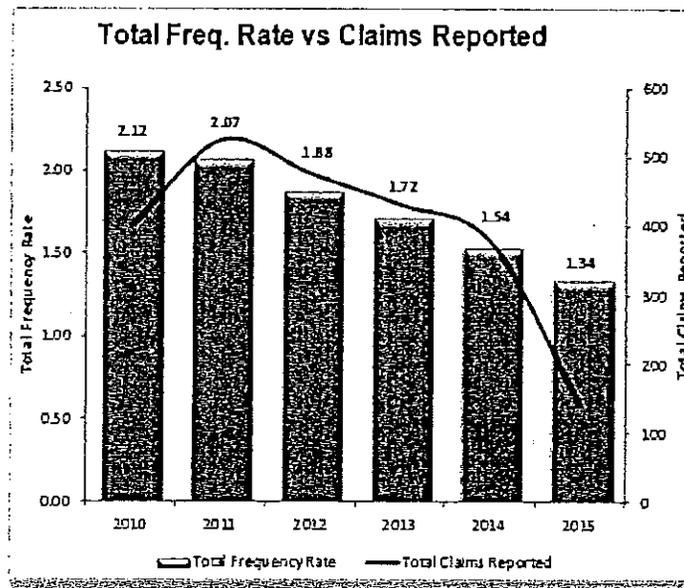
Our managed care program, which is fully integrated with our claims service and claims management system, focuses on:

- Predicting high-risk/high-cost claims for timely intervention
- Obtaining timely, quality care for injured workers
- Managing medical costs
- Reducing total claims costs.

PMA's managed care program includes Nurse Triage (available 24/7 Nurse Triage via PMA Care 24), Medical Bill Review, Workers' Compensation PPO & Specialty Networks, Nurse/Medical Code Examiners, Pharmacy Benefits Management, Pharmacy Nurse Intervention, Nurse Case Management, and a Utilization Review Program with Medical Peer Review.

### Post-Loss

PMA will analyze your loss history, benchmark your performance against your peer group (where possible) and industry results, and report back to you through our stewardship reporting process. More important, we explain ways to improve your program and implement best practices. Our goal is to help you develop best practices that enhance your program and facilitate timely claims intervention.

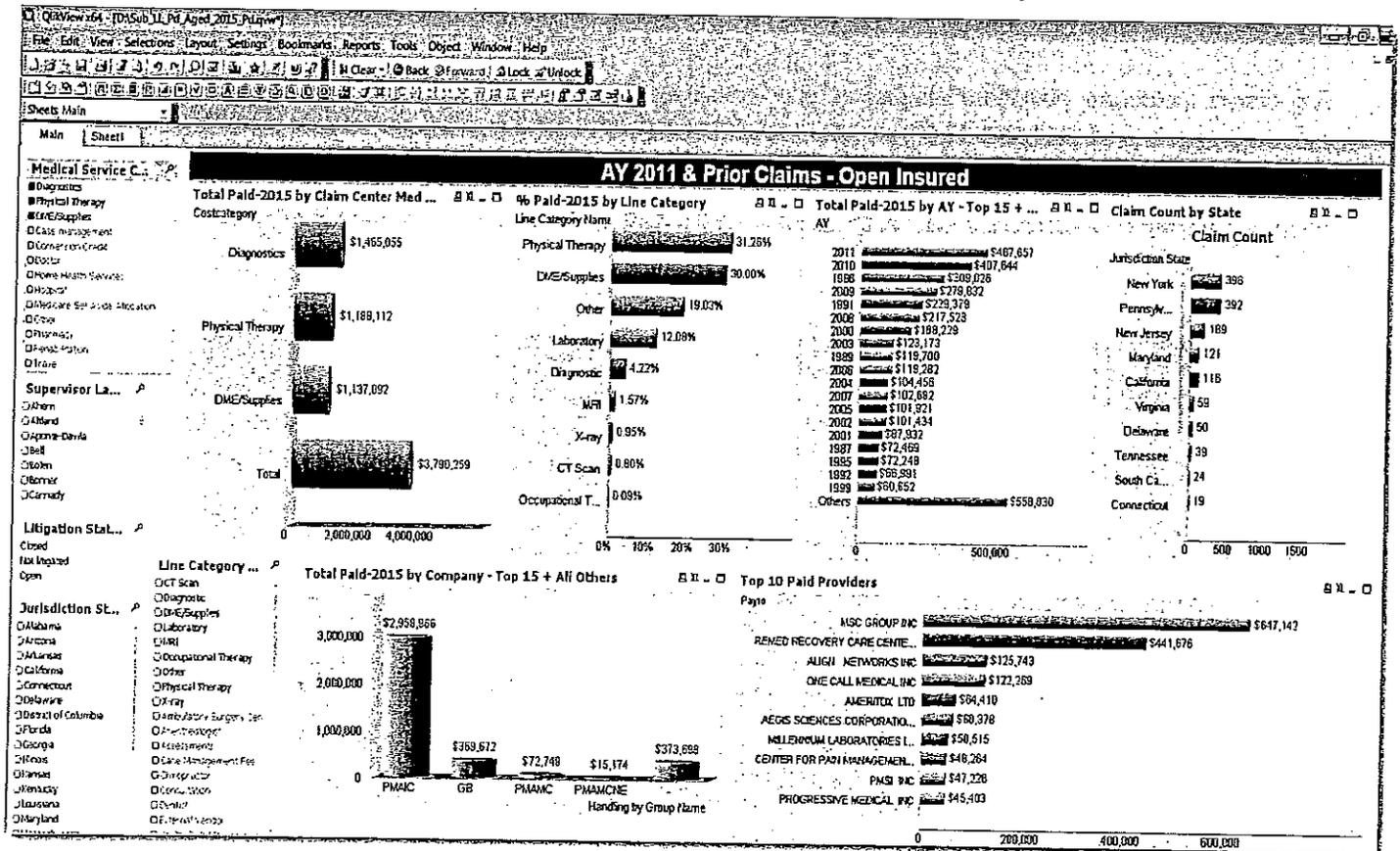


Sample chart tracking worker's compensation claims frequency rate.

## PMA Data Analytics & Visualization Tools to Spot Trends

With a robust collection of workers' compensation claims data in an enterprise-wide data warehouse, we are able to benchmark your results against organizations in our database and often against other entities within your industry. We can drill down to benchmark the performance of each location, providing valuable insights into relative strengths and opportunities for improvement. Additionally, we are able to quantify the potential financial impact of loss trends and continually monitor performance improvements over time. All of this information is presented to you using leading edge data visualization tools from Qlik.

*Comprehensive Qlik data visualization tool allows faster trend spotting for more timely intervention*

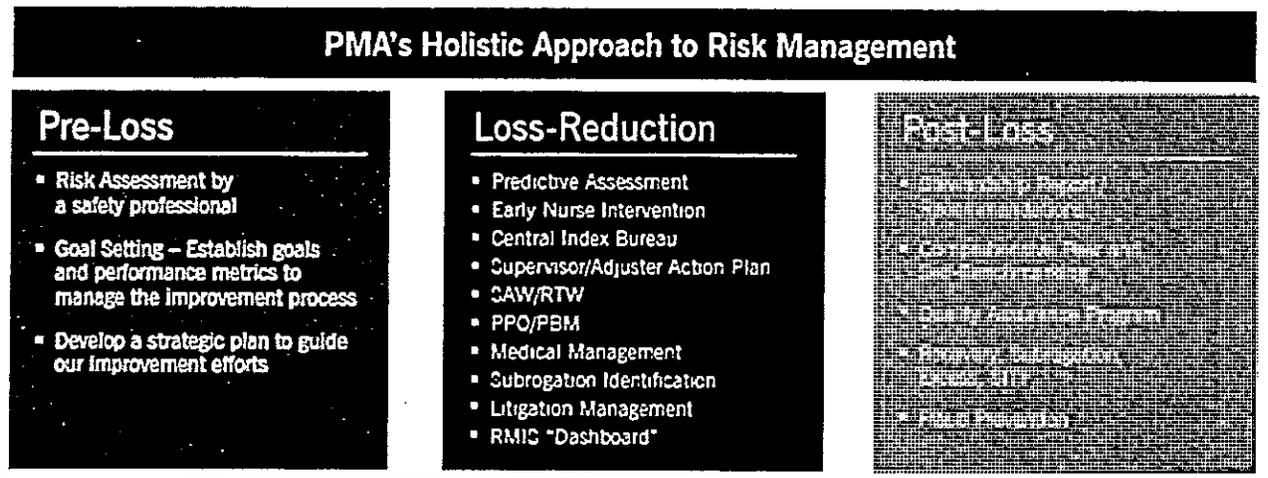


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## Results that Make a Difference

PMA's holistic approach can achieve a positive impact on your risk management efforts. We will work with you to execute pre-loss, loss-reduction, and post-loss strategies complete with multilevel claims and risk management services, including:

- **Account Management Team** – Account Executive, Client Service Manager, Triage Nurses, Nurse Case Manager, Risk Control Consultants, Claims Professionals, Quality Assurance Specialists, and Customer Service Representatives
- **Triage/Intervention Nurses** – intervene on all lost-time and high-risk medical-only workers' compensation claims
- **Pharmacy Nurse Specialists** – dedicated to prescription drug oversight with focus on regulating narcotic dispensing
- **Quality Assurance Program** – Quality Assurance Specialists ensure consistency in all areas of claims management services
- **Special Investigative Unit** – trained specialists who investigate potentially fraudulent claims and, where appropriate, refer claims to local authorities and assist with prosecution
- **PMA Webservice®** – an online-only portal of safety and risk management resources
- **Benchmarking and Stewardship Reporting** – turns data into actionable information for better business decisions



# The Building Blocks of Your Success

## Account Management

As a TPA and Risk Services client, you will be supported by a team that will become an extension of your risk management resources. Your team will include an Account Executive, Client Service Manager, Triage Nurses, Nurse Case Manager, Risk Control Consultants, Claims Professionals, Quality Assurance Specialists, and Customer Service Representatives. A claims supervisor leads the claims team, which also includes a 24/7 Customer Service Center.

By assigning these teams, PMA provides you with direct contacts for any questions you may have. The results: strong, collaborative relationships, a deeper understanding of your business needs, and, ultimately, greater value for your business.

## Special Handling Guidelines

As a PMA client, we will create for you custom claims handling guidelines at the onset of our partnership (and periodically thereafter) that explain how we need to service your account. This can include settlement authority levels, attorney selection, reserve notifications, and more.

## Stewardship Reports

PMA also provides annual Stewardship Reports, which outline trends that have an impact on your organization's total cost of risk. Your Stewardship Reports provide benchmarking, pending analysis, risk profiles, and risk management analysis, as well as recommendations to help you make risk management decisions.

### PMA's Commitment to Service

- 24/7 Customer Service Center at 1-888-476-2669
- [pmacompanies.com](http://pmacompanies.com), our interactive website featuring:
  - Injured Worker Center
  - Workers' Compensation Guide for Injured Workers
  - Pharmacy Search Tool
  - Temporary Pharmacy Cards
  - Return-to-Work Information
  - State Workers' Compensation Resources

PMA's goal is simple—to reduce the frequency and severity of your workers' compensation claims creating a safer, healthier workplace.

### Spotlight on Success Rockland County, New York

Located just 16 miles from New York City and home to nearly 300,000 residents.

#### Partnership Results as of 2015

- Holistic approach with Risk Control, Claims, and Managed Care resources delivering positive program results since 2005
- Recoveries totaling \$3.1 million over past 10 years
- Net Managed Care savings of \$2.2 million (75% savings) in last 12 months

*"We can log into the [PMA risk management information] system and check the status of a claim at any given time. We can also run reports to track claims by department or in aggregate for the county to isolate any high claim areas."*

Annette Marro | Workers' Compensation Coordinator | Rockland County



## Our Results-focused Claims Service

### Highlights of Our Claims Service

- **SSAE 16 (SOC 1) Certified**—Annual certification that assures a high degree of operational controls specific to client data and loss funds
- **Assigned team**—including claims professionals, a Claims Supervisor, a Client Service Manager, Nurse Case Managers, and Customer Service Representatives
- Adjusting staff with an **average of 17 years** of workers' compensation claims handling experience
- **Target low average caseloads** and new assignments for claims professionals—facilitating more thorough claims management and greater control over loss development
- **Averaging 15 years of experience, our Client Service Managers** oversee your program installation and creation of special handling guidelines, and serve as the primary point of contact for Stewardship Reports and claims relationships
- **Prompt and thorough investigation** that includes determination of compensability and subrogation potential, as well as "indexing" each injured worker's lost-time claims with the Central Index Bureau to prevent payment of duplicate benefits and to help identify and prevent fraudulent activity
- **Quality Assurance Specialists** who audit claims files and review open lost-time claims approaching 90 days
- **Tenured, committed team** backed by PMA Companies' ongoing **formal claims training program**, as well as support for higher education and **industry certifications**

PMA designed our claims service to reduce our clients' overall exposures and control costs. Each step of our comprehensive claims program has been structured to achieve results, including driving claims to resolution in a timely, thorough, and cost-effective manner.

We recruit and retain claims professionals with strong technical knowledge in workers' compensation. In fact, our adjusting staff has an average of 17 years of workers' compensation claims handling experience. As part of our holistic approach, we maintain a tight linkage between claims management, managed care, and risk control—enabling us to continually identify and help you address emerging loss trends while seeking to reduce your loss costs.

### Staffing

The key to our success lies in the people who we employ. PMA is committed to providing its clients with the highest quality claims management services, and this can only be accomplished through strong, knowledgeable employees. Our claims professionals take ownership of their work, and fully dedicate themselves to each claim they handle.

### Caseloads that Facilitate Proactive Claims Management

PMA's claims professional caseloads and support resources, such as our 24/7 Customer Service Center, are established to allow our claims professionals to give each claim the time and attention it requires. This allows us to complete more thorough investigations, and to exercise greater control over loss development. The average caseload handled by our claims professionals is typically 120 - 150 files depending on jurisdiction and line of business, with new average monthly assignments of 7 - 12 files.

### Focused Training

Led by a Claims Training Manager focused on creating and executing various claims training programs, PMA claims professionals regularly receive formal and informal training through internal and external resources addressing all disciplines, including claims, legal, managed care/medical providers, and risk control. We also frequently use one-on-one training sessions between supervisors and claims professionals to focus on specific topics, enabling supervisors to provide continuous improvement training to each claims professional. Our training sessions serve to educate our claims professionals on new policies and procedures, new case law



developments, and changes in rules and regulations.

### Loss Reporting

PMA offers you a selection of claims reporting options so you can choose the channel that's most convenient for you and that best suits your needs. We can receive Injury Reports electronically through PMA's website or through PMA Cinch, our internet-based risk management information system. You can report losses from mobile devices, including iPhones, iPads, Android smartphones, and tablets. Telephone, fax, and mail reporting options are also available.

Claims reported electronically are immediately assigned a PMA claim number, and that claim number will instantly be provided to you. For all reported claims, acknowledgement letters will be mailed or e-mailed to designated client contacts.

### Investigation

Upon receipt of a lost-time claim, we will conduct an aggressive investigation that includes:

- Review of First Notice of Loss by Triage Nurse looking for indications of high-risk claims
- "Indexing" the injured worker with the Central Index Bureau to prevent duplicate benefits and identify previous injuries and potential fraudulent activity
- Three-point contact within 24 hours of claim assignment
- A compensability determination
- An assessment of subrogation potential

Combining our people, processes, and powerful claims management information system (CMIS), we identify high exposure claims characteristics like comorbidities, psycho-social factors, injured worker age, body mass index (BMI), and length of employment. This critical information helps our claims professionals and triage nurses intervene early in the process to deliver a proactive approach designed to achieve positive outcomes.

**Medical Summary**  
Medical Summary | Medical Management | ODG | Medical Log Notes

Edit | New Log Note

<b>Medical Profile</b> Law Firm Medical Contact Allowed? <u>Contact Condition</u> Comorbid Conditions? <input checked="" type="radio"/> Comorbid Psycho-Social Factors? <input checked="" type="radio"/> Psycho-Social Age 60 Gender Male	<b>Prescription Manage</b> Effective date Expiration date  <b>Billing Restriction</b>  <b>Accident Description</b>
--	--

Enter Height in Feet 6 and Inches 0 or Total Height in Inches 72

Weight (lbs)	300
BMI (Calculated)	40.7 (Overweight/Obese BMI > 25; Morbid BMI > 45;)
Surgery	No

Medical Summary tab showing injured worker's medical profile



Edit | New Log Note

Comorbid Disability Factors										
Factor	Description	Ed.	ICD Code	Diagnosis Description	Status	Provider	IW Diagnosed	PMA Notified	Claim Impact?	Comments
Obesity	Overweight and Obesity	10	E66.3	OVERWEIGHT	Treatment - None				Yes	

Psycho-Social Disability Factors					
Factor	Description	PMA Notified	Resolution Date	Claim Impact?	Comments
Family	Married	07/01/2016		No	M 2
Length of Employment	Less Than 1 Year			Yes	

Medical Management tab showing any comorbid and psycho-social disability factors

Information collected by our claims and nurse teams throughout the initial and ongoing claims management process is fed into PMA's powerful CMIS, which is connected to Official Disability Guideline (ODG) treatment software helping to:

- Assist the adjuster and nurse in estimating the length of disability (ELOD)
- Establish specific treatment protocols and mileposts
- Create return to work expectations for the injured worker and treating provider(s)
- Generate an ODG Risk Assessment Score (RAS) meant to display the potential complexity of the injury scenario based on injured worker demographics

CPT Codes		Duration Guidelines		Duration history	
Date	Recommended RTW Duration (Days)	Actual RTW (Days)	Medical Cost Est.	Medical Reserves	
07/25/2016 11:48 AM	15	24	\$5,742.54	\$60,920.00	

Duration and medical cost calculator

As soon as the injured worker returns to work, the adjuster inputs the official return to work date into the CMIS. Comparing the ELOD with the ALOD then provides opportunities to demonstrate real indemnity and medical savings achieved, and allows for critical feedback to medical providers in terms of claims outcomes.

Our ongoing three-point contact with you, your injured worker, and the medical provider will facilitate aggressive management of recovery and return-to-work strategies, from the inception of the claim through its conclusion.

During three-point contact, our claims professionals will:

- Perform a comprehensive investigation, including accident details, mechanism of injury, prior claims and medical history, and contact all appropriate witnesses
- Assess the appropriateness of a nurse case management assignment
- Determine the estimated length of disability and communicate this to the injured worker to establish return-to-work expectations for all parties



- Work cooperatively with the medical provider to obtain modified duty capabilities, and promptly communicate those capabilities to the client and injured worker
- Conduct recorded interviews when appropriate
- Provide notification to the appropriate contact in all cases involving catastrophic injuries or fatalities

Begin evaluating subrogation and other recovery potential in order to reduce your loss exposure; subrogation recovery efforts are conducted by the claims professionals handling the claims after completing our investigation, and within 14 days of claim assignment, we will provide you with a compensability recommendation.

Medical Management  
 Medical Summary | Medical Management | ODG | Medical Log Notes

Edit | New Log Note

ODG risk assessment score is greater than 60.  
 ODG risk assessment score is 81.

CPT Codes | Duration Guidelines | Duration history

Get data from ODG

ODG Results

RAS (Risk Assessment Score)	Actual	
	Days	24
	Medical Reserves	\$60,920.00

Injury / Illness Diagnosis

Order	Ed	ICD Code	Diagnosis Description	Valid From	Valid To	Compensable	Section 111	Comments
Primary	10	S06.9X1A	UNS IC INJ LOC 30 MIN/LESS INIT ENC	07/01/2016		Yes		Yes

Claimant Details | Confounding Factors | Refresh Confounding Factors

Claimant	60	(Derived from Disability Factors)		
Age				
Claimant	Iowa	Diabetes	Depression	Legal Representation
Jurisdiction		Hypertension	Smoker	Surgery/Hospital Stay
DOL Job		Obesity	Yes	Substance Abuse
Class				

*Injured worker's risk assessment score based on all medical conditions and factors*

### Reserving

We set reserves for the realistic value of a claim based on the most current information available at the time of review. Reserves are set when the compensability decision is made during the investigation phase of the claims handling process, and reserve changes are considered as the facts and circumstances of the loss develop. Reserves are reviewed when the claims professional works the file, and all claims are reviewed regularly for reserve adequacy by the claims supervisor.

PMA will consult with you on all reserve changes in excess of an agreed upon threshold, which will be memorialized in your Special Handling Guidelines. Rationale for all reserves will be documented in claims file log notes, and will be detailed when reserve changes are requested.



## Independent Medical Examinations (IME)

IMEs can be initiated when the length of disability exceeds expectations, the cause of the work injury is in question, a determination of the reasonability and/or necessity of a medical treatment plan is needed, or when physical capabilities for return-to-work at a modified job must be obtained.

The benefits and costs of an independent medical examination will be explained to you on a claim-by-claim basis, and will only be initiated upon your approval.

### Spotlight on Success City of Cumberland, Maryland

The City of Cumberland, Maryland, the county seat of Allegany County and home to nearly 22,000 residents, maintains full-time police, fire, water and sewer, public works, administration, and parks and recreation departments.

#### Partnership Results as of 2015

- Return-to-Work Program brings injured employees back to work with light-duty assignments shortening the duration of claims
- Preferred Provider Network (PPN) penetration of 94% helped save \$159,000 in medical expenses 2014-2015
- Total medical savings of nearly \$945,000 since 2006



*"It's simply about communication and awareness. Our committee discussions and reviews of accidents have already helped us to develop improved safety policies, like reporting all injuries, large or small, within 24 hours."*

Jeff Rhodes | Director of Administrative Services & Risk Manager | City of Cumberland

## Settlement Authority

Authorization will be requested prior to the settlement of a litigated workers' compensation claim. For non-litigated claims, we will exercise discretionary authority up to our agreed upon threshold, which will be memorialized in your Special Handling Guidelines.

Our claims professionals will provide written requests for authority for litigated claims, and non-litigated claims where the proposed settlement exceeds the agreed upon threshold, in advance of the proposed settlement date. Requests will include a detailed evaluation of the claims exposures, along with input from defense counsel and your risk manager.

## Location Coding

All claims reported to PMA will contain a client specified location code. A dropdown menu of location codes will be available for claims reported electronically through PMA Cinch.

## Claim Reviews and Stewardship Meetings

We are committed to providing our clients with all of the tools and information necessary to effectively manage their workers' compensation programs. This is accomplished by providing access to detailed claims information through PMA Cinch, by conducting in-person or telephonic claims reviews, and through the presentation of our annual Stewardship Reports.

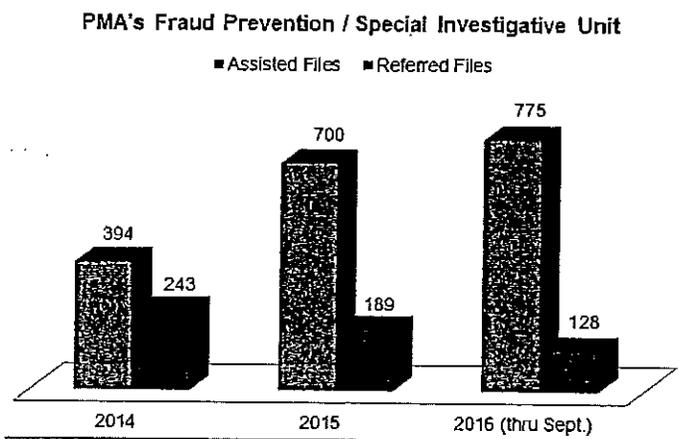


Formal claims reviews can be scheduled upon request. These reviews will serve to provide up-to-date loss information, and will allow all parties to discuss detailed action plans and resolution strategies on the selected claims files being reviewed.

In addition, we provide a detailed stewardship report on an annual basis to review the overall results of your program against your risk management goals. This report provides an extensive financial analysis, a detailed analysis of loss information, and a comprehensive review of risk-management data. This report is used both to demonstrate the results that have been obtained and to identify loss trends, enabling you to determine exactly where to focus your ongoing risk management efforts.

#### Fraud Control – Special Investigative Unit (SIU)

PMA employs a full-time Special Investigative Unit. The SIU is staffed with industry fraud professionals with over 25 years of experience who are committed to detecting, deterring, and preventing fraud while protecting the assets of our clients. The SIU is active with industry professional organizations and in working with related regulatory bodies. The Corporate SIU Coordinator is a Board Member of the PA Insurance Fraud Prevention Authority and the SIU is active in the International Association of Special Investigative Units. Our Unit works in conjunction with the PMA claims professionals, receiving referrals from claims adjusters, supervisors, managers, and clients. This collaborative approach has resulted in significant savings for our clients and criminal insurance fraud prosecutions in many states. PMA's SIU is responsible for fraud investigations, fraud training, regulatory anti-fraud compliance, private investigator vendor management, and maintaining PMA's Anti-Fraud Plan.



*Reflects all PMA Companies results*

Each claim is reviewed for red flag fraud indicators by the claims adjuster and the claims supervisor. Inconsistencies are pursued and our SIU assists with the investigation and information gathering with services to support making appropriate claims decisions, including:

- Social Media Search
- Skip trace (locate an individual, address history, relatives, etc.)
- Confirm personal information (name/ DOB/ SSN, liens, judgments/bankruptcies, etc.)
- Background investigation
- Order police report
- Criminal and/or civil record search

When a misrepresentation is material to the claim, an insurance fraud referral is prepared and sent to the appropriate Fraud Bureau/DOJ/District Attorney or Attorney General. A questionable claim submission may also be made to the National Insurance Crime Bureau. PMA will track the status of referred claims and the potential for recoveries or restitution.



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### **Return-to-work/Stay-at-work**

A formal return-to-work/stay-at-work program is arguably the single most effective method of reducing your workers' compensation claims costs. PMA's claims and managed care professionals will collaborate to create or enhance a formal program for you. In addition, we employ a disability management strategy on lost-time claims. Our return-to-work/stay-at-work program consists of:

- Open communication with PMA claims professionals, nurses, and you
- Modified work programs, including light duty and alternative assignments
- Independent medical examinations
- Vocational rehabilitation
- Use of occupational disability guidelines

Our claims professionals will maintain ongoing contact with you and your injured workers with the goal of safely returning them to work.

We can assist you in developing a work program in which employees perform a modification of their regular jobs, or different jobs altogether, until they are capable of resuming their normal work duties.

### **Litigation Management**

Regardless of assignment to counsel, our claims professionals remain committed to the quality of claims handling for each of their assigned files. Our aggressive litigation management procedures include stringent attorney selection (if applicable), collaborative development of defense strategies with counsel, counsel's submission of budgets, and legal bill review. To control costs, counsel generally performs only legal work, while PMA staff oversees investigations and negotiations.

### **Responsible Reporting Entities (RREs)**

Self-insured entities are considered primary payers and Responsible Reporting Entities (RRE) and must register as such. PMA has a comprehensive program to comply with your reporting requirements of the Medicare Secondary Payer Statute, and will handle all Section 111 reporting once you have registered as an RRE and selected PMA as your reporting agent. We partner with ExamWorks, which acts as our reporting agent.



## Comprehensive and Integrated Managed Care to Help Control Claims Costs

The total average cost of a lost-time workers' compensation claim in the United States was \$53,000 in 2015. Medical and pharmacy costs are nearing 60 percent of expenses for workers' compensation claims. PMA Companies offers the expertise, capabilities, and programs to effectively manage these costs while helping you return employees to work.

PMA's Managed Care programs are driven by our integrated, in-house team that is highly credentialed and 100 percent focused on workers' compensation.

### PMA's Strategically Sequenced Managed Care Programs

PMA provides fully integrated, industry-leading Managed Care capabilities to minimize costs and ensure seamless delivery of services to our clients. Our comprehensive program of services includes Complex Bill Review, Fee Schedule and UCR reductions, Pharmacy Benefit Management, Opioid Management, Preferred Provider Network utilization, Disability Management, Peer Review, and Utilization Review. We combine our risk management and medical expertise, technology, data analytics, and third-party partners to optimize performance. This approach enables us to more effectively assess and manage cases with the goal of maximizing outcomes while minimizing costs for our clients.

Our Managed Care programs include:

- Complex Bill Review.** PMA's Complex Bill Review (CBR) team includes coding specialists and Registered Nurses who perform a clinical review of medical bills to ensure coding accurately reflects the services billed. If errors are detected by this team the bill is adjusted and sent back to the medical provider for an explanation. Our CBR examiners apply clinical guidelines, ensuring appropriate billing based on clinical reports. Our expert coders review bills for compliance with complex state-mandated rules and regulations.
- Medical Bill Review Program Fee Schedule & UCR Reductions.** Our sophisticated imaging and workflow software performs a thorough review of all medical bills, identifying duplication, potentially unrelated services, and improper billing practices. PMA reduces medical bills to state fee schedules and UCR based on the rules and regulations of the state. PMA's Managed Care team continuously analyzes appropriate fee schedule and UCR application to all medical bills to ensure we are maximizing medical bill savings accordingly.
- PPO Networks.** PMA utilizes strategic partnerships throughout its marketing territories to offer clients access to a comprehensive provider network for workers' compensation claims. This includes an Expert Provider Organization that specializes in physical therapy and occupational therapy services. A team approach is employed by PMA's Managed Care, Claims, and Account Management staff to educate clients on the benefits of using a network and encourage injured workers to seek treatment from network providers for more efficient and effective injury management.

### Example of PMA's Strategically Sequenced Medical Bill Review

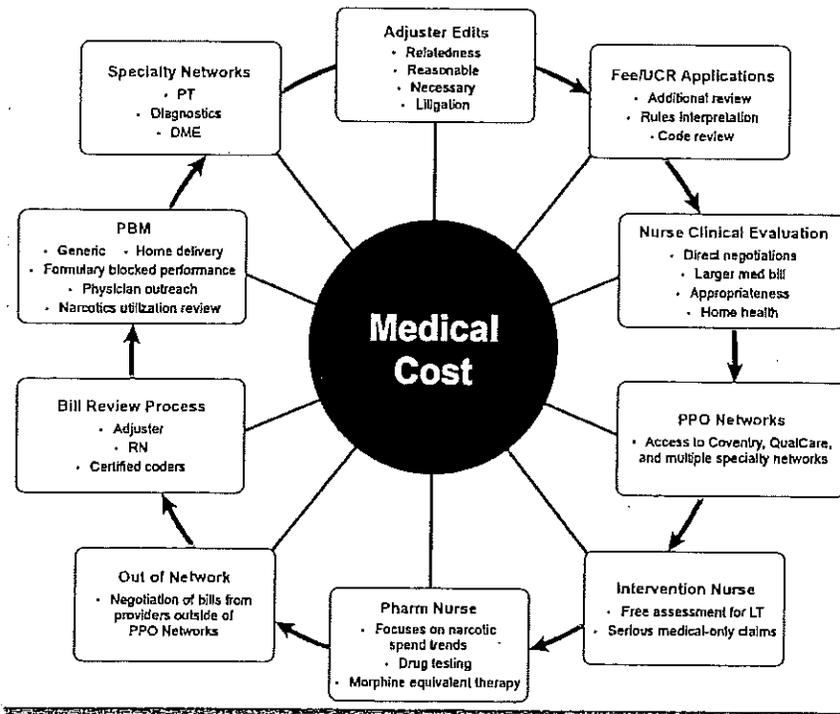
START	PMA TPA Billed Charges All States*	\$460,540,177
	Denied Charges	-\$108,666,687
	Fee Schedule/UCR	-\$92,104,876
	Code Specialist Review	-\$19,647,770
	Duplicate Bill Review	-\$5,148,277
	Complex Bill Review	-\$16,601,197
	PPO Savings	-\$36,495,018
	Out of Network Bill Review	-\$1,380,803
	<b>Medical Bill Savings</b>	<b>\$280,044,628</b>
END	<b>Final Paid Charges</b>	<b>\$180,495,549</b>

\*2015 PMA TPA Billed Medical Charges

60%+ Savings

- **Out-of-Network Program.** To complement our standard bill review process, PMA offers an out of network negotiation (OON) program. Our OON program provides savings below traditional state fee schedule or usual and customary charges for certain medical services provided outside of PMA's preferred provider network. We utilize industry leading programs for re-pricing and negotiation services. Out-of-network bills are re-priced with selected thresholds, dependent upon bill type and state jurisdiction. Our network portfolio includes both customary networks, as well as specialty networks.
- **Pharmacy Benefit Management (PBM) Program.** To help contain insureds' workers' compensation pharmacy costs, PMA has partnered with one of the nation's largest full-service providers of technology-enabled, clinically-driven services for prescription management devoted exclusively to workers' compensation and liability markets. Our program delivers utilization control, targeted intervention, and care management solutions to address drug utilization, prescriber activity, and medication mix (the primary drivers of workers' compensation pharmacy costs). Our PBM program offers full adjudication of physician dispensed and third party invoices for pharmaceutical products. Additionally, the program includes retail pharmacy (with over 60,000 pharmacies), mail order pharmacy, clinical management and formularies, as well as on-line resources for reporting and education.

### PMA's 10-Point Managed Care Solution



- **PBM Pharmacy Intervention Program.** PMA employs a comprehensive Pharmacy Intervention model that utilizes multiple resources, including Pharmacy Nurse Specialists who are Registered Nurses fully integrated into PMA claims process. Pharmacy Nurses use a portfolio of intervention strategies, including outreach to injured workers' medical providers, pharmacist drug reviews, drug testing and monitoring, and peer-to-peer reviews to prevent or remedy prescription drug dependency problems. Pharmacy clinical interventions are designed to drive better medical outcomes for injured

workers and reduce fraud potential. Additionally, PMA leverages data mining and business intelligence to identify Pharmacy intervention opportunities. This medical-centric approach focuses on injured worker prescription trends relative to high morphine equivalent dosages (MEDs), prescribed compounds, direct physician dispensed regimens, brand to generic opportunities, and potential for home delivery application to name a few. Each of these areas of concentration and trend analysis drive toward appropriateness of utilization, enhanced cost reduction, and reasonable cost avoidance.

- **Panel Creation.** PMA employs an easy-to-use website tool that allows insureds (where jurisdictionally allowed) to quickly locate network providers, pharmacies, and ancillary services, as well as create provider panels according to your requirements.

### Example of PMA's Strategically Sequenced Pharmacy Bill Review

START	<b>Billed Charges All States*</b>	<b>\$78,903,376</b>
	Formulary & Blocked	-\$13,952,715
	Physical Outreach	-\$1,806,457
	Retrospective Drug Review	-\$214,004
	Step Therapy	-\$735,322
	High Cost Compound Review	-\$989,367
	Total Utilization Savings	-\$17,697,865
	Total Contracted Savings	-\$16,973,714
	<b>Pharmacy Bill Savings</b>	<b>\$34,671,579</b>
END	<b>Final Paid Charges</b>	<b>\$44,231,797</b>

\*2015 PMA TPA Billed Pharmacy Charges



- **Specialty Preferred Diagnostic Imaging Program.** PMA works with industry leaders for access to their networks of providers of diagnostic imaging services, e.g., Magnetic Resonance Imaging (MRI), Computed Tomography (CT Scan), Electromyography (EMG), and Nuclear Medicine (Bone Scans). This access provides highly efficient referral and scheduling services for injured workers who require diagnostic services, as well as networks of contracted diagnostic imaging providers that offer services at discounted rates.
- **Specialty Preferred Programs/Networks.** Our customized network strategy delivers an additional opportunity to increase network penetration and target workers' compensation cost drivers. PMA's Specialty Preferred Programs feature select relationships with industry-leading managed care companies that offer specialized expertise and high-quality, nationwide resources. PMA conducted a rigorous due diligence evaluation process when selecting Specialty Preferred vendors. Specialty Preferred Programs offer prospective and retrospective clinical review to ensure appropriate medical care is provided to injured workers.
- **Specialty Preferred Physical Therapy Program.** Physical therapy contributes significantly to workers' compensation medical expenses, fueled by both treatment costs and frequent utilization. To tackle these cost drivers, PMA partners with networks of pre-screened and credentialed physical medicine providers, including the largest national network in the workers' compensation industry. This clinically-based program effectively manages utilization and cost through evidence-based treatment guidelines, regular communication, and early alerts on off-track cases.
- **Specialty Preferred Durable Medical Equipment (DME) Specialty Program.** Injured employees often require specialized medical equipment and devices to return to work. With prices rising and medical equipment choices proliferating, PMA strategically partners with selected national medical equipment providers to expertly navigate this field. Our strategic partners provide competitive discounted rates for medical equipment and ensure the quality and functionality of all prescribed

**Physical Therapy**  
**40%**  
**Average Reduction**



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medical equipment. PMA effectively manages these partnerships to ensure optimal cost savings as well as appropriate utilization and supply of needed equipment for injured employees.

- **Disability Management.** The PMA Disability Management Program is staffed with highly skilled Registered Nurses with varied occupational health expertise. Our Nurse Case Managers work in an integrated fashion with our Claims professionals, treating providers and injured workers to facilitate an appropriate treatment plan and achieve timely, safe return-to-work. PMA evaluates comorbid, age and psycho-social factors to evaluate risk and develop claim strategies to impact quality of care, costs and return-to-work outcomes. PMA conducts case management by telephone and in person. On-site case management facilitates the proactive management of complex claims. When appropriate, PMA partners with the largest workers' compensation case management providers for additional services.
- **Complex Catastrophic Case Management.** PMA leverages internal clinical management resources along with expert vendor partners to manage catastrophic injuries. We combine our clinical and claims management expertise with the specialized expertise and networks of catastrophic medical providers to manage claims to a better outcome at lower costs. Cases are managed by PMA specialized resources and proactively reviewed monthly to help drive optimum clinical and claims approaches and provided the best treatment plan appropriate for the injured worker at reduced costs.
- **Medical Peer Review.** PMA proactively addresses questionable medical treatment, particularly causation and treatment effectiveness issues. We engage a provider, board certified in the same specialty as the treating provider, to review the treatment file and render an expert opinion of medical treatment recommendations.
- **Product Management.** We continually assess market trends and insureds' needs to design new managed care products and services. Based upon our analysis, we develop innovative products and services to enhance the quality of PMA's medical management program and ensure our program continues to be best-in-class.
- **Quality Management.** PMA's quality team adheres to best practices guidelines and regulatory requirements. Audits of internal nurses and external vendors' nurses are conducted quarterly. Together with the PMA Regulatory Compliance Team, the Quality Management/Audit Unit ensures that PMA's partners meet all jurisdictional guidelines.
- **Utilization Review.** PMA evaluates the medical necessity of diagnostic or treatment procedures with our UR programs. We review procedures prospectively, concurrently, or retro-actively using evidence-based guidelines per each state. Our goal is to ensure the injured employee receives appropriate medical treatment and returns to work promptly. PMA pursues additional review if the treating provider disputes the UR decision.
- **Triage Intervention Program.** A specialized and dedicated team of Registered Nurses. The program goal is to identify and intervene on high-risk workers' compensation claims, starting immediately after first notice of the loss. The nurses act quickly to determine the need for case management intervention, expedite appropriate medical treatment and direction into medical networks and establish return-to-work strategies. The Triage Intervention Program is active throughout the life cycle of workers' compensation claims to facilitate immediate intervention if red flags arise. PMA takes an aggressive stand on the application of evidence based medicine and leverages skilled nursing and jurisdictional rules to reduce fraud, waste and abuse.
- **PMA Care 24.** A dedicated branded PMA Managed Care program committed to immediate first level clinical assessment by an RN of employee's condition after a reported incident. The RN discusses

incident and employee's condition with the employee to determine the most appropriate level of care to initiate treatment for initial physician diagnosis and necessary course of action. This service helps streamline appropriate care identification which in turn helps mitigate costs through the avoidance of inappropriate initial treatment. Additionally, PMA Care 24 promotes enhanced cost containment through in-network optimization and utilization.

- **Medical Cost Projection & Medical Cost Analysis.** PMA provides two medical cost analysis services that help evaluate future medical costs based on past and current medical trends specific to the claim. PMA's Medical Cost Projection service helps establish appropriate and comprehensive future medical reserve considerations. PMA's Medical Cost Analysis service provides a clinical assessment and validation of projected medical reserves. Both of these services are implemented and managed by internal PMA clinical experts.

## ***Risk Control Services***

PMA's approach to risk control involves developing an understanding of your business, getting to know your risks, and formulating strategies and programs for managing them. Our services are customized to your organization's particular needs. Our mission is to provide you with state of the art services that control loss costs and increase profitability.

As part of our unique holistic approach, we perform a risk management assessment—diving deep into current performance to identify action plans to reduce both the frequency and severity of losses. We will help you to evaluate and mitigate risk as you undertake key business decisions. We will also provide ongoing monitoring and benchmarking to track progress over time.

Working in concert with PMA's Claims and Managed Care teams, PMA Risk Control plays a key role in our holistic approach utilizing both pre- and post-loss initiatives designed to reduce your total cost of risk. We offer a full range of risk control services, including safety program evaluations, hazard analysis, safety training, safety perception surveys, and loss frequency/severity reviews. We can help you establish and monitor a flexible, goal-oriented action plan for your safety programs.

### **PMA Webservice®**

You will also have access to PMA Webservice—an on-line portal of safety and risk management resources exclusively for our clients. Our Risk Control Consultants designed PMA Webservice to offer convenient access to practical loss prevention and safety information and solutions—including technical bulletins, safety and compliance training programs, monthly webinars led by PMA industry specialists, as well as tools and resources to enhance your safety and health programs.

In PMA Webservice, you can:

- Register for monthly webinars led by PMA industry specialists
- Pose risk management questions to industry experts
- Download industry white papers
- Review technical bulletins
- Obtain safety and compliance training programs
- Access tools and resources to enhance your organization's safety and health programs
- Receive discounts on services such as compliance training



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**About PMA**

Risk Control Services  
Who We Are

**Industry Practices**

Healthcare  
Public Works  
Education

**Organizational Safety Resources**

Organizations and Safety Solutions  
Technical Bulletins  
Safety Program and Committee Resources  
ESOS: E, S, S  
Engineering and Safety Services

**Resources**

Auto Conferencing  
Marine  
Contractors  
Property

## Welcome to Websource, your link to PMA's Risk Control Solutions.

PMA Risk Control Services has but one goal – to help you reduce incidents and your overall cost of risk through proven risk management solutions. To assist with your organization's safety efforts, PMA Companies is happy to provide you with on-line resources.

### PMA's Organizational Safety Institute

The Organizational Safety Institute offers monthly web learning events which integrate the collective knowledge of our risk control organization with the specialized expertise of PMA risk control professionals who have real world, current experience in solving an employer's risk management challenges. Programs are facilitated live and recorded for later access. To register for an upcoming learning event or to view the listing of recorded sessions [click here](#).

**Here To Help**  
Questions?  
Ask an expert by clicking below

**?**

[New Required OSHA Poster](#)

[OSHA Discourteous/Reporting Changes Effective 1/2/11](#)

[NAJCOM and OLS](#)

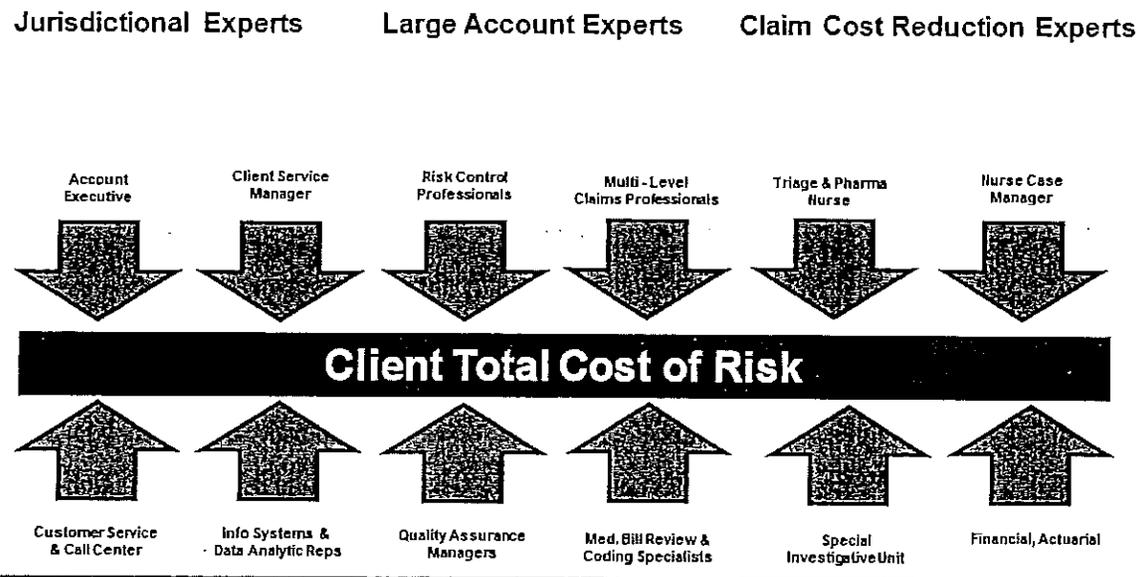
[Emerging Issues in Indemnitors Domain](#)

[Injury Severity in Factors](#)

# How We Deliver Results

## *PMA People*

We are known for delivering tangible value and having a service-driven culture with knowledgeable, experienced, and passionate employees. You will have a designated—and integrated—service team to execute our holistic approach, consisting of, as appropriate, any number of the following professionals:



## What to Expect

All members of your service team will have clearly defined roles and responsibilities:

- Your Account Executive will be responsible for all business aspects of our relationship with you—including new and renewal pricing, services and service team coordination, creation and execution of your legal contract, and overall customer satisfaction.
- Your Client Service Manager will oversee all aspects of the claims service relationship—including onboarding, orientation of our respective service teams, coordination of claims reviews and Stewardship Reporting, and your overall satisfaction with our claims service.
- Your Nurse Case Manager will provide professional medical insights both to our claims team and to your team—helping to identify clinical techniques and strategies that can support positive medical management outcomes.
- PMA's Risk Control professionals will offer strategies for reducing the frequency and severity of losses and creating a safer, healthier workplace.
- Our claims professionals will adjudicate and resolve each claim in a consistent and timely manner in accordance with industry standards and your special handling guidelines.
- Finally, our Customer Service Center will support the high-level claims service needs of PMA Companies' customers, claims staff, medical providers, and vendor partners.

## PMA Partnership Approach

Remember, PMA does more than just provide TPA and risk services—we are your **partner in risk management**. As such, we will be an extension of your risk management team and will work with you to drive down your total cost of risk by focusing on:

- Reducing frequency of claims
- Reducing severity of claims
- Educating you about your loss drivers and making recommendations for improvement
- Reducing indemnity and medical costs
- Reducing your workers' compensation budget

## PMA Technology

PMA's innovative technology tools support our holistic approach to reducing your total cost of risk.

### PMA Claims Center

Claims Center is our powerful claims management system allowing for improved data capture and reporting. With an all-lines system from Guidewire Software at its core, PMA Claims Center streamlines claims professional activities and improves claims professional efficiency. Further, this system enables us to perform the sophisticated analytics that drive our holistic approach.

### PMA Cinch — Access to Powerful Information that Impacts Financial Results

PMA is passionate about helping our clients take a smart, more strategic approach to risk management that drives business value. Timely, comprehensive, and meaningful claims and loss information is crucial in understanding risk exposures.

**PMA Cinch  
Claims Reporting**

**EASY CLAIMS REPORTING WITH  
IMMEDIATE GENERATION OF A  
PMA CLAIM NUMBER**

Report a loss with our screen, helping to ensure you submit the right information the first time. PMA immediately sends you a claim number and you can attach documents, e.g., statements, medical bills, and state forms to your loss report.

**PMA COMPANIES** **PMA LOSS REPORTING**

**WORKERS' COMPENSATION**

Employer Information  
Occurrence Information  
Casualty Information  
Claim Information

\*Fields in blue are required

The Online Entry Wizard has been completed. You may add additional external data below and click the Submit button to send the data to PMA.

Comments  
Enter your comments on this activity in the comments box below.

Comments

Maximum 100 Characters  
 Print Only

Claims Information [x]

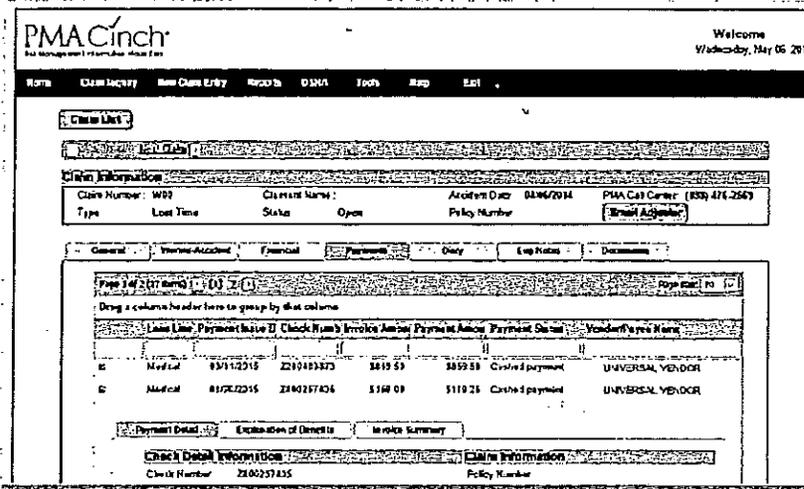
Click on the checkboxes below to receive an email copy of the claim information just entered.  
 Send Email Copy

PMA Cinch enables your risk management executives and other professionals to manage their claims information—everything from the big picture to details of your loss information. It offers busy executives a quick snapshot of your risk management situation, and the robust capabilities and flexibility of Cinch allow your daily



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taskers to pinpoint the information that can significantly impact your bottom line. By analyzing trends and taking quick corrective action, you can enhance your operating performance, lower costs, and improve your financial results.

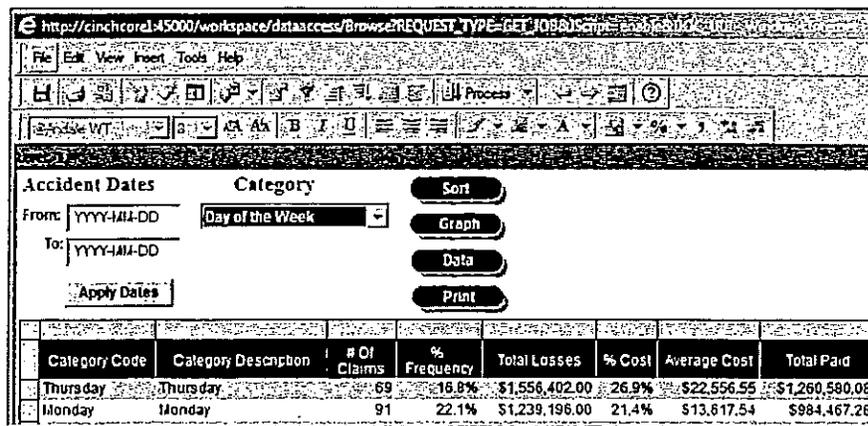


#### PAYMENT DETAIL SCREEN

PMA Cinch Payment Detail Screen allows you to select from a Payment Information Screen that includes medical, indemnity, expense, and loss payments. You see extensive payment and claims information, right down to whether or not a specific payment has been cashed.

On a day-to-day basis, Cinch will give you timely and convenient access to information about claims. The tool features an "Executive Dashboard" for a high-level view of activity. It also enables users to drill down, analyze, and develop reports and graphs about a wide range of information, including:

- **Executive Summary Tool**  
Utilize an interactive tool to organize and view both aggregate and individual claims information.
- **More Flexibility & Data Analytics**  
View claims information per your parameters—location, type, status, and accident date range.
- **Full-Color Charts & Visuals**  
Data appears in easy-to-view graphs, charts, and tables, allowing you to grasp information quickly.
- **Comprehensive Data**  
Display elements are based upon detailed data in your existing loss reports.
- **Ease of Use**  
The Dashboard is highly intuitive and requires no training.



#### CREATE GRAPHS

The Analysis Tool enables you to create full-color graphs and charts from your data.



We have continuously enhanced PMA Cinch based on feedback from client focus groups. We listened to our clients and gave them the reports and tools they need to make decisions about their workers' compensation programs.

#### **PMACompanies.com — 24/7 Access to Cinch and our Injured Worker Center**

Our corporate website, [pmacompanies.com](http://pmacompanies.com), offers user-friendly functionality for reporting a claim, accessing PMA Cinch, and locating a network provider. PMACompanies.com also offers a robust Injured Worker Center—giving your employees convenient 24/7 access to PMA Companies contact information, pharmacy search, frequently asked questions about return-to-work, state resource links, and a workers' compensation guide for injured workers.

#### **Disaster Recovery Program & Enterprise Risk Management**

For security reasons, specific information about our disaster recovery program is not sent to our clients. However, detailed information regarding PMA's security programs and processes is available for review and inspection at PMA's Corporate Headquarters in Blue Bell, PA.

Data and electronic images are backed-up on tape daily and sent to a vendor partner for secure off-site storage. Additionally, PMA has a comprehensive disaster recovery program that is managed by another vendor partner, DBSI.

In the event that a disaster should occur, our imaging technology makes it possible for our claims professionals to manage your losses from any PMA branch office without any discernable interruption in service to you.

Our backup/recovery site is dynamically connected to our primary site so that data is constantly being updated in both locations. This allows us to seamlessly switch to the backup site if a primary site disruption is encountered.

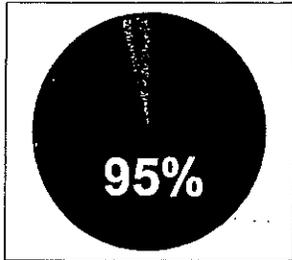


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# Points of Pride

## ***Building Relationships One Client at a Time***

### ***Client Satisfaction & Retention***



- We conducted six independent client satisfaction surveys in the years 2007 to 2016. On average, 95% of respondents report that PMA meets or exceeds their service expectations.
- Our independent 2016 Client Satisfaction Survey showed that 95% of our clients would recommend PMA to a friend or colleague.
- PMA's TPA & Risk Services has an average client retention rate of 95%.

### ***Nationally Recognized Clients***



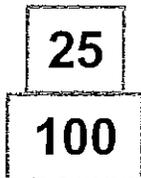
Business Insurance's 2013 Risk Manager of the Year® Lori J. Gray, Risk Management Division Chief for Prince William County, VA. For more than a decade, PMA Companies has partnered with Prince William County in Virginia on its workers' compensation and risk management program. We are proud of our partnership and the success we have helped this client achieve.



**Risk & Insurance Teddy Awards for Workers' Compensation**

- 2015 Winner – Barnabas Health, a PMA client since 1998
- 2016 Winners – Excela Health and Hampton Roads Transit
- 2016 Honorable Mentions – Metropolitan Water Reclamation District of Greater Chicago and Atlantic Health System

### ***Expertise***



25 Years of TPA & Risk Services expertise

100 Years of specialized workers' compensation experience



**Disclaimer**

The Spotlight on Success summaries included in this proposal show results that PMA has achieved for particular clients. Your results will vary. These summaries are not intended, and should not be interpreted, as guarantees, promises, representations, or assurances concerning the results we can achieve for you.



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## Pricing Option – Flat Annual Fee – Life of Contract

*PMA Management Corp. will continue to provide comprehensive Life of Contract Third Party Administration Services for all claims for the annual fee listed below for the period 3/1/2017 to 3/1/2020.*

**Flat Annual Fee:** \$71,500 per year

### **Bundled Services:**

Claims Handling	Included
Annual Administration Fee	Included
CINCH 3 users included @ \$500 Additional	Included
Quarterly Claim Reviews	Included

### **Unbundled Services:**

Web Imaging	\$500
Telephonic Case Management (per hour)	\$95
Case Management (per hour)	\$95
Risk Control (per hour)	\$125
Custom/IS Reporting (per hour)	\$95
Cost Containment Fee (Excludes Fee Schedule Savings)	28%
Medical Bill Review Fee (per bill)	\$7.00

\*Since this is a flat fee program, any individual occurrence resulting in more than ten claimants then beginning with the 11th claim and for every claim thereafter, \$850 will be the charge for each Lost Time claim and \$125 for each Medical Only claim.

\*The pricing requires a 3 year commitment. If a lesser term is requested we will re price the program.



# Pricing Proposal

PMA offers a complete and comprehensive claims management program.

## Claims Handling Activities:

- Investigation
- Three-Point Contact
- Action Planning
- Claims Processing
- Compensability Decisions
- Subrogation / SIF Investigation
- Excess Reporting & Recovery
- Fraud Prevention / SIU Capabilities
- Account Management
- Quality Assurance Program Oversight
- Structured Settlements
- Pre-Settlement Advisories
- EDI with State as Required
- 1099 Reports
- Settlement Authority
- Resolution Negotiation
- Litigation Management
- Check Issuance
- Payment Registers
- Claim Review Meetings
- Stewardship Meeting
- Self-Insurance Re-Application Assistance
- First Report of Injury Filed with State Agency
- Customized Claim Handling Instructions
- Reserve Advisories
- Patriot Act Compliance
- Office of Federal Asset Control Compliance
- Claim Acknowledgements
- Direct Deposit of Indemnity Payments

## PMA's Managed Care:

- Medical Bill Review
- Complex Bill Review
- Out-of-Network Bill Review
- Early Intervention Nurse Assessment on Lost Time Claims
- PPO & Specialty Network Access
- PPO Radius Listing & Mapping to Locations
- Pharmaceutical Benefit Management
- Case Management

## Safety/Loss Prevention Services:

- Webservice Access
- PMA Technical Bulletins
- PMA Monthly Web Events Training
- 300+ Safety Videos/DVD Library
- WC Performance Indicator Report \*
- Risk Management Assessment\*
- PMA Insights White Papers
- PMA Engineering & Safety Services\*

\*Separate fee may apply

## RMIS Services:

- Executive "Dashboard"
- Internet Claim reporting via Cinch
- Claim Number Notification
- Real Time Access to Claim Log Notes
- Client Diary System
- Loss Analysis Reports
- Managed Care Savings Reports
- Reserve Analysis Reports
- Email Claims Professional Capabilities
- "Schedule My Reports" Feature

## Loss Adjustment Expenses:

- Independent Medical Exams
- Medical Bill Review
- Complex Bill Review
- Out-of-Network Bill Review
- Case Management Expenses
- Utilization Review Expenses
- PPO Network Access Fees
- Private Investigators
- Medicare Section 111 Reporting Fee
- Central Index Bureau /National Insurance Crime Bureau
- Legal Fees / Attorney Fees
- Records Reproduction Fees

*The City is responsible for the payment of all Loss Adjustment Expenses including, but not limited to, the above.*



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## PMA Funding Options

	Traditional Escrow	Direct Funding ACH Debit
<i>Required Escrow</i>	3 months of estimated claims payments and loss adjustment expenses	<ul style="list-style-type: none"> <li>• <u>Zero</u>: Daily funding only</li> <li>• <u>Weekly funding</u>: Two weeks of estimated claims payments and loss adjustment expenses</li> <li>• <u>Monthly funding</u>: 45 days of estimated claims payments and loss adjustment expenses</li> </ul>
<i>Source of Loss Funding</i>	Escrow account held by PMA	Client's checking account
<i>Monthly Billing</i>	Escrow replenishment and loss handling fees	Loss handling fees
<i>Required Banking Documentation</i>	None	Authorization to Access Account form

### Traditional Escrow

This option is available to all large deductible and self-insured clients. With this option, the client will provide PMA with an escrow of three months of estimated paid losses and loss adjustment expenses. PMA will pay for the claims throughout the month with this account. At the end of the month, PMA will bill the client for losses and loss adjustment expenses paid along with the appropriate claims handling fees (if applicable). The client will also receive detailed loss reports showing all claims activity for the month and a cumulative claims summary report by policy/contract.

### Direct Funding – ACH Debit

This option is available to all large deductible and self-insured clients. With this option, the client will receive a daily, weekly, or monthly electronic communication from Wells Fargo Bank with the total claim checks issued that day, week, or month. On the next business day, Wells Fargo will initiate an ACH transfer to deduct the previous days' (weeks'/months') claims from the client's bank account. Payment is deposited directly into a sub-account, which is unique to the client. At month-end, the client will receive an AMPS billing statement for the loss-handling fees. The client will also receive detailed claims reports showing all activity for the month and a cumulative claims summary report by policy/contract. Reimbursement by check or client-initiated wire transfer/ACH transfer is required for payment of all fees.

**ACH Debit customers must fill out and sign the Authorization to Access Account form in duplicate and forward to the Credit/AMPS Department.**

### Direct Deposit

PMA offers eligible injured workers direct deposit of indemnity payments into their bank accounts.



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# PMA Companies eBilling Solution

*Sign-up to access your invoices and statements on-line*

eBilling\* is available to PMA clients for loss funding and service fees bills. With eBilling you can easily access and view your bills electronically through our secure internet site instead of receiving paper copies through the mail.

## Consider the benefits of PMA eBilling...

- Easy access to your statements and invoices stored on-line, including previous billing information
- Invoices and statements received faster
- Automatic email notification when invoices and statements are generated
- Claims detail data in an Excel format, allowing you to format the data according to your needs
- Escrow balance, installment schedules, and pre-fund reconciliation reports, as applicable, available on-line

\* Please note that PMA eBilling does not include electronic payment remittance.

An example of what you'll see in PMA's on-line bill summary page:

The screenshot shows a web browser window displaying the PMA Companies AMPS Billing Statements and Invoices page. The browser's address bar shows "The PMA Group - Risk Management Informat...". The page has a navigation menu with "Home", "AMPS Billing", "Tools", "Help", and "Exit". The PMA Companies logo is in the top left. The main heading is "AMPS Billing Statements and Invoices". Below this, there is a list of links for a "Statement for 09/30/2012 (Due: 10/20/2012)":

- Statement for 09/30/2012 (Due: 10/20/2012)
- Funding Statement Summary
- Remittance Page
- Escrow Statement
- Claim Transaction Detail By Policy Report
- Claim Transaction Detail By Location
- Claim Transaction Detail (Check Register)
- Claims Detail Spreadsheet

There is also a link for "AMPS Online Billing Users Guide" in the bottom right corner.

To sign-up for eBilling, simply send an email to [AMPSFinancialSupport@pmagroup.com](mailto:AMPSFinancialSupport@pmagroup.com) and a PMA Representative will respond to assist you.

**\*\* Please allow up to two (2) billing cycles for activation \*\***



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# Response to Qualifications Questionnaire

## Qualifications

1. Provide a brief history of your company.

PMA Management Corp. (PMAMC) and sister company PMAMC of New England (PMAMC -NE) are subsidiaries of PMA Companies, Inc., which became part of Old Republic International Corporation in 2010. PMAMC and PMAMC-NE provide third party administration and related risk management services to individuals and groups utilizing the resources and expertise of its affiliates. Our infrastructure is designed to ensure that clients receive the management and support necessary to control their claims programs.

PMA Management Corp. was formed in 1991 to address the diverse needs of organizations considering alternative market products. Today, PMAMC and PMAMC-NE manage approximately \$1.1 billion in reserves for Workers Compensation, and \$85 million for Property, Auto and Liability lines. We actively manage over 22,000 Workers Compensation claims and over 3,500 Property, Auto and Liability claims, and we securely process more than \$45 million in paid losses every month.

PMAMC and PMAMC-NE clients vary in size from those with several hundred to more than 55,000 employees. Our clients include over 100 state and local governments, in addition to universities, school systems, and healthcare providers, to name a few. Our continued success is based on the results we have achieved for our clients. By properly balancing the need to protect our client's reputation with their constituents, while simultaneously reducing their loss costs and increasing their bottom-line savings, we deliver a service that is truly unparalleled in the industry today.

2. List the experience and qualifications of key personnel who will be assigned work under this contract, including resumes of the account management team and their job responsibilities. The City requests each claim adjuster have a minimum, of three (3) to five (5) years of experience in the field Worker's Compensation and Heart and Lung investigations. Please attach resumes for all claim adjusters that would be assigned to the City of Scranton.

## Service Team Bio's

### Ryan Sharp, Account Executive

Ryan graduated from The University of South Carolina in 2002 with a dual degree Finance and Risk Management. Ryan has been with PMA for over 2 years and has worked as a claims adjuster and sales executive for Liberty Mutual and HRH/Willis in the past 5 years. Ryan is currently working towards his Associate in Claims (AIC) and ARM designation.



Matt Stairs, Client Service Manager

Matt Stairs - Client Service Manager for PMA. Matt has been working on your program since 2014. Matt is very familiar with your program and has a strong relationship with the WC team at the City. Matt has experience working with other PA self-insured municipalities and enjoys working with the City WC team. Here is Matt's background. Matt joined PMA Insurance Company in November, 2000 as an Account Claims Representative and earned a promotion to Senior Account Claims Representative in 2005. Matt was promoted to Regional Claims Supervisor for PMAIC in New Jersey in 2007. Matt was promoted to Client Service Manager in March 2014. Matt also has his AIC (Associate in Claims) designation.

Theresa A. Smith, Assistant Vice President Claims

Terry, a graduate of LaSalle University, began her career as a multi-line trainee with American Mutual Insurance Company in 1978. She left in June, 1981, for a change of career and location. Terry returned to claims in January, 1983, as a workers' compensation adjuster for Wausau Insurance Company. Terry came to PMA in August, 1983 as a multi-line account claims representative. She was promoted to outside adjuster in July of 1984, and a supervisor in 1985. Terry became an account claims manager in April 1990. She was promoted to assistant claims manager in June, 1991. She became the claims manager for the Large Account Team in December, 1992, and subsequently was named Claims Manager - PMA Management Corp. in 1995. She became Regional Manager-Client Services March of 1998. and Assistant Vice-President of Claims in May, 2008.

Lisa Transue, Regional Claims Manager

Lisa Transue began her career at PMA in 2001 as a Lead Customer Service Representative. Subsequently, she has held positions as an Account Claims Representative and Senior Account Claims Representative. In February 2010, Lisa was promoted to her current position as a Regional Claims Supervisor for PMA Management Corp. She oversees claims for the PA and IL jurisdictions. Lisa obtained her AIC designation in 2005 and her WCCC in 2008

Paul Kelly, Senior Account Claims Representative

Paul is a 1986 graduate of Lock Haven University. He obtained his BA in History. He began his insurance career in 1989 for an independent adjusting company as a multi-line claims adjuster. From 1991 Paul began handling only workers' compensation claims. Paul joined PMA in September of 2010. The vast majority of Paul's experience is in the handling of Pennsylvania workers' compensation claims but he has handled New Jersey claims in the past and is currently handling Pennsylvania and Illinois claims. Paul has obtained his AIC.

Kim Ellis, Account Claims Representative I - began her career at PMA in 1988 as a Data Entry Clerk. She was quickly promoted to Claims Secretary and from there; Kim was assigned to the Workers' Compensation Large Account Team as a Customer Service Representative. She was a PMA Claims Administrator in for PMA's largest transportation client from January 1995 to July of 1999. Kim was then promoted to the Account Claims Representative position handling claims for the State of Delaware. Kim then became an Account Claims Associate servicing multiple PA clients. In March 2013 Kim was promoted to Account Claims Representative I.



Bethany Schneck, Account Claims Associate I, is a 2005 graduate from Kutztown University. She is also an AAPC Certified Professional Coder and holds a Certificate of Medical Coding from the US Career Institute. Bethany began her professional career with PMA in 2001. Since that time, she has held positions of increasing responsibility including Medical Bill Processor, Medical Bill Reviewer and Medical Bill Specialist, and has been promoted to Account Claims Associate, handling medical only claims. In 2016, Bethany accepted the position of ACA I with PMA Management Corp.



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3. Provide a list of several clients, with the point of contact, their address and phone number. These should be clients of similar size, claim frequency and exposures as the City of Scranton. PMA Companies invites you to contact these customers to learn more about their experiences and our unique holistic approach to reducing their total cost of risk:

City of Reading  
815 Washington Street Reading PA 19601  
Patricia Beisswanger  
610-655-6014  
WC TPA

City of Allentown  
435 Hamilton Street, Room 227 Allentown, PA 18101  
Leonard Lightner  
610-437-7620  
WC TPA

City of York  
101 South George Street York PA 17405  
Tom Ray  
717-849-2221  
WC TPA

City of Bethlehem  
10 East Church Street Bethlehem PA 18018  
Mark W. Sivak  
Director of Budget & Finance  
610-865-7014  
WC TPA



coded as wage differential

- Once the IW is off H & L, change the segment type back to unknown – loss details, claim details, segment type
- Make any future payments as ongoing WC
- An IRE should be pursued on all files where they IW is at 104 weeks of total disability - either H & L or WC. Discuss Petition for same with super and client if IW refuses to comply with the IRE.

6. Please describe your Firm's:

- Process for assigning claims to adjusters and supervisors;

PMA Management believes in assigning service team members to each client, dedicated as much as possible. While different team members would manage Lost-time and Medical Only claims, we believe our dedicated team and overall service approach enhances communications, and the building of a great working relationship.

*Please see the current service teams' bios above.*

- Claimant notification and contract standards;

PMA Management Corp's policy is to respond to all telephone calls and written correspondence before the close of business on the day they are received. For new claims, we strive to make initial three-point contact within 24 hours.

- Reserving practices and philosophy;

PMA Management Corp. sets reserves for the realistic value of the claim based on the most current information available at the time of review. Reserves are set within three days of claim assignment during the investigation phase of the claim handling process, and changes are considered as the facts and circumstances of the loss develop. Reserves are reviewed each and every time the claim professional works a file, and all claims are reviewed for reserve adequacy by the claim supervisor.

PMA Management Corp. will consult with you on all reserve changes in excess of an agreed upon threshold. In addition, we will provide written notice of all major losses through the use of a large loss report form. Rationale for all reserves will be documented in claim file log notes, and will be detailed when reserve changes are requested.

- Efforts to enforce the Ninety (90) Day Panel Requirement;  
PMA Management Corp. will utilize the following to manage the transition of in-scope service from the City:

- Develop Claims and Service Handling Guidelines
- Identify City preferred vendors
- Identify correlation with Panel Medical Providers & Pharmacies & PMA PPO network
- Meet with Defense Counsel and establish communication guidelines

In certain instances when treatment is performed outside the Panel and potentially outside PMA's PPO Network, there is an alternative program available to the City from PMA to assist in the process. PMA claims personnel can refer medical bills to our Medical Review Team (MRT) for analysis, including bills from providers outside of our network. In many cases, the MRT can do direct negotiations with these providers for additional savings. Such results can be carefully tracked by PMA's Managed Care reports.

PMA channels referrals for treatment and services within network, as allowed by jurisdictional rules. If a service or specialty is required that is not within network, referrals are made to selected out of network providers, as needed.

- Medical Bill Review Procedures;

Paper medical bills are mailed directly to our data capture partner, where they are converted to image and data files which are loaded into PMA's image repository and claim system. Additionally, providers have the option of billing electronically through our clearing house partner, P2P. All bills are run through a series of data validation and claim handler edits. All bills associated with a claim are reviewed to determine whether or not care has been pre-authorized by our medical management review nurse. All care that has not been pre-authorized is reviewed by our nurses to determine eligibility and appropriateness. Subsequently, bills are loaded electronically to our Medical Bill Review system, where fee schedule and state rules are applied. Bills are run through a series of edits designed to detect upcoding, unbundling, and other billing and coding discrepancies. These edits are reviewed by medical bill review staff with coding and clinical expertise, including our Complex Bill Review team, which is staffed with registered nurses and certified code review analysts.

For those bills received from "Out of Network" Providers, PMAMC will endeavor to negotiate discounts on your behalf. PMA's Out-of-Network Program provides defensible, reasonable and customary repricing and negotiated payments for non-network bills. Specific bill types, e.g., inpatient, outpatient, ambulatory services, are negotiated based on fair and reasonable rates for the service provided, within jurisdictional guidelines.



After clearing all of our internal reviews, the bills are electronically routed to our PPO partners for additional reduction to PPO contracted rates.

- Preferred Provider Networks (please include Lackawanna Specific Medical Providers in your network);

Coventry Workers' Comp Services is PMA's primary Preferred Provider Network, offering access to over 450,000 providers throughout the US which is the largest national provider in the workers compensation industry. The Coventry Integrated Network® is composed of some of the best known and most highly regarded PPO's in the nation, including The First Health Network, FOCUS Network, MetraComp Network, and other top-performing PPOs. This presents PMA with opportunities to increase network penetration and provide greater medical cost savings to our customers.

PMA's PPO Network Website Tool is an on-line directory that can help you to quickly and easily locate providers that participate in our PPO networks. The tool also allows you to easily create your own provider panels where jurisdictionally allowed. To access the PPO Network Tool, simply go our website, [www.pmagroup.com](http://www.pmagroup.com), and click on the quick link for "Preferred Provider Networks". You can then search for network providers by Name or Region, or you can identify the providers that are closest to your address.

PMA Management Corp. is committed to helping you to reduce the medical costs of your claims by increasing network penetration and enabling you to refer injured workers to appropriate medical providers wherever jurisdictionally permitted.

- Case management philosophy;

PMA's Case Management Program is part of our PMA Medical Management Program. Our experienced Registered Nurses ensure that injured workers receive appropriate medical treatment with the best possible outcomes by maintaining a return-to-work focus. As workers' compensation medical costs continue to escalate industry-wide, a key strategy for PMA is to manage client costs through early return to work programs while achieving service excellence and generating tangible value for clients. The chart below lists examples of some of the cases that would be assigned for telephonic or field case management.

Telephonic Case Management	Field Case Management
Occupational Disease	Spinal Cord Injuries
Psychological/Stress Claims	Severe Burn Injuries
Neck/Back Injuries	Severe Head Injuries
Cumulative Trauma Claims	Crushing Injuries
Joint Fractures	Amputations
Hand Injuries	

PMA's Case Managers will assist in directing care to network facilities where allowed by jurisdictional rules. They will benchmark the medical treatment being provided to your injured employees in comparison to standardized treatment guidelines. If the medical treatment being

provided does not fall within those guidelines, the Case Manager will intervene by engaging a dialogue with the treating provider and/or by recommending a second opinion. This ensures that your employees receive the most effective and cost efficient treatment possible. Our Case Managers will also engage in problem solving to help facilitate recovery and avoid lost time from work.

Telephonic Case Management provides the broadest coverage of PMA's Case Management services. For some higher risk claims, due either to the severity of the injury or to the complexity of other contributing factors, Field Case Management can often provide the most effective solution. The use of Telephonic and Field Case Management can be tailored to meet our individual client needs. For many claims, a blend of the two case management methods will be most effective. Regardless of the delivery methods used, our Case Managers' goals will remain the same: To facilitate the best possible outcomes for every injury, and to return your injured employees to work as quickly and as safely as possible.

All case management activity will be documented on our claims system, which is available to our clients through our on-line Risk Management Information System, PMA Cinch. Our client-specific Special Handling Guidelines will establish the criteria by which Case Managers are assigned. Nurse Case Managers will not be assigned to any claim without client authorization.

Our Case Managers' emphasis on patient advocacy, coupled with the Claims Professional's objective adherence to the Workers' Compensation Act, will ensure that our client's claims are managed both fairly and aggressively.

- Assignment of nurse case managers;

Our nurse case managers work alongside our adjusters in our claims office. PMA Management Corp. can provide both on-site and telephonic case management. Fees for case management services are listed in our pricing proposal. PMA Management Corp. will work with the City of Scranton to establish case management referral criteria. Nurse case managers will only be utilized with the authority of the City of Scranton.

- Procedures to conduct independent medical exams;

IME's can be initiated when the length of disability exceeds expectations, the cause of the work injury is in question, a determination of the reasonability and/or necessity of a medical treatment plan is needed, or when physical capabilities for return-to-work at a modified job must be obtained.

The benefits and costs of an independent medical examination will be explained to you on a claim-by-claim basis, and will only be initiated upon your approval.

- Procedures regarding modified or light duty/return to work programs.

A formal Return-To-Work program is arguably the single most effective method of reducing your Workers Compensation claim costs. PMA Management Corp. recognizes that in order to successfully implement such a program, claim professionals must work in conjunction with managed care experts. We currently employ a disability management strategy on all lost-time claims.

PMA Management Corp.'s Return-To-Work program consists of:

- Ongoing three (3) point contact
- Modified work programs
- Independent medical examinations
- Vocational Rehabilitation

Our Claims Professionals will maintain ongoing contact with you and your injured workers in order to return them to work as soon as they are medically able.

We can assist you in developing a modified work program in which employees perform a modification of their regular job, or a different job altogether, until they are capable of resuming their normal work duties.

7. Disclose the maximum pending caseload for each adjuster proposed to work on this account, including information on what will occur if the maximum caseload per adjuster is reached or exceeded.

PMA's claims professional caseloads and support resources, such as our 24/7 Customer Service Center, are established to allow our claims professionals to give each claim the time and attention it requires. This allows us to complete more thorough investigations, and to exercise greater control over loss development. The average caseload handled by our claims professionals is typically 120 - 150 files depending on jurisdiction and line of business, with new average monthly assignments of 7 - 12 files

8. Provide a detailed implementation plan that outlines how you will phase in the delivery of services:
  - Timeline of how your firm will take over all existing claim files
  - Training of City of Scranton Staff on reporting claims
  - Meeting with personnel directly responsible for City of Scranton program

PMA Management Corp. has partnered with the City of Scranton since September 2013. As such, no transition/implantation plan would be required.

9. Selected vendor will agree to allow the City input on the selection of Third-Party Vendors.

PMA Management Corp. can work within most existing vendor relationships. We would look for additional details on the nature of those relationships before confirming our ability to comply with each one.

10. Provide a detailed description of your claim management system.

PMA Management Corp.'s Risk Management Information System combines state of the art technology with convenient on-line access and customized reporting packages. PMA Cinch, our

online information system, was developed to provide fast, easy access to your risk management data. We designed the system to be flexible, allowing us to meet our clients' most specific business needs.

### **Key Features**

- Executive "Dashboard"
- New Claim Reporting with Immediate Claim Number
- Access to Detailed Claims Data
- Document Image Viewing Capability
- Report Generation
- Chart Generation
- Instant Adjuster Contact
- OSHA Tracking
- Risk Managers Diary System
- Reserve Increase Notification

### **PMA Cinch Executive Dashboard**

PMA released a significant enhancement to PMA Cinch in 4Q 2011 called the PMA Cinch Executive Dashboard. The Executive Dashboard was designed to help clients track their loss history performance, monitor their progress and identify and prevent problems in their risk management programs.

### **PMA Cinch Executive Dashboard features include:**

- Executive Summary Tool—An interactive tool making it easy for clients to organize and view both aggregate and individual claims information.
- Full Color Charts and Visuals—Data appears in easy-to-view graphs, charts and tables, enabling our clients to grasp information quickly and easily.
- More Flexibility and Data Analytics—Claims information can be customized according to individual user needs, for example, location, claims type, claims status, and accident date range.
- Comprehensive Data—Display elements are based upon extensive, detailed data in clients' loss reports.
- Ease of Use—The dashboard is highly intuitive and requires no training.

### **New Claim Reporting**

PMA Cinch allows you to submit new claims to PMA Management Corp. via the internet. This allows for faster claim assignments and investigations, instant claim numbers, and more accurate data entry. Submitting claims is simple, as the system was designed with many drop-down menus for point-and-click operation.

### **Access to Detailed Claims Data**

PMA Management Corp. understands that keeping you advised of the status of claims enables you to control your loss costs. Through PMA Cinch, we can provide you with detailed claim information that is updated on a daily basis. This includes:

- Claim Professionals' Log Notes

- Descriptions of Losses
- Summaries of Damages/Injuries
- Review of Liability
- Incurred / Paid / Reserve Histories
- Current Status Information
- Detailed Action Plans
- Payment Histories and Details

### Image Viewing Capability

In addition to the above data, PMA Cinch provides our self-insured clients with the ability to view scanned images of the actual documents contained in the claim file. These include medical reports, police reports, attorney correspondence, and all medical and legal bills. You see what our adjusters see!

PMA Management Corp. utilizes imaging technology to operate in a “paperless” environment. This provides a fast, economical, and efficient way to store, retrieve and view claim information. The imaged file is the actual working document used by our claim professionals, not just a file copy. With this technology, the claim professional, supervisor, and client can simultaneously review the same report, without the need to generate multiple paper copies.

### Report Generation

PMA Cinch allows our clients to generate loss reports based on information that is updated monthly. Standard Reports available through PMA Cinch include Detailed Loss Runs for all lines of business, Loss Summaries, Repeater Reports identifying claimants or employees with multiple files, Serious Loss Reports, and Reporting Lag Time Reports. Many of these can be sorted by location, by policy, or by status (open / closed).

In addition to the Standard Reports, we have the ability to provide custom and ad-hoc reports, giving you access to any loss information you need, whether it be on a frequent basis or a one-time review. There is typically no additional charge for these ad hoc reports

### Sample Data Fields Captured in PMA Claims System

PMA Account Number * Mandatory	Claimant Hire Date
PMA Policy Number * Mandatory	Claimant Occupation
Claimant Name (First/Last) * Last Name Mandatory	Claimant Disability State Date
Claimant Address	Employer Know Date
Claimant Social Security * Mandatory	Last Day Paid
Claimant City	Jurisdiction State * Mandatory
Claimant State	Compensability Date
Claimant Zip Code	Claimant Compensation Rate
Claimant Phone Number	Average Weekly Wage
Accident Date * Mandatory	Return to Work Wage
Claim Entry Date	Claimant Returns to Full Duty Date
Accident State	Claimant Returns to Light Duty Date
Accident Location	Light Duty Offered Date



Class Code	Light Duty Accepted
Class State	Claimant Max Improvement Date
Claims Status (Open/Closed)	Claimant Disability Percent
Claim Type (Lost time, Medical only, Record only)	Date of First Medical Service
Accident Report Date	Summary of Payments by Medical, Indemnity & Expense
PMA Accident Type * translated from NCCI codes	Detail of Medical Payments
Accident Description * field is up to 7 lines of 78 characters each	Detail of Indemnity Payments
Claimant Gender	Detail of Expense Payments
Marital Status	Claimant Hire Date
Claimant Age	Claimant Occupation
Claimant Age at time of Accident	Claimant Disability State Date
Claimant Date of Birth	Employer Know Date
Claimant Number of Dependents	Last Day Paid
Claimant Employee Status	Jurisdiction State * Mandatory

### Chart Generation

The PMA Cinch analysis tool allows you to generate custom charts to assist you in analyzing your loss data. These charts can be created based upon the parameters you select, giving you the ability to customize your own visualization of the loss information.

### **Instant Adjuster Contact**

With PMA Cinch, you have the ability to e-mail the adjuster assigned to a file while you are reviewing the claim. This allows you to request details about the loss while it is fresh in your mind.

### **OSHA Tracking**

PMA Cinch can assist you in tracking losses for OSHA reporting. With PMA Cinch, you can add data to your claims, or remove claims from the log which are not reportable.

### **Risk Manager Diary System & Reserve Increase Notification**

PMA Cinch allows users to follow specified claims using an automated diary system including an automated reserve increase notification feature. In addition, Cinch users can keep their own personal notes on these claims separate from the actual claim file notes. This allows our clients to closely monitor the developments of high profile cases.

PMA Management Corp. would welcome the opportunity to perform a live demonstration of the capabilities of PMA Cinch.

11. Confirm the ability and willingness to act as the City's agent in ensuring compliance with Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007 (MMSEA) including the completion of and reporting of all necessary claims, files and reports.

Section 111 established mandatory reporting requirements for group health plan arrangements and for liability insurance (including self-insurance), no-fault insurance, and workers' compensation insurance. Section 111 requires that these plans determine whether a claimant is entitled to Medicare benefits. PMA Management Corp. has partnered with Examworks to act as our reporting agent and will report to CMS on behalf of our clients.

12. Demonstrate Statement on Auditing Standards (SAS) 70.

PMA Management Corp. has obtained SSAE 16 (SOC1) Type 2 Certification (formerly known as SAS 70 – Level 2 certification) for our internal claim handling policies and procedures. This Certification assures that as a PMA client, your firm's "dollars" and "data" are operationally secure.

*A copy of our SSAE Type II audit results available upon request.*

# Attachments

- Certificates of Insurance
- Signature Forms
- Sample WC Contract – Available Upon Request



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
6/15/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Arthur J. Gallagher Risk Management Services, Inc. 300 S. Riverside Plaza, Suite 1900 Chicago IL 60606		<b>CONTACT NAME:</b> Lakisha Ruffin <b>PHONE (A/C, No, Ext):</b> 312-803-7406 <b>FAX (A/C, No):</b> 312-803-7443 <b>E-MAIL ADDRESS:</b> Lakisha_Ruffin@ajg.com	
<b>INSURED</b> OLDREPU-04 Old Republic International Corporation PMA Management Corp. 307 N Michigan Ave., 16th Floor Chicago IL 60601-5382		<b>INSURER(S) AFFORDING COVERAGE</b> INSURER A : Federal Insurance Company <b>NAIC #</b> 20281 INSURER B : INSURER C : INSURER D : INSURER E : INSURER F :	

**COVERAGES**      **CERTIFICATE NUMBER:** 1668459007      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	AUTO/INSD	SUBR/VVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COM/POP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED:    RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N	N/A			<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Fidelity Bond			81944199	7/1/2016	7/1/2017	Limit 20,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

<b>CERTIFICATE HOLDER</b> Evidence of Insurance	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
--	--

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<b>ACORD™ CERTIFICATE OF LIABILITY INSURANCE</b>		DATE (MM/DD/YY) 01/23/2017
PRODUCER Brummel Brothers, Inc. 307 N. Michigan Ave. Chicago, Illinois 60601 (312) 762-4274	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURERS AFFORDING COVERAGE		
INSURED PMA Management Corp. Old Republic International Corporation 307 North Michigan Avenue Chicago, Illinois 60601	INSURER A:	Old Republic Insurance Company
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	

**COVERAGES**  
THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR  GENL AGGREGATE LIMIT APPLIES PER <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ FIRE DAMAGE (Any one fire) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
	<b>EXCESS LIABILITY</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE  <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>				<input type="checkbox"/> WC STATU- TORY LIMITS <input type="checkbox"/> OTH- ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	<b>OTHER</b> Professional Liability	0Z03946627	07/01/2016	07/01/2017	\$5,000,000 each occurrence \$5,000,000 aggregate

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

<b>CERTIFICATE HOLDER</b>	<b>ADDITIONAL INSURED; INSURER LETTER:</b>	<b>CANCELLATION</b>
City of Scranton 340 North Washington Avenue Scranton, PA 18503		SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HDLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE <i>J. Eric Stroth</i>



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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 01/23/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER: Aon Risk Services Central, Inc. CONTACT NAME: Mike Tatum / Emily Trussell. PHONE (A/C No, Ext): 312-381-4269 / 312-381-4259. FAX (A/C No):. EMAIL ADDRESS:. INSURER(S) AFFORDING COVERAGE: INSURER A: Zurich American Insurance Co. NAIC#: 16535. INSURER B: American Zurich Insurance Co. 40142. INSURER C: Continental Casualty Company 20443.

COVERAGES: THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. Limits shown are as requested

Table with columns: INSR LTR, TYPE OF INSURANCE, ADJ SUB INSD, POLICY WVD, POLICY NUMBER, POLICY EFF (MM/DD/YYYY), POLICY EXP (MM/DD/YYYY), LIMITS. Rows include Commercial General Liability, Automobile Liability, Umbrella Liab, and Workers Compensation and Employers Liability.

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES (Attach ACORD 101, Additional Remarks Schedule, may be attached if more space is required) Certificate Holder is added as Additional Insured.

CERTIFICATE HOLDER: City of Scranton, 340 North Washington Avenue, Scranton, PA 18503. CANCELLATION: SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE: Aon Risk Services Central, Inc.

ACORD 25 (2016/03)

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**Attachment B. Affirmative Action Certification**

During the term of this contract, Bidder agrees as follows:

- (1) Bidder shall not discriminate against any employee, applicant for employment, independent contractor or any other person because of race, color, religious creed, ancestry, national origin, age, sex or handicap. Bidder shall take affirmative action to insure that applicants are employed, and that employees or agents are treated during employment, without regard to their race, color, religious creed, ancestry, national origin, age, sex or handicap. Such affirmative action shall include, but is not limited to the following: employment, upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training. Bidder shall post in conspicuous places, available to employees, agents, applicants for employment, and other persons, a notice to be provided by the contracting agency setting forth the provision of this affirmative action certification.
- (2) Bidder shall, in advertisements or requests for employment placed by it or on its behalf, state all qualified applicants will received consideration for employment without regard to race, color, religious creed, ancestry, national origin, age, sex or handicap.
- (3) Bidder shall send each labor union or workers' representative with which it has a collective bargaining agreement to other contract or understanding, a notice advising said labor union or worker's representative of its commitment to this affirmative action certification. Similar notice shall be sent to every other source of recruitment regularly utilized by bidder.
- (4) It shall be no defense to a finding of noncompliance with this affirmative action certification that bidder has delegated some of its employment practices to any union, training program, or other source of recruitment which prevents it from meeting its obligations. However, if the evidence indicates that the bidder was not on notice of the third-party discrimination or made a good faith effort to correct it, such a factor shall be considered in mitigation in determining appropriate sanctions.
- (5) Where the practices of a union or of any training program or other source of recruitment will result in the exclusion of minority group persons, so bidder will be unable to meet its obligations under this affirmative action certification, bidder shall then employ and fill vacancies through other affirmative action employment procedures.
- (6) Bidder shall comply with all state and federal laws prohibiting discrimination in hiring or employment opportunities. In the event of bidder's

City of Scranton  
Request for Proposal

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Workers' Compensation and Heart and Lung Claims Third Party Administrator

noncompliance with affirmative action certification of this contract or with any such laws, this contract may be terminated or suspended, in whole or in part, and bidder may be declared temporarily ineligible for further City of Scranton contracts, and other sanctions may be imposed and remedies invoked.

- (7) Bidder shall furnish all necessary employment documents and records to, and permit access to its books, records, and accounts by, the City of Scranton Department of Business Administration, for purposes of investigation to ascertain Compliance with the provision of this certification. If bidder does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the City of Scranton Department of Business Administration.
- (8) Bidder shall actively recruit minority subcontractors or subcontractors with substantial minority representation among their employees.
- (9) Bidder shall include the provisions of this affirmative action certification in every subcontract, so that such provisions will be binding upon each subcontractor.
- (10) Bidder's obligations under this clause are limited to the bidder's facilities within Pennsylvania, or where the contract is for purchase of goods manufactured outside of Pennsylvania, the facilities at which such goods are actually produced.

DATE: 1/26/17

PMA Management Corp.  
(Name of Bidder)

BY Michael McAuley

TITLE Sr. Vice President - Sales



**Attachment C. Certificate of Non-Segregated Facilities**

The bidder certifies that he does not maintain or provide for his employees and segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder agrees that a breach of this certification will be a violation of the Equal opportunity clause in any contract resulting from acceptance of his bid. As used in this certification, the term "segregated Facilities," means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. The Bidder agrees that (except where he has obtained identical certifications from proposal sub-contractors for specific time periods) he will obtain identical certifications from proposed sub-contractors prior to the award of sub-contracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause, and that he will retain such certification in his files.

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. §1001.

DATE: 11/26/17

PMA management Corp.  
(Name of Bidder)

BY Michael Michalek

TITLE Sr. Vice President - Sales

Attachment D. Non-Collusion Affidavit of Prime Bidder

STATE OF New Jersey

COUNTY OF Burlington

Michael MacAulay, being  
first duly sworn, deposes and says that

1. He is Sr. Vice President - Sales  
(Owner, partner, officer, representative or agent)

of PMA Management Corp., the Bidder that has  
submitted the bid;

2. He is fully informed respecting the preparation and contents of the attached Bid and of all pertinent circumstances respecting such Bid;
3. Such Bid is genuine and is not a collusive or sham Bid;
4. Neither the said Bidder nor any of its officers, partners, owners, agents, Representatives, employees or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, or to Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the City of Scranton (Local Public Agency) or any person interested in the proposed Contract; and;
5. The price or prices quoted in the attached Bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the bidder or any of its agents, representatives, owners, employees or parties in interest, including this affiant.

City of Scranton  
Request for Proposal  
Workers' Compensation and Heart and Lung Claims Third Party Administrator

Non-Collusion Affidavit  
Signature Page

Michael Meloloy

Signed \_\_\_\_\_

Sr. Vice President - Sales

(TITLE)

SUBSCRIBED AND SWORN TO BEFORE ME

THIS 21st DAY OF January  
, 20 17

Kimberly DeFranco

KIMBERLY DEFRANCO  
NOTARY PUBLIC OF NEW JERSEY  
MY COMMISSION EXPIRES JULY 13, 2018

(TITLE)

MY COMMISSION EXPIRES July 15,  
, 20 18



**Attachment E. Disclosures by Current Contractors**

1. Provide the names and titles of all individuals providing professional services to the City of Scranton Workers' Compensation and Heart and Lung program identified above including advisors and subcontractors, if any. After each name, please provide the responsibilities of that person with regard to the professional services provided to the City of Scranton Workers' Compensation and Heart and Lung Program.
  - List the names of any of the above individuals who are current or former officials or employees of the City of Scranton and their position;
  - List the names of any of the above individuals who has been a registered federal or state lobbyist and the date of the most recent renewal/registration.
2. Since January 1, 2011, have any of the individuals identified in paragraph two above been employed by the City of Scranton. If yes, please identify the individual by his/her name and position with the City of Scranton and dates of employment.
3. Since January 1, 2011, has the Contractor employed paid compensation to a third party intermediary, agent, or lobbyist to directly or indirectly communicate with any individual on the list of municipal officials in connection with any transaction or investment involving the Contractor and the Workers' Compensation and Heart and Lung Program. This question does not apply to any officer or employee of the Contractor who is acting within the scope of the Contractor's standard professional duties on behalf of the Contractor including the actual provision of legal, accounting, engineering, real estate, or other professional advice, services or assistance pursuant to its professional services contract with the Workers' Compensation and Heart and Lung Program.
4. Since January 1, 2011 has any agent, officer, director, or employee of the Contractor solicited a third party to make a political contribution to any municipal official or candidate for municipal office in the City of Scranton or to the political party or political committee for whom the solicitation was made. If yes, please identify the agent, officer, director, or employee who made the solicitation; the individual or individuals who were solicited, and the municipal officers, candidates, political party, or political committee for whom the solicitation was made.
5. Since January 1, 2011, has the contractor made any Contribution to a municipal official or candidate for municipal office in the City of Scranton. If yes, please identify the recipient, the amount, and the date of the contribution.
6. Does the Contractor have a direct financial, commercial, or business relationships with any individual on the List of Municipal Officials. With regard to every municipal official for which the answer is yes, identify that individual and provide a detailed written description of that relationship.
7. Since January 1, 2011, has the Contractor conferred any gift of more than nominal value to any individual on the List of Municipal Officials. A gift includes money, services, loans, travel, and

Workers' Compensation and Heart and Lung Claims Third Party Administrator

entertainment, at value or discounted value. With regard to every municipal official for which the answer is yes, identify the recipient, the gift, and the date it was conferred.

8. Did the Contractor make political contributions that meet all of the following four criteria: (i) The contribution was made at any time since January 1, 2011; (ii) the contribution was made by an officer, director, executive-level employee, or owner of at least five percent (5%) of the Contractor; (iii) the amount of the contribution was at least \$500.00 in the form of either a single contribution by an officer, director, executive-level employee or owner of at least five percent (5%) or the aggregate of all contributions by all officers, directors, executive-level employees, and owners of at least five percent (5%) and (iv) the contribution was made to a candidate for any public office in the Commonwealth of Pennsylvania or to an individual who holds that office, or to a political committee of a candidate for public office in the Commonwealth of Pennsylvania or of an individual who holds that office. If yes, then the Contractor shall provide the following information: the name and address of the contributor, the contributor's relationship to the Contractor, the name and office or position of each recipient, the amount of the contribution, and the date of the contribution.
9. Regarding the provision of professional services to the City of Scranton Workers' Compensation and Heart and Lung Program, are you aware of any conflicts of interest, whether apparent, potential, or actual, with respect to any officer, director, or employee of the Contractor and officials or employees of the City of Scranton. If yes, please provide a detailed written explanation of the circumstances which you believe provide a basis to conclude that an apparent, potential, or actual conflict of interest may exist.
10. Please provide the name(s) and person(s) completing this form. One of the individuals identified by the Contractor in paragraph two must participate in completing this form and must sign the verification statement below.

VERIFICATION

I, Michael MacAulay, hereby state that I am Sr. Vice President - Sales  
for PMA Management Corp., and am authorized to make this verification.

I verify that the facts set forth in the foregoing Act 44 Disclosure Form for entities providing professional services to the City of Scranton are true and correct to the best of my knowledge, information, and belief. I understand that false statements herein are made subject to penalties of 18 P.A.C.S section 4904 relating to unsworn falsification to authorities.

Signed: Michael MacAulay Date: 1/26/17



DEPARTMENT OF LAW

P E N N S Y L V A N I A

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

March 20, 2017

To the Honorable Council  
Of the City of Scranton  
Municipal Building  
Scranton, PA 18503

RECEIVED

MAR 20 2017

OFFICE OF CITY  
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A CONTRACT WITH PMA MANAGEMENT CORP. FOR CITY OF SCRANTON SELF-INSURED WORKERS' COMPENSATION AND HEART AND LUNG CLAIMS THIRD PARTY ADMINISTRATION FOR A PERIOD OF THREE (3) YEARS FROM APRIL 1, 2017 THROUGH MARCH 31, 2020.

Respectfully,

Jessica L. Boyles, Esquire  
City Solicitor

JLB/sl

FILE OF THE COUNCIL NO. \_\_\_\_\_

2017

AN ORDINANCE

**AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO REALLOCATE A PORTION OF DEBT SERVICES MONEY TO BE USED FOR PAVING ONLY, AS SAID MONEY HAS BEEN REFUNDED TO THE CITY AND IS NO LONGER NEEDED FOR PAYMENT OF THE MARCH INSTALLMENT DUE ON THE 2012 SERIES A AND B BONDS DUE TO THE DEFEASENCE OF SAID BONDS WITH SEWER PROCEEDS.**

WHEREAS, the City and Scranton Sewer Authority have sold certain sewer system assets to the Pennsylvania American Water Company; and

WHEREAS, the City determined to apply approximately \$27,885,904.00 of the City's portion of the proceeds to retire certain high coupon general obligation debt (referred to as the City's 2006 General Obligation Bonds, the City's 2012 General Obligation Bonds, and the City's 2013 General Obligation Bonds) reducing the fixed cost of the General Fund by approximately \$5,200,000.00 per year; and

WHEREAS, specifically \$618,712.34 was set aside for the March installment of the 2012 Series A General Obligation Bonds, and \$92,068.48 March installment of the 2012 Series B General Obligation Bonds, and such installments are no longer needed due to the defeasance of said Bonds with Sewer proceeds; and

WHEREAS, said funds totaling \$710,780.82 will be reallocated for paving the streets throughout the City of Scranton.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that the Mayor and other appropriate city officials are authorized to reallocate a portion of debt services money to be used for paving only, as said money has been refunded to the City and is no longer needed for payment of the March installment due on the 2012 Series A and B Bonds due to the defeasance of said Bonds with Sewer proceeds.

**SECTION 1.** If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or

any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

**SECTION 2.** This Ordinance shall become effective immediately upon approval.

**SECTION 3.** This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

March 9, 2017

RECEIVED

MAR - 9 2017

OFFICE OF CITY  
COUNCIL/CITY CLERK

To the Honorable Council  
Of the City of Scranton  
Municipal Building  
Scranton, PA 18503

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO REALLOCATE A PORTION OF DEBT SERVICES MONEY TO BE USED FOR PAVING ONLY, AS SAID MONEY HAS BEEN REFUNDED TO THE CITY AND IS NO LONGER NEEDED FOR PAYMENT OF THE MARCH INSTALLMENT DUE ON THE 2012 SERIES A AND B BONDS DUE TO THE DEFEASENCE OF SAID BONDS WITH SEWER PROCEEDS.

Respectfully,

Jessica L. Boyles, Esquire  
City Solicitor

JLB/sl

FILE OF THE COUNCIL NO. \_\_\_\_\_

2017

AN ORDINANCE

**AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE A DEED OF EASEMENT AND RIGHT OF WAY GRANTING TO THE PENNSYLVANIA-AMERICAN WATER COMPANY THE EASEMENT, RIGHT OF WAY AND RIGHTS AS ARE SET FORTH BELOW WITH RESPECT TO THE PROPERTY, WHICH DEED OF EASEMENT AND RIGHT OF WAY SHALL BE IN THE FORM AS ATTACHED HERETO AS EXHIBIT "1".**

WHEREAS, by deed dated March 29, 1968 and recorded on March 29, 1968 in Book 641, Page 454 in the Lackawanna County Recorder's Office (the "City Deed"), the City of Scranton conveyed to the Scranton Sewer Authority ("SSA") the following:

The existing Sewer System in the City of Scranton, and all facilities connected therewith, for the collection and conveyance of both sewage and storm water runoff, including, but not limited to main sewers, interceptors, branches, laterals, force mains, drains, manholes, pumping stations, connected with the System and its operation.

ALSO, all easements, rights of way, privileges, rights and licenses howsoever acquired, related to the Sewer System and its operation to which the City of Scranton is in any manner entitled, and all lands and interests in lands acquired and used by the City of Scranton for the construction and operation of all of the elements of the Sewer System.

WHEREAS, the City of Scranton is the owner of a parcel of land now or formerly of Stone Facility Limited Partnership, Inst. No. 200902485, Pin No. 13420060038 Von Storch Avenue, containing 165.94 sq. ft. of land as shown on the drawing entitled "Permanent Easements Across Lands of the City of Scranton, and lands now or formerly of Keystone Concrete Block and Supply with lands of the City of Scranton, Inst. No. 200709819, Pin No. 14508060002, containing 1,004.84 sq. ft. of land as shown on drawing entitled "Permanent Easement Across Lands of the City of Scranton" Exhibit "A"

WHEREAS, in furtherance of the sale of the Sewer Authority of the City of Scranton's assets to Pennsylvania American Water Company it is necessary to convey an easement and right of way on the aforementioned piece of property from the City to the Sewer Authority of the City of Scranton and/or the Pennsylvania American Water Company; and

WHEREAS, the Scranton Sewer Authority sold its assets to Pennsylvania American Water Company on December 29, 2016; and

WHEREAS, certain improvements forming a part of Von Storch Avenue located on and/or run through lands of the City of Scranton and Pennsylvania American Water Company and Scranton Sewer Authority wish to confirm that the City of Scranton has granted easement rights to SSA for and with respect to any and all such improvements, lines, pipes, and other personal property forming a part of Von Storch Avenue and located on and/or run through the parcels of land owned by the City of Scranton and located in the City of Scranton, Lackawanna County, Pennsylvania being identified as Parcel ID Nos. 13420060038 and 14508060002, having an address of Von Storch Avenue, City of Scranton (the "Property"), as more fully shown on the description and drawing attached hereto entitled "Permanent Easements Across Lands of the City of Scranton" Exhibit "A"

**NOW, THEREFORE, BE IT ORDNANIED BY THE COUNCIL OF THE CITY OF SCRANTON that:**

1. The City of Scranton does hereby confirm that it granted to Scranton Sewer Authority, its successors and assigns, an easement and a free uninterrupted and unobstructed right-of-way, in, under, across and over the Property for the purpose of (i) installing, laying, operating, maintaining, inspecting, removing, repairing, replacing, relaying and adding to from time to time, pipe or pipes, with necessary fittings, appurtenances and attached facilities, including laterals and connections for the collection and transmission of wastewater and (ii) the continued use and maintenance of certain improvements encroaching on the Property as shown on the description and drawing attached hereto entitled "Permanent Easements Across Lands of the City of Scranton" Exhibit "A".

Together with the right to Scranton Sewer Authority, its successors and assigns, to:

(i) enter in and upon the Property with men and machinery, vehicles and material at any and all times for the purpose of maintaining, repairing, renewing or adding to the aforesaid wastewater pipelines, appurtenances, improvements, equipment and facilities;

(ii) remove trees, bushes, undergrowth and other obstructions on the Property that are interfering with the activities authorized herein; and

(iii) for doing anything necessary, useful or convenient for the enjoyment of the easements and rights described herein.

The right of the City of Scranton to freely use and enjoy its interest in the Property is reserved to the City of Scranton, its successors and assigns to the degree that the exercise thereof does not endanger, hinder or interfere with the construction, operation, and maintenance of Scranton Sewer Authority's wastewater pipelines, appurtenances and attached facilities. In no instance shall any building, structure or similar improvements be erected within said easement and right of way provided for herein, nor shall the grade or ground cover over Scranton Sewer Authority's facilities be substantially altered, without the prior consent of Scranton Sewer Authority; and

2. The Mayor and other appropriate City officials are hereby authorized to execute a Deed of Easement and Right of Way granting to SSA and/or PAWC the easement, right of way and rights as are set forth above with respect to the Property, which Deed of Easement and Right of Way shall be in the form as attached hereto as Exhibit "1".

**SECTION 1.** If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

**SECTION 2.** This Ordinance shall become effective immediately upon approval.

**SECTION 3.** This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.

DEED OF EASEMENT AND RIGHT OF WAY

THIS INDENTURE, made this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by and between **The City of Scranton**, a Municipal Corporation, 340 N. Washington Ave., City of Scranton, County of Lackawanna, and Commonwealth of Pennsylvania hereinafter referred to as the "Grantor" and **Pennsylvania-American Water Company**, a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, having an office for the transaction of business at 800 West Hershey Park Drive, Hershey, Pennsylvania, hereinafter referred to as the "Grantee".

W I T N E S S E T H

The Grantor, in consideration of the covenants and agreements hereinafter recited and the sum of one dollar (\$1.00) lawful money of the United States of America, and other good and valuable consideration, the receipt of which is hereby acknowledged, does hereby give, grant and convey unto the Grantee, its successors and assigns, forever, an easement and a free uninterrupted and unobstructed right of way, in, under, across and over the property of the Grantor, situate in the City of Scranton in Lackawanna County, Pennsylvania; said permanent right of ways as described in the attached descriptions (Exhibit A) and as shown on the sketch attached hereto (Exhibit B) and made a part hereof, for the purpose of constructing, reconstructing, installing, operating, maintaining, inspecting, removing, repairing, replacing, relaying and adding to from time to time pipe or pipes, with necessary fittings, appurtenances and attached facilities, including manholes, inlets, laterals and connections for the collection and transmission of wastewater.

Together with the right to the Grantee, its successors and assigns, to (i) enter in and upon the premises described above, through existing access driveway(s) located on the property, with men and machinery, vehicles and material at any and all times for the purpose of maintaining, repairing, renewing or adding to the aforesaid wastewater pipelines and appurtenances, (ii) remove trees, bushes, undergrowth and other obstructions interfering with the activities authorized herein, and (iii) for doing anything necessary, useful or convenient for the enjoyment of the easement herein granted.



The right of the Grantor to freely use and enjoy its interest in the premises is reserved to Grantor, its successors and assigns insofar as the exercise thereof does not endanger or unreasonably interfere with the construction, operation, and maintenance of Grantee's wastewater pipelines and attached facilities, except that no building, structure or similar improvements shall be erected within said easement, nor shall the grade or ground cover over Grantee's facilities be substantially altered, without the consent of the Grantee. Notwithstanding the foregoing, no other pipes or conduits shall be placed within ten (10) feet, measured horizontally, from the said wastewater mains except pipes crossing same at right angles, in which latter case, a minimum distance of two (2) feet shall be maintained between the pipes. No excavation or blasting shall be carried on which in any way endangers or unreasonably interferes with the wastewater pipelines and attached facilities.

TO HAVE AND TO HOLD the above granted easement and right of way unto the same Grantee, its successors and assigns forever.

The Grantee agrees, by the acceptance of this Deed of Easement and Right of Way that, upon any opening made in connection with any of the purposes of this easement and right of way, said opening shall be backfilled and resurfaced to as nearly as possible the same condition as existed when said opening was made, provided that Grantee shall not be obligated to restore landscaping, other than resodding any grass which was removed upon entry, all such work to be done at the expense of the Grantee.

And the said Grantor does covenant with the said Grantee as follows:

1. That the Grantor is the owner in fee simple of the real estate hereby subjected to said easement and right of way, and has good title to convey the same, having acquired said real estate from Laminations Inc. by virtue of Deed In Lieu of Condemnation dated March 19, 2007 and recorded in the Office of the Recorder of Deeds of Lackawanna County on April 18, 2007 (Instrument # 200709819).

2. That the Grantee shall quietly enjoy the said easement and right of way.

3. That the premises hereby subjected to said easement and right of way are subject to no mortgages except: No Exceptions

IN WITNESS WHEREOF, the Grantor has duly executed this INDENTURE, all as of the day and year first above written.

ATTEST/WITNESS:

GRANTOR  
THE CITY OF SCRANTON

By \_\_\_\_\_

By \_\_\_\_\_

IN WITNESS WHEREOF, the Grantee has duly executed this INDENTURE, all as of the day and year first above written.

ATTEST:

GRANTEE  
PENNSYLVANIA-AMERICAN WATER COMPANY

By \_\_\_\_\_

By \_\_\_\_\_

PIN/MAP # 145.08-060-002



**Exhibit A**

Description of Property

PERMANENT EASEMENTS  
ACROSS LANDS OF  
THE CITY OF SCRANTON

**Permanent Easement I**

All of that certain lot, piece or parcel of land situate in the City of Scranton, County of Lackawanna and State of Pennsylvania bounded and described as follows:

Beginning at a point marking the most southerly corner of lands now or formerly of Stone Facility Limited Partnership, Inst no. 200902485, said point of beginning also being further identified as being located along the extension of the center line of the former right of way of Von Storch Avenue, now vacated by file of Council 49, 1991; Thence along line of other lands of the City of Scranton S 31° 49' 14" W 10.06' to a point; thence over and across lands of the City of Scranton, N 33° 44' 58" W 19.22' and N 31° 49' 14" E 8.91' to a point along line of the aforementioned Stone Facility Limited Partnership; Thence along line of said Stone, S 36° 56' 15" E 18.78' to the place of beginning.

Containing 165.94 sq. ft. of land as shown on drawing entitled "Permanent Easements Across Lands of the City of Scranton" by John R. Hennemuth Associates, Inc.

**Permanent Easement II**

All of that certain lot, piece or parcel of land situate in the City of Scranton, County of Lackawanna and State of Pennsylvania bounded and described as follows:

Beginning at a point marking a common corner of lands now or formerly of Keystone Concrete Block and Supply with lands of the City of Scranton , Inst No. 200709819, said point of beginning being further described as being located along the extension of the center line of the former right of way of Von Storch Avenue, now vacated by file of Council 49, 1991;said point of beginning also being along line of lands now or formerly of Stone Facility Limited Partnership; Thence along the division line between said Keystone and said City S 58° 10' 46" E 30.00' and S 37° 02' 21" E 12.17" to a point; thence over and across lands of said City of Scranton the following (3) courses and distances: (1) S 31° 49' 14" W 3.04' (2) N 58° 10' 46" W 19.35' and (3) S 31° 49' 14" W 37.85' to a point along line of other lands of the City of Scranton; Thence along said other City lands N 33° 44' 58" W 24.16' to a point; Thence still along said other City lands and along line of lands of the aforementioned Stone Facility Limited Partnership, N 31° 49' 14" E 35.28' to the place of beginning.

Containing 1,004.84 sq. ft. of land as shown on drawing entitled "Permanent Easement Across Lands of the City of Scranton" by John R. Hennemuth Associates, Inc.

**Exhibit B**

Plan



145.08-060-002  
 CITY OF SCRANTON  
 INST. No. 200709819  
 PERMANENT EASEMENT II

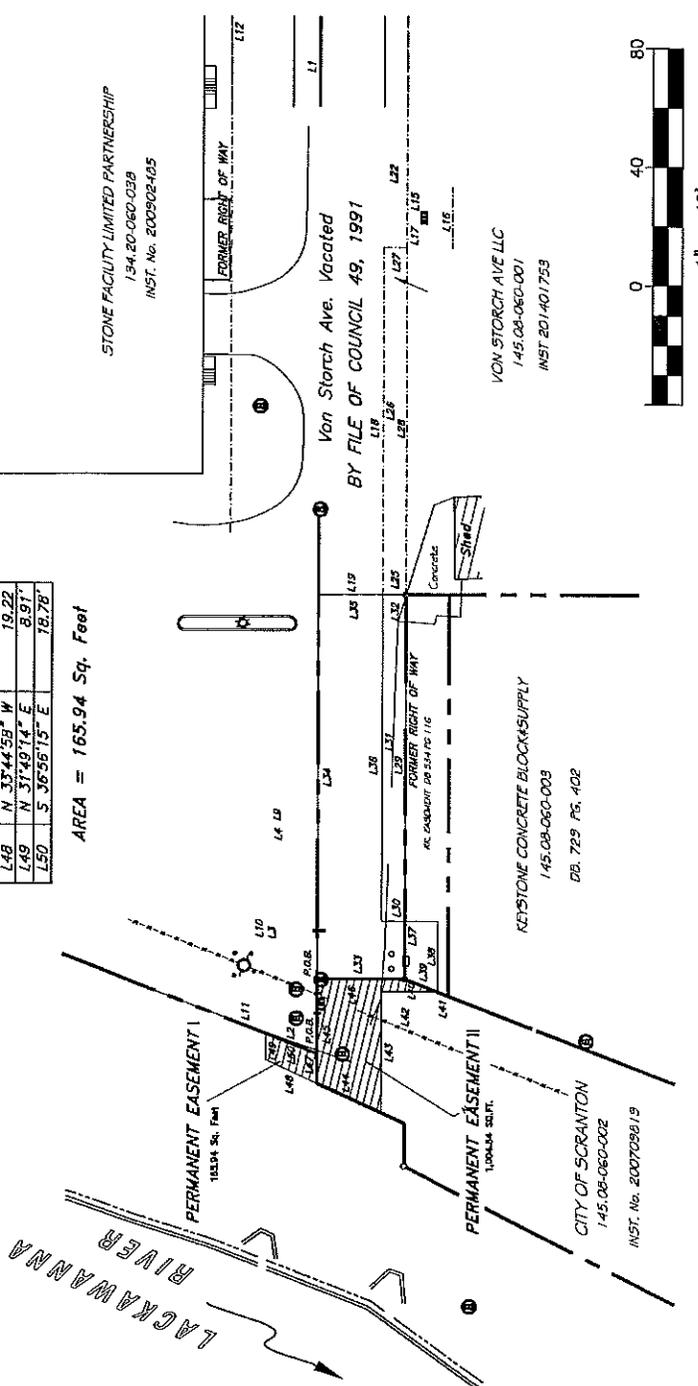
LINE	BEARING	DISTANCE
L40	S 37°02'21" E	12.17'
L41	S 31°49'14" W	3.04'
L42	N 58°10'46" W	19.35'
L43	S 31°49'14" W	37.85'
L44	N 33°44'58" W	24.16'
L45	N 31°49'14" E	35.28'
L46	S 58°10'46" E	30.00'

AREA = 0.02 Acres  
 1,004.84 Sq. Feet

CITY OF SCRANTON  
 PERMANENT EASEMENT I

LINE	BEARING	DISTANCE
L47	S 31°49'14" W	10.06'
L48	N 33°44'58" W	19.22'
L49	N 31°49'14" E	8.97'
L50	S 36°56'15" E	18.78'

AREA = 165.94 Sq. Feet



SINCE 1956



JOHN R. HENNEMUTH  
 & Associates, Inc. Land Surveyors  
 P.O. BOX 673  
 WAVERLY TWP., PA 18471  
 (570) 566-1335

PERMANENT EASEMENTS ACROSS LANDS OF THE CITY OF SCRANTON	
SCALE: 1" = 40'	APPROVED BY:
DATE: 10/04/16	REVISER:
DRAWN BY: MD, JMH	
CITY OF SCRANTON, LACKAWANNA CO., PA.	
FILE No. 4122	DRAWING NUMBER: B-4-16

INVALID WITHOUT EMBOSSED SEAL



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

March 2, 2017

To the Honorable Council  
Of the City of Scranton  
Municipal Building  
Scranton, PA 18503

RECEIVED

MAR - 2 2017

OFFICE OF CITY  
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE A DEED OF EASEMENT AND RIGHT OF WAY GRANTING TO THE PENNSYLVANIA-AMERICAN WATER COMPANY THE EASEMENT, RIGHT OF WAY AND RIGHTS AS ARE SET FORTH BELOW WITH RESPECT TO THE PROPERTY, WHICH DEED OF EASEMENT AND RIGHT OF WAY SHALL BE IN THE FORM AS ATTACHED HERETO AS EXHIBIT "1".

Respectfully,

Jessica L. Boyles, Esquire  
City Solicitor

JLB/sl

RESOLUTION NO. \_\_\_\_\_

2017

**AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A GRANT APPLICATION AND, IF SUCCESSFUL, TO ENTER INTO A GRANT AGREEMENT AND ACCEPT FUNDING THROUGH THE KEYSTONE HISTORIC PRESERVATION PLANNING GRANT FROM THE PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION IN THE AMOUNT OF \$25,000.00 TO COMPLETE A FACILITY ASSESSMENT ON THE SCRANTON MUNICIPAL BUILDING.**

WHEREAS, the City of Scranton is applying for a Grant through the Keystone Historic Preservation Planning Grant from the Pennsylvania Historical & Museum Commission in the amount of \$25,000.00, a copy of said application is attached as Exhibit "A"; and

WHEREAS, the City of Scranton Municipal Building is in dire need of repair and renovation; however, due to the financial distress of the City of Scranton, this structure has not received the attention it deserves. The goal of this project is to develop a historical preservation plan that would allow the City to repair and restore the Municipal Building in a way that will preserve its historical integrity. We will accomplish this goal by first having a complete facility assessment performed; and

WHEREAS, if successful, the Grant funds would be used to hire a firm that can issue a complete facility assessment of the Scranton Municipal Building; this assessment will include visual inspections of structural, architectural, mechanical, plumbing and electrical systems. Included with the facility assessment will be a Historic Resource Redevelopment Report outlining the necessary requirements to comply with the Secretary of the Interior's Standards. This report will be prepared by a qualified Historic Preservation Consultant.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON** that the Mayor and other appropriate City officials are authorized to apply for and execute a Grant Application and, if successful, to enter into a Grant Agreement and accept the funding through the Keystone Historic Preservation Planning Grant from the Keystone Historic Preservation Planning Grant in the amount of \$25,000.00 to complete a facility assessment of the Scranton Municipal Building.

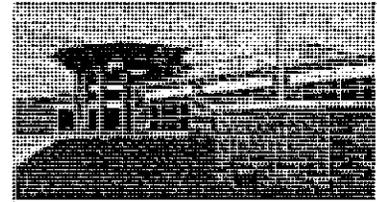
**SECTION 1.** If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Resolution and the effective administration thereof.

**SECTION 2.** This Resolution shall become effective immediately upon approval.

**SECTION 3.** This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

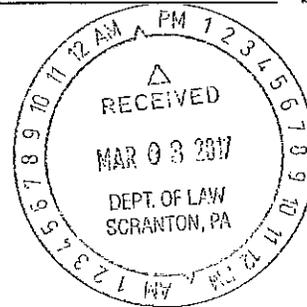
**Police Department  
Maggie Perry  
Grant Manager**

Scranton Police Headquarters  
100 South Washington Avenue  
Scranton, Pennsylvania 18503  
Tel: (570) 558-8335  
Fax: (570) 207-0412  
mamclane@scrantonpa.gov



SCRANTON

March 3, 2017



Atty. Jessica Boyles  
City of Scranton  
340 North Washington Avenue  
Scranton, Pa 18503

Atty. Boyles,

The City of Scranton is applying for \$25,000 in funding through the Keystone Historic Preservation Planning Grant from the Pennsylvania Historical & Museum Commission. I respectfully request that you send legislation to City Council to apply for and execute this grant application.

The purpose of this program is to complete a facility assessment on the Scranton Municipal Building with a Historic Resource Redevelopment Report outlining the necessary requirements to comply with the Secretary of the Interior's Standard. This report will be prepared by a qualified Historic Preservation Consultant. The goal of this project is to use the assessment report to make informed decisions about the preservation of this historic building and implement an effective historic preservation program. This funding would allow the City of Scranton to increase preservation planning at the local level by assisting to recognize, prioritize and capitalize on the benefits of preservation.

Attached are the supporting grant documents.

If you have any questions or concerns please feel free to contact me at 570-558-8335.

Thank you,

*Maggie Perry*



## Application Summary

Application: 8473 User: 3531

Date this summary generated: March 1

Federal ID: 246000704

Project you are applying for: Historic Preservation

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### I. APPLICANT

A. Name of Organization: City of Scranton

B. Univ. Dept./Subsidiary Name:

C. Address: 340 N. Washington Avenue

City: Scranton State: Pa Zip: 18503-1523

D. Executive Director/President: William Courtright

E. General Contact Person for Organization: Maggie Perry

F. Contact Phone: 570-558-8335

Contact Person for *this* Application: Maggie Perry (mamclane@scrantonpa.gov)

G. Grant Amount Requested: \$ 25000

H. Matching Funds: \$ 32000

I. Total Project Cost: \$ 57000

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### II. PROJECT SUMMARY

The City of Scranton Municipal Building is in dire need of repair and renovation; however, due to the financial distress of the City of Scranton this structure has not received the attention it deserves. The goal of this project is to develop a historical preservation plan that would allow the City to repair and restore the Municipal Building in a way that will preserve its historical integrity. We will accomplish this goal by first having a complete facility assessment performed.

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### III. ORGANIZATIONAL INFORMATION

#### A. Mission Statement

The City of Scranton is a municipal government dedicated to providing reliable public services; to understanding and serving the needs of the Scranton neighborhoods and businesses; and to improve the quality of life of Scranton residents.

#### B. Nonprofit Status Documentation

1. Date IRS Tax-Exemption Received: 04/23/66

2. Expiration Date w/PA Bureau of Charitable Orgs:

#### C. Telecommunications Information

1. Telephone Number: (Public) 570-558-8335

2. Fax Number: 570-207-0412

3. E-Mail: mamclane@scrantonpa.gov

4. Website: <http://www.scrantonpa.gov/>

#### D. Locational

1. County: Lackawanna

2. State Senate Dist. No.: 22

3. State House Dist. No.: 12

4. Federal Congressional Dist. No.: 17

**E. General**

1. Control of Institution: Municipal Government or Authority
2. Discipline of Institution: Government
3. Year the organization was incorporated: 1866
- 4a. Total number of days open to the public annually: 260
- 4b. Total number of hours open to the public weekly: 40
- 5a. Annual visitation: 0 -
- 5b. Annual outreach: 0 -
- 5c. Website "hits": 0
- 6a. Number of full-time paid staff: 300
- 6b. Number of part-time paid staff: 0
- 6c. Number of full-time volunteers: 0
- 6d. Number of part-time volunteers: 0
7. Does the organization have a friends/support group whose purpose is to provide services and raise funds for the parent organization? NO If so, number of members: 0
- 8a. Has the organization undergone a Museum Assessment Program Review? MAP I? NO Date:  
MAP II? NO Date:  
MAP III? NO Date:
- 8b. Has the organization undergone a Conservation Assessment Program Review? NO Date:
- 8c. Has the organization been accredited by the American Association of Museums? NO Date:

**F. Financial:**

Current Fiscal Year: 2017

Month County Fiscal Year Begins: January

Month County Fiscal Year Ends: December

Operating Budget for Most Recently Completed Fiscal Year: \$ 132000000

Percent of budget used for:

6.545248E+07% staff salaries, benefits and expenses

996000% maintenance of building and grounds

0% utilities

0% collection care and conservation

0% exhibitions and related expenses

0% special events and educational programs

0% marketing and promotion

Operating Budget for Second Most Recently Completed Fiscal Year \$ 108000000

**IV. HISTORIC PROPERTY INFORMATION (50 Years and Older)**

- A. Is the property listed individually in the National Register of Historic Places?
- NO B. Is the property a contributing property in a National Register of Historic Places historic district?
- NO C. Is the property also designated a National Historic Landmark?

**V. GRANT CATEGORY**

Category: Planning &amp; Development Assistance

Collaborative Grant Category? NO

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## VI. PROJECT DESCRIPTION

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**A. Is this project a follow-up to the recommendations of a PHMC Technical Assistance Grant?: NO**

**B. Description of Organization:**

The City of Scranton is a municipal government dedicated to providing reliable public services; to understanding and serving the needs of the Scranton neighborhoods and businesses; and to improve the quality of life of Scranton residents. Established in 1866, Scranton is currently the 6th largest city in the Commonwealth of Pennsylvania with a population of over 75,000. Once an industrial giant, Scranton was the center of anthracite coal mining, iron and steel. In 1886 Scranton gained a reputation as the "Electric City" when the nation's first streetcars powered by electricity began operating on the city streets. According to the United States Census of 1900, the population of Scranton was over 100,000 people and the Electric City entered the 20th century with a booming economy and as the king of the anthracite coal industry. However, with coal losing favor to oil and natural gas, Scranton began facing economic decline in the post WWII era. In 1992 Scranton was determined a "financially distressed city" under Pennsylvania Act 47. Over twenty years later, Scranton remains distressed, causing drastic reductions to the general budget and diminishing funding for necessary projects such as renovation and preservation of some of Scranton's most historic structures.

**C. Strategic Plan Goal Identification:**

The City of Scranton's proposed project will meet Goal 1-increase preservation planning at the local level- in "Pennsylvania's Statewide Historic Plan 2012-2017".

**D. Comprehensive Narrative:**

The City of Scranton is seeking funding to complete a facility assessment on the Scranton Municipal Building with a Historic Resource Redevelopment Report outlining the necessary requirements to comply with the Secretary of the Interior's Standard. This report will be prepared by a qualified Historic Preservation Consultant. The goal of this project is to use the assessment report to make informed decisions about the preservation of this historic building and implement an effective historic preservation program. This funding would allow the City of Scranton to increase preservation planning at the local level by assisting to recognize, prioritize and capitalize on the benefits of preservation.

Located at 340 N. Washington Avenue, the Scranton Municipal Building was erected in 1888 and has been the seat of municipal government since the 1890's. The structure is a limestone ashlar Victorian Gothic Revival building with sandstone trim designed by architects Edwin Walter and Frederick Brown. The structure is of native stone, so it has a color unique to Scranton and is the only building of its particular style in town. Listed in the National Register of Historic Places in 1981 (Key Number #00530) the Municipal Building is architecturally significant because of its location, style, scale and quality of construction. It is the focal point of a surrounding group of quality, early 20th century structures and is a major landmark in the downtown area.

The City of Scranton is dedicated to providing reliable public services to her residents, which includes preserving the historic and cultural resources of this great municipality. The Scranton Municipal Building is a direct and substantial representation of our history; preserving this structure is the tangible conservation of our cultural identity. Scranton's most recently enacted Recovery Plan focuses on economic recovery and downtown revitalization; the preservation of our historic structures is an important part of this mission.

**Timetable:**

If awarded the City will use funding to hire a firm that can issue a complete facility

assessment of the Scranton Municipal Building; this assessment will include visual inspections of structural, architectural, mechanical, plumbing and electrical systems. Included with the facility assessment will be a Historic Resource Redevelopment Report outlining the necessary requirements to comply with the Secretary of the Interior's Standards. This report will be prepared by a qualified Historic Preservation Consultant.

This project will be complete within a twelve month period.

October 2017- will hire firm capable of completing facility assessment

January 1, 2018- complete quarterly report

April 1, 2018- complete quarterly report

July 1, 2018- complete quarterly report

October 1, 2018- complete final report and include completed facility assessment and Historic Resource Redevelopment Report.

**Key Personnel/Consultants:**

The project manager will be City of Scranton Business Administrator Dave Bulzoni. Mr. Bulzoni will be responsible for overseeing the firm that is hired to complete the facility assessment to ensure that a Historic Resource Redevelopment Report prepared by a qualified Historic Preservation Consultant is included. This will allow the City to develop and enact a preservation plan for the Scranton Municipal Building.

**Project Promotion:**

The audience for which the project is intended are the residents of Scranton. The Municipal Building is open to the public Monday-Friday from 8 am – 4:30 pm. This building continues to serve the community by housing all government operations for the City of Scranton.

**VII. PROJECT BUDGET**

Categories of Expenditures	PHMC Funds	Match Funds	Subtotals	Totals
<b>A. Salaries/Wages/Related Expenses</b>				
	\$0	\$0	\$0	
	\$0	\$0	\$0	
	\$0	\$0	\$0	\$0
<b>B. Consultant's Fees</b>				
Facility Assessment	\$25000	\$17000	\$42000	
Heritage Consulting Group	\$0	\$15000	\$15000	
	\$0	\$0	\$0	\$57000
<b>C. Conservation and Preservation</b>				
	\$0	\$0	\$0	
	\$0	\$0	\$0	
	\$0	\$0	\$0	\$0
<b>D. Equipment, Supplies and Fabrication</b>				
	\$0	\$0	\$0	
	\$0	\$0	\$0	
	\$0	\$0	\$0	\$0
<b>E. Public and Other Educational Programs</b>				
	\$0	\$0	\$0	
	\$0	\$0	\$0	
	\$0	\$0	\$0	\$0

F. Marketing and Promotion				
	\$0	\$0	\$0	
	\$0	\$0	\$0	
	\$0	\$0	\$0	\$0
G. Publication Expenses				
	\$0	\$0	\$0	
	\$0	\$0	\$0	
	\$0	\$0	\$0	\$0
H. Other				
	\$0	\$0	\$0	
	\$0	\$0	\$0	
	\$0	\$0	\$0	
	\$0	\$0	\$0	\$0
<b>Totals:</b>	<b>\$25000</b>	<b>\$32000</b>		<b>\$57000</b>

VIII. MATCHING SHARE

Donation Type	Source	Amount
Cash	General Budget Cash Match	\$ 32000
Donated Labor		\$ 0
Volunteer Services		\$ 0
Donated Materials		\$ 0
Donated Space		\$ 0
Other		\$ 0

B. Total Amount of Match \$ 32000

IX. CHECKLIST

- Printed Application Summary
- Résumés and/or Job Descriptions
- Two or Three Letters of Support
  - False National Register Eligibility Letter, if applicable
- IRS Tax-Exempt Documentation 501(c)3, if applicable
  - False Sample of Promotional Material, if applicable
  - False Collaborative Agreement Form, if applicable





February 23, 2017

Mr. David Bulzoni  
City of Scranton  
Office of Business Administration  
340 North Washington Ave  
Scranton, PA 18503

RE: City Hall Assessment

Dear Mr. Bulzoni,

Thank you for the opportunity for Highland Associates to provide you this proposal for Architectural and Engineering Services for the above mentioned project.

Scope of Services

It is to our understanding the City of Scranton is looking for a complete facility assessment of City Hall located at 340 North Washington Ave. Scranton. Assessment will include visual inspections of structural, architectural, mechanical, plumbing and electrical systems, interviews with City personnel and review of available reports / maintenance records.

Included with the facility assessment will be a Historic Resource Redevelopment Report outlining the necessary requirements to comply with the Secretary of the Interior's Standards. This report will be prepared by a qualified Historic Preservation Consultant. We have included a fee from *Heritage Consulting Group, Philadelphia* to perform these services.

*Summary of services ....*

- Survey interior and exterior building conditions including roof,
- Provide a report which will include photo documentation, narratives by trade, prioritization list of issues, historic report of findings, code analysis, order of magnitude budget and project timeline with allowances for necessary approvals,
- Provide 2 data gathering meetings and 2 review meetings to provide updates and discuss findings with City,
- 10 copies of final report will be submitted to the City upon completion.

## HIGHLAND ASSOCIATES

Mr. David Bulzoni  
City of Scranton  
Page 2

### Compensation

Highland's base fee for this work shall be a fixed fee of \$34,500 inclusive of reimbursable expenses. Services shall be invoiced monthly.

Additional fees include:

- Heritage Consulting Group estimate is \$12,000 to \$15,000 and billed at an hourly rate.
- Roofing Consultant – estimated at \$2,000
- Estimating Consultant – estimated at \$5,500

### Exceptions to Fee

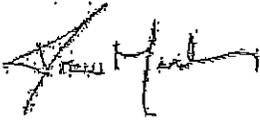
- It is assumed there are partial existing drawings (Floor Plans only) of the building. If drawings are not available, Highland Associates can complete on an hourly basis.
- Assessment does not include identification, survey, testing, design, or abatement of any asbestos, lead paint, pcb's, mold or other suspected hazardous materials that might be present. Any suspect materials will be noted for later analysis.
- Assessment is based on visual inspections only and does not include demolition or testing (either destructive or non-destructive; example: Piping hidden in walls, damaged concrete under floor finish, etc.) to uncover concealed conditions. Underground / under slab testing is not anticipated and has not been included in our fee.
- Site / civil engineering is not included in assessment nor in our fee.
- Cost estimating is order of magnitude. Detailed quantity take-offs and detailed unit cost estimates have not been included in our fee.
- Programming, design, preliminary engineering, repairs and construction document preparation follow the assessment but have not been included at this time in our fee.

HIGHLAND  
ASSOCIATES

Mr. David Bulzoni  
City of Scranton  
Page 3

Please let me know if you have any questions concerning the above outline of services and fee.

Sincerely,

A handwritten signature in black ink, appearing to read "Drew Marcinkevich". The signature is stylized with a large initial "D" and a long horizontal stroke.

Drew Marcinkevich  
Project Manager

cc: Principals, Marketing



MARTY FLYNN, MEMBER  
113TH LEGISLATIVE DISTRICT

JAY'S COMMONS  
409 NORTH MAIN AVENUE  
SCRANTON, PENNSYLVANIA 18504  
(570) 342-4348  
FAX: (570) 342-4353

28A EAST WING  
P.O. BOX 202113  
HARRISBURG, PENNSYLVANIA 17120-2113  
(717) 787-8981  
FAX: (717) 705-1958  
TOLL FREE: 1-877-841-1450



House of Representatives  
Commonwealth of Pennsylvania  
Harrisburg

COMMITTEES:

COMMERCE  
CONSUMER AFFAIRS  
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INSURANCE

CAUCUSES:

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BIPARTISAN REFORM  
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ITALIAN-AMERICAN  
MASONIC  
NATURAL GAS  
OIL & GAS  
PROPERTY TAX REFORM  
SECOND AMENDMENT  
SPORTSMEN'S  
VETERANS  
NORTHEAST DELEGATION

Karen Arnold  
Pennsylvania Historical and Museum Commission  
State Museum Building  
300 North Street  
Harrisburg, PA 17120

Dear Ms. Arnold,

Please accept this letter as my wholehearted endorsement and recommendation of support for the City of Scranton Grant application to assist in an assessment of our historic City Hall.

This beautiful landmark building has stood for over 125 years and is rightfully listed in the National Register of Historic Places.

The building -- partially due to the financial hardships endured by this city government -- is in great need of repair and restoration.

The City has been under financial 'Distressed' status since 1992 and while many improvements have been made to restore pride and stability to the city, assistance is still integral to its success.

This grant will provide for funding that will be used to provide a thorough facility assessment of City hall as well as a Historic Resource Redevelopment report outlining the necessary requirements to comply with the Secretary of the Interior's Standards, prepared by a qualified Historic Preservation Consultant.

With your assistance, this structure can receive the attention that it deserves.

I respectfully urge you to consider funding the request of this grant application for the benefit of the general population of this city and of this region celebrating the wonderful history and architecture from a period when this city was an industrial giant in the production of coal, iron and steel helping to fuel the industrialization of this great country.

Thank you for your consideration...

A handwritten signature in black ink, appearing to read "Marty Flynn".

Representative Marty Flynn  
113th Legislative District



Living Yesterday  
for Tomorrow



**LHS** LACKAWANNA  
HISTORICAL  
SOCIETY

The Callin House 232 Monroe Avenue Scranton, PA 18510. Phone (570) 344-3841

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2017

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Thomas Rinaldi, Esq.  
Liz Shepard

FRITUS  
and Bovard

Mary Ann Moran Savakinus  
Executive Director

February 28, 2017

Karen Arnold  
Pennsylvania Historical and Museum Commission  
State Museum Building  
300 North Street  
Harrisburg, PA 17120

Dear Ms. Arnold:

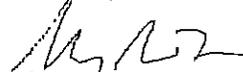
The Lackawanna Historical Society is excited to know that the city of Scranton is planning a facility assessment and a Historic Resource Redevelopment Report of City Hall, officially known as the Scranton Municipal Building. The building is one of the city's architectural treasures and is often included on walking tours offered by the Society.

We commend the city for taking the initiative to restore this local landmark and for working to maintain the building's historic integrity. By supporting this endeavor, the Society hopes that the project will encourage local residents to appreciate the many historic buildings that grace our city's downtown and inspire others to support preservation efforts throughout the city.

Therefore we strongly recommend that the PHMC approve the city's Keystone Historic Preservation Grant application for funding.

Thank you for all you do to support local history and its preservation.

Sincerely,

  
Mary Ann Moran Savakinus  
Executive Director



22ND DISTRICT

**JOHN P. BLAKE**

SENATE BOX 203022  
THE STATE CAPITOL  
HARRISBURG, PA 17120-3022  
717-787-6481  
FAX: 717-783-5198

OPPENHEIM BUILDING  
409 LACKAWANNA AVE., SUITE 210  
SCRANTON, PA 18503  
570-207-2881  
FAX: 570-207-2887

senatorblake@pasenate.com  
www.senatorblake.com



**COMMITTEES**

FINANCE, DEMOCRATIC CHAIR  
APPROPRIATIONS, DEMOCRATIC  
VICE-CHAIR  
COMMUNITY, ECONOMIC AND  
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LOCAL GOVERNMENT  
URBAN AFFAIRS AND HOUSING  
POLICY

CAPITOL PRESERVATION COMMITTEE  
LOCAL GOVERNMENT COMMISSION

**Senate of Pennsylvania**

March 1, 2017

Karen Arnold  
Pennsylvania Historical and Museum Commission  
State Museum Building  
300 North St.  
Harrisburg, PA 17120

Dear Ms. Arnold,

Please accept this correspondence as my formal support for the City of Scranton and their application for funding through the Keystone Historic Preservation Project Grant program.

The City of Scranton is applying for \$25,000 to complete an assessment of City Hall including a Historic Resource Redevelopment Report. Located in the heart of downtown Scranton, City Hall was erected in 1888 and has served as the seat of our municipal government since. Our beautiful City Hall building has been listed in the National Register of Historic Places since 1981 and the building is architecturally significant because of its location, style, scale and quality of the original construction. Our municipal building, however, is in dire need of repairs and due to the fiscal distress of the City of Scranton, which has been under Act 47 designation for over two decades, it has not received the attention it deserves.

The City plans to utilize the Keystone Historic Preservation Project grant funding to hire a firm that can provide a complete facility assessment of City Hall, including a Historic Resource Redevelopment report outlining the necessary requirements to comply with the Secretary of the Interior's Standards. It is in the best interest of the city and our residents to ensure that we repair and restore City Hall to preserve its historical integrity and ensure it remains a key landmark for our city for future generations. I do not hesitate to support this project.

Thank you in advance for your consideration of this important funding request. If you have any further questions regarding the City of Scranton and their application, please do not hesitate to contact my office. With kind, personal regards, I am

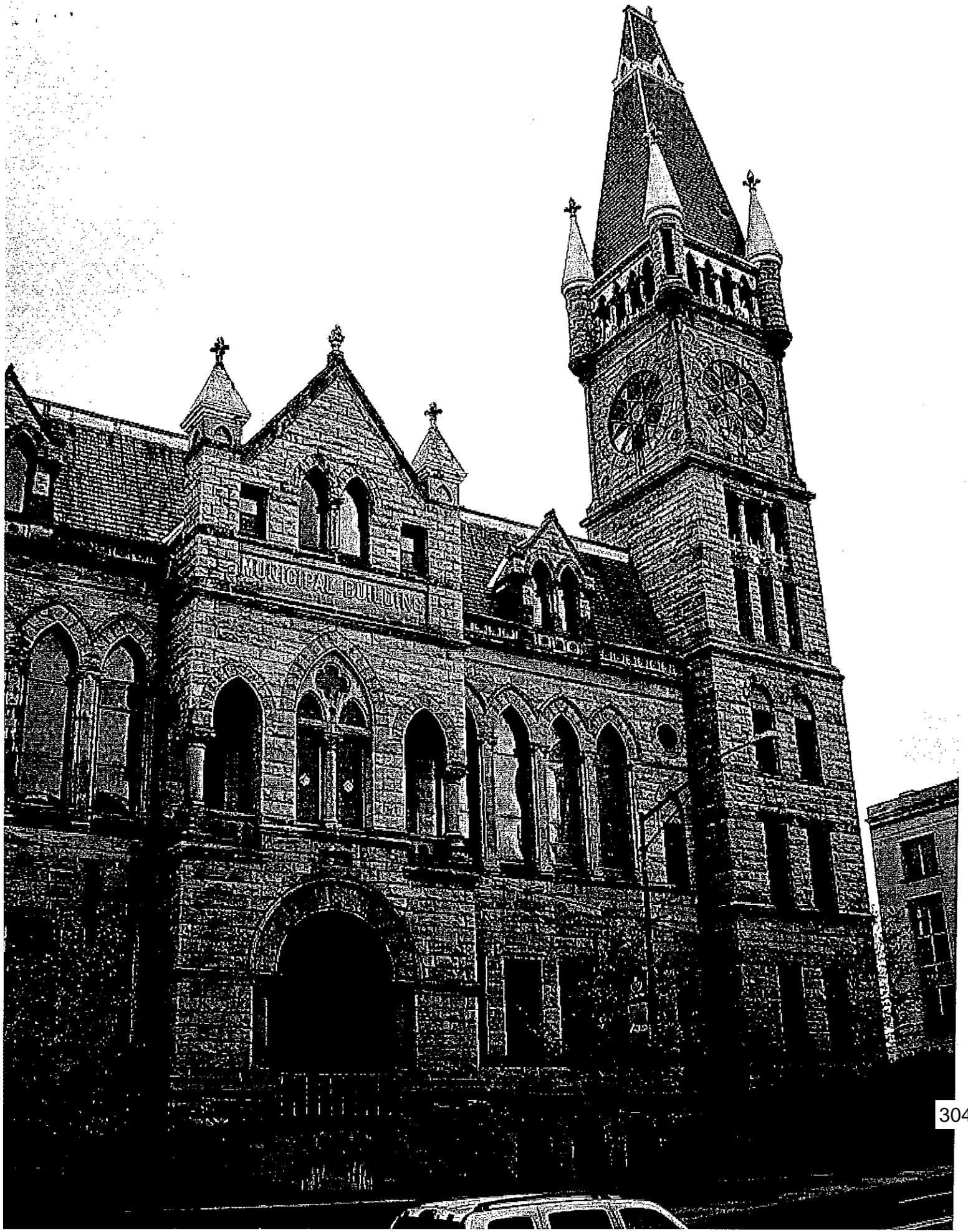
Very truly yours,

A handwritten signature in black ink that reads "John P. Blake".

John P. Blake  
Senate of Pennsylvania  
22<sup>nd</sup> District

cc: Maggie Perry, Grant Manager, City of Scranton









DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

March 9, 2017

To the Honorable Council  
Of the City of Scranton  
Municipal Building  
Scranton, PA 18503

RECEIVED

MAR - 9 2017

OFFICE OF CITY  
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A GRANT APPLICATION AND, IF SUCCESSFUL, TO ENTER INTO A GRANT AGREEMENT AND ACCEPT FUNDING THROUGH THE KEYSTONE HISTORIC PRESERVATION PLANNING GRANT FROM THE PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION IN THE AMOUNT OF \$25,000.00 TO COMPLETE A FACILITY ASSESSMENT ON THE SCRANTON MUNICIPAL BUILDING.

Respectfully,

  
Jessica L. Boyles, Esquire  
City Solicitor

JLB/sl



RESOLUTION NO. \_\_\_\_\_

2017

**AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A GRANT APPLICATION AND, IF SUCCESSFUL, TO ENTER INTO A GRANT AGREEMENT, AND ACCEPT THE FUNDING THROUGH THE DEPARTMENT OF ENVIRONMENTAL PROTECTION LOCAL STORMWATER BMP IMPLEMENTATION PROGRAM AWARDED IN THE AMOUNT OF \$197,325.00 TO ADDRESS THE WATER QUALITY PROBLEMS ASSOCIATED WITH URBAN STORMWATER RUNOFF IN THE LACKAWANNA RIVER.**

**WHEREAS**, the City of Scranton is desirous of obtaining funds through the Department of Environmental Protection Local Stormwater BMP Implementation Program in the amount of \$197,325.00. A copy of the Grant Application is attached hereto as Exhibit "A" and incorporated herein as if set forth at length; and

**WHEREAS**, the purpose of this program is to address the water quality problems associated with urban stormwater runoff in the Lackawanna River. This issue has been identified as contributing to the river's water quality problems, in the City of Scranton & Scranton Sewer Authority Stormwater Management (MS4 & CSO) System Review: A Phase One Assessment and Recommendation Report for Efficient Management and Sustainable Infrastructure (2013) and the Lackawanna River Watershed TMDL Lackawanna, Luzerne, Susquehanna and Wayne Counties. (PA DEP, 2005); and

**WHEREAS**, the grant funding received will be used to remove 18,000 square feet of impervious pavement in the 100-200 blocks of North Main Avenue to be replaced with pervious pavement. The result of this project will be sediment reduction in Nitrogen, by 4.74 pounds per year, and Phosphorus, by 0.85 pounds per year, in the stormwater runoff. The sediment reduction will be the result of maintenance activities conducted by the City of Scranton and the sediment reduction estimates were determined by the City Planner using an online estimator.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON** that the Mayor and other appropriate City Officials are hereby authorized to apply for and execute a Grant Application, and if successful a Grant Agreement and accept the funding through the Department of Environmental Protection Local Stormwater BMP Implementation Program awarded in the amount of \$197,325.00 to address the water quality problems associated with urban stormwater runoff in the Lackawann River.

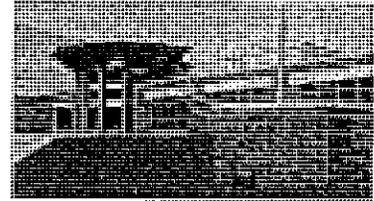
**SECTION 1.** If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Resolution and the effective administration thereof

**SECTION 2.** This Resolution shall become effective immediately upon approval.

**SECTION 3.** This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of the Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

**Police Department  
Maggie Perry  
Grant Manager**

Scranton Police Headquarters  
100 South Washington Avenue  
Scranton, Pennsylvania 18503  
Tel: (570) 558-8335  
Fax: (570) 207-0412  
mamclane@scrantonpa.gov

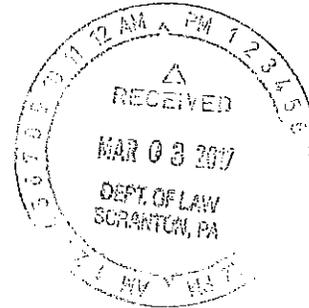


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SCRANTON

March 3, 2017

Atty. Jessica Boyles  
City of Scranton  
340 North Washington Avenue  
Scranton, Pa 18503



Atty. Boyles,

The City of Scranton is applying for \$197,325 in funding through the Department of Environmental Protection Local Stormwater BMP Implementation Program. I respectfully request that you send legislation to City Council to apply for and execute this grant application.

The purpose of this program is to address the water quality problems associated with urban stormwater runoff in the Lackawanna River. This issue has been identified as contributing to the rivers' water quality problems in The City of Scranton & Scranton Sewer Authority Stormwater Management (MS4 & CSO) System Review: A Phase One Assessment and Recommendation Report for Efficient Management and Sustainable Infrastructure (2013) and the Lackawanna River Watershed TMDL Lackawanna, Luzerne, Susquehanna and Wayne Counties (PA DEP, 2005).

The funding will be used to remove 18,000 square feet of impervious pavement in the 100-200 blocks of North Main Avenue, to be replaced with pervious pavement. The result of this project will be sediment reductions in Nitrogen, 4.74 pounds per year, and Phosphorus, 0.85 pounds per year, in the stormwater runoff.

Attached are the supporting grant documents.

If you have any questions or concerns please feel free to contact me at 570-558-8335.

Thank you,

*Maggie Perry*





**LOCAL STORMWATER BMP IMPLEMENTATION PROGRAM  
 APPLICATION CHECKLIST**

Applicant Name City of Scranton

Check the following list to make sure you have included all the required information. Place a checkmark in the box provided for all items completed and/or provided. Failure to provide all of the requested information will delay processing.

ENCLOSE THIS CHECKLIST WITH YOUR COMPLETED APPLICATION.

	KEY REQUIREMENTS	Check <input checked="" type="checkbox"/> If Included/Yes	Check <input checked="" type="checkbox"/> If Not Applicable
1.	Two signed copies of the completed application provided.	<input checked="" type="checkbox"/>	
2.	Is the application complete and includes attachments?	<input checked="" type="checkbox"/>	
3.	Is the applicant a "local entity?"	<input checked="" type="checkbox"/>	
4.	Is/are the BMP(s) located within the Chesapeake Bay basin?	<input checked="" type="checkbox"/>	
5.	Does the location of the BMP(s) drain to an MS4?	<input checked="" type="checkbox"/>	
6.	Topographic map provided with project area identified.	<input checked="" type="checkbox"/>	
7.	Is a preliminary design attached?	<input type="checkbox"/>	
8.	If the applicant and permittee are not the same, attach a letter from the permittee indicating its support for the project.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9.	Is the derivation of pollution reductions provided?	<input checked="" type="checkbox"/>	
10.	If matching funds will be used, attach a letter of commitment from the applicant or other project sponsor.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11.	Does the applicant request \$200,000 or less?	<input checked="" type="checkbox"/>	
12.	Does the project cost appear reasonable for the type of project?	<input checked="" type="checkbox"/>	
13.	If BMPs are located on private property, is consent provided by the property owner?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
14.	Are the project milestones and dates reasonable?	<input checked="" type="checkbox"/>	

Provide any necessary explanations: Preliminary design can be made available upon request

Completed by: Maggie Pleny (Applicant Signature) Date: 3/2/17

**FOR DEP USE ONLY**

Evaluation of the above: \_\_\_\_\_

DEP Reviewer: \_\_\_\_\_ (Reviewer Signature) Date: \_\_\_\_\_





**LOCAL STORMWATER BMP IMPLEMENTATION  
 PROGRAM PROJECT APPLICATION**

APPLICANT / PERMITTEE INFORMATION						
1. Applicant Name:	City of Scranton			2. Applicant DUNS No.:	060497856	
3. Applicant Address:	340 N. Washington Avenue Scranton, Pa 18503			4. Entity Type:	City	
5. Applicant Contact:	Maggie Perry			6. Applicant Tax ID No.:	246000704	
7. Applicant Email:	mamclane@scrantonpa.gov			8. Applicant Phone:	570-558-8335	
9. Permittee Name:	Scranton City			10. NPDES Permit No.:	PAI132203	
11. Permittee Contact:	Dave Bulzoni					
12. Permittee Email:	dbulzoni@scrantonpa.gov			13. Permittee Phone:	570-348-4118	
GENERAL PROJECT INFORMATION						
1. Project Name:	Municipal Parking Lot Permeable Pavement Project					
2. Project Description:	see attached.					
3. Project Coordinates: (Attach Map)	Latitude			Longitude		
	Degrees	Minutes	Seconds	Degrees	Minutes	Seconds
	75	40	73	41	24	80
4. County:	Lackawanna		5. UA?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		
6. Receiving Waters:	Lackawanna Riverand, Chesapeake Bay					
PROJECT DETAILS						
1. Is/Are the proposed BMP(s) identified in a Chesapeake Bay Pollutant Reduction Plan (CBPRP) that has been submitted to DEP? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Date of Submission:						
2. If Yes to question 1, has the CBPRP been approved by DEP? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> DEP Approval Date:						
3. Is/Are the proposed BMP(s) recognized by the BMP Effectiveness Values Table or EPA's Chesapeake Bay Program? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Comments: Permeable Pavement w/o vegetation w/ underdrain						
4. Describe the specific water quality problem(s) that the BMP is intended to address. The proposed project is intended to remove 18,000sf of impervious pavement and replace it with pervious pavement resulting in Nitrogen and Phosphorus reduction in the Lackawanna River which is part of the Chesapeake Bay watershed.						
5. Estimate the total pounds (lbs) per year of nutrient and sediment load reduction that will be achieved upon implementation of the project. Provide or attach an explanation of how those estimates were determined. <input checked="" type="checkbox"/> Nitrogen Load Reduction lbs/year: 4.74 <input checked="" type="checkbox"/> Phosphorus Load Reduction lbs/year: 0.85 <input checked="" type="checkbox"/> Sediment Load Reduction lbs/year: Estimates were determined as follows (attach additional sheets as necessary): see attached						

PROJECT MILESTONES			
Milestone Description	Projected Start Date	Projected Completion Date	Comments
Complete design	9/1/17	10/1/17	
Submit design to DEP for review	10/15/17	11/15/17	
Solicit Bids for work	1/5/18	2/5/18	will follow standard municipal procurement practices
Select contractor	3/1/18	3/15/18	will follow standard municipal procurement practices
BMP Construction	4/1/18	10/1/18	
Request DEP final inspection	11/1/18	12/1/18	
Submit Final Payment Package	1/15/19	2/1/19	will send in before 1/1/19 if possible

**OTHER INFORMATION**

1. If the applicant is not the permittee where the BMP will be located, attach a letter from the permittee indicating support for the project.
2. Describe the applicant's experience in managing state or federal grant or loan projects.  
 The City of Scranton has managed millions of dollars in state and federal grants and loans; some funding sources include the U.S. Department of Justice, the Pennsylvania Department of Transportation and the Pennsylvania Department of Community and Economic Development.  
 The City establishes special cities accounts for easy tracking and auditing purposes of grant funding.
3. Identify project partners and their proposed involvement with the project. Partners can be any individual or group that has a non-financial commitment and that is not doing work under performance of a contract.  
 Not Applicable
4. The project is proposed to take place on:  Public Property  Private Property  
 If private property, attach written consent from the property owner(s).
5. Is the applicant an approved distressed municipality under Act 47, Financially Distressed Municipalities Act of 1987? Such a municipality must be listed on the Department of Community and Economic Development website to be eligible.  
 Yes  No
6. Specify operation and maintenance (O&M) activities for each BMP upon completion of the project, and the frequency such O&M activities should occur to assure continued pollutant reductions throughout the life of the BMP.  
 see attached
7. Identify the responsible party for ongoing O&M following completion of the project and the mechanism to assure O&M activities will occur.  
 City of Scranton
8. Identify any environmental permits that are required to allow the construction to proceed and the agency(ies) responsible for approval of those permits. Include permit application submissions in the Project Milestones section of this application.  
 Not applicable

PROJECT BUDGET			
Category	Description	Funds Requested (\$)	Matching Funds (\$)
Administration	10% Contingency	15,575	
Architectural/Engineering Fees	Engineering Design/Inspection	26000	
Permits			
Construction			
Excavation/Aggregate	1,620 CY Excavation; 1300 CY Aggregate	107,100	
Drain Pipe, Inlet	6" Diameter Drain Pipe (480 LF); 12" Diameter Drain Pipe (110 LF); Type M Inlet	13550	
Permeable Pavement	3" depth; 1950 SY	35,100	
	<b>TOTALS:</b>	197,325	

**CERTIFICATION**

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gathered and evaluated the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations. See 18 Pa. C.S. § 4904 (relating to unsworn falsification).

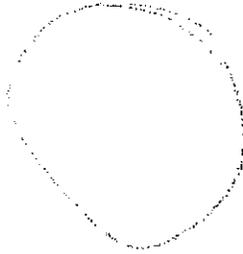
Maggie Perry	
Name (Type or Print Legibly)	Official Title
	March 2, 2017
Responsible Official Signature	Date

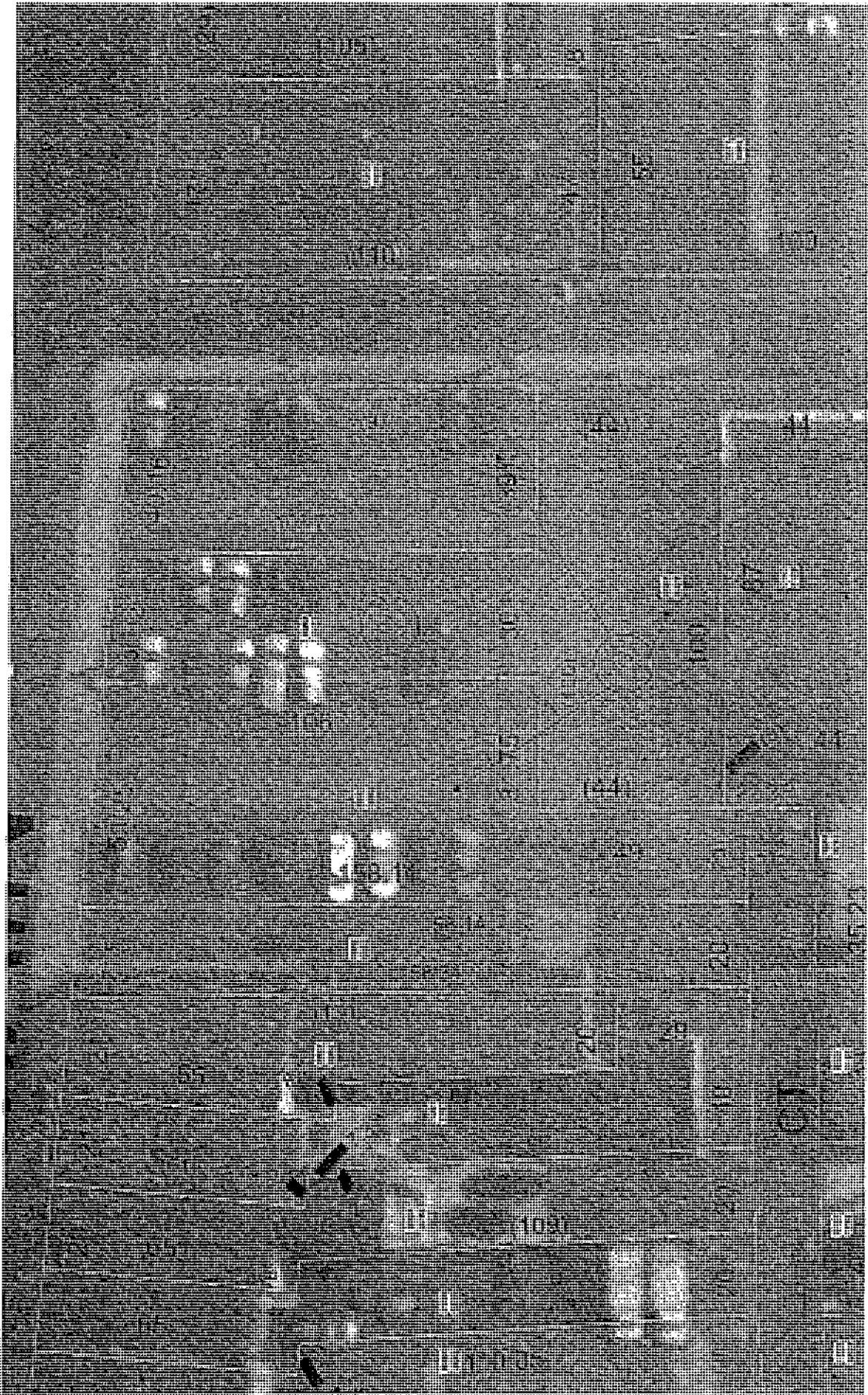
1

# Google Maps Municipal Parking Lot Permeable Pavement Project



Imagery ©2017 Google, Map data ©2017 Google 100 ft. ....t





State of  
County of

} ss.

On this, the  
appeared

day of

A. D. 1979, before me  
the undersigned officer, personally

known to me, (or satisfactorily  
proven) to be the person whose name subscribed to the within instrument, and  
acknowledged that he executed the same for the purposes therein contained.

In Witness Whereof, I hereunto set my hand and official seal.

Title of Officer

I Heresby Certify, that the precise residence of the Granted MUNICIPAL  
BUILDING, SCRANTON, PA 18503

Albert B. Mackay

Attorney for Grantor

Commonwealth of Pennsylvania  
4214 957  
299

Warranty Deed

Act 1909

From

BERTHA MILLIN, (WIDOW)

To

CITY OF SCRANTON

FILED FOR RECORD  
FEB 15 12 06 PM '79  
FEE 9.00 STAMPS  
STATE TAX

CITY OF SCRANTON  
CITY HALL  
SCRANTON, PA

Form No. 250 (Legal Book Entries, Lancaster, Pa.)

Commonwealth of Pennsylvania  
County of Lacka. } ss.

Recorded on this 15th day of Feb., A. D. 1979, in the  
Recorder's Office of the said County in Deed Book Volume 968 Page 423-427  
Incl.

Given under my hand and the seal of the said Office, the date above written.

*[Signature]*  
Recorder

BOOK 968 PAGE 423

# This Deed,

Made the 9<sup>th</sup> day of FEBRUARY in the year of our Lord one thousand nine hundred and seventy-nine, (1979),

Between BERTHA MULLEN, (Widow), of the City of Scranton, County of Lackawanna, and State of Pennsylvania, Party of the First Part,  
GRANTOR,

A N D

CITY OF SCRANTON, a Municipality organized and existing under the Laws of the Commonwealth of Pennsylvania, Party of the Second Part, GRANTEE,

Witnesseth, that in consideration of the Sum of ELEVEN THOUSAND FIVE-HUNDRED (\$11,500.00) Dollars, in hand paid, the receipt whereof is hereby acknowledged; the Grantor does hereby grant and convey to the said Grantee, Its Successors and Assigns,

All that certain lot, piece or parcel of land situate, lying, and being in the 14th Ward of the City of Scranton, County of Lackawanna, and State of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a corner on the Southeasterly side of North Main Avenue, distant forty and sixteen one-hundredths (40.16) feet Southwest from the Southerly corner of North Main Avenue and Price Street; THENCE in a Southeasterly direction along the line of lands of the Estate of Thomas Cosgrove, one hundred three and seventy-two one-hundredths (103.72) feet to a corner on the Northwesterly side of a private alley, said corner being distant forty (40) feet Southwest from the Southwesterly side of Price Street; THENCE in a Southwesterly direction along the Northwesterly side of said private alley, used in common by Lots Numbers 1, 2, 3, 4, 5, and 6 on the Plot of Lots laid out and platted by Conrad Schroeder, thirty (30) feet to a corner, the center of said Lot Number 4 on said Plot; THENCE in a Northwesterly direction, parallel with the line first above mentioned, and at right angles with the line last above mentioned, along the center line of Lot Number 4 of said Plot and along the line of lands of Dr. M. S. Bresch, one hundred six (106) feet to a corner on the Southeasterly side of North Main Avenue; and THENCE in a Northeasterly direction along the Southeasterly side of said North Main Avenue, thirty and twelve one-hundredths (30.12) feet to a corner, the place of beginning. BEING Lot Number 3 and the North-easterly half of Lot Number 4 of Plot of Lots laid out by the said Conrad Schroeder.

EXCEPTING AND RESERVING, HOWEVER, to the legal and lawful owners thereof, all coal and other minerals beneath the surface of said lot, the same as they are excepted and reserved in former deeds constituting the chain of title.

BEING ALSO the same premises conveyed by Stanley Flory and Ruth Flory, his wife, to Samuel N. Mullin and Bertha Mullin, His Wife, by deed dated September 2, 1926, and recorded in the Office of the Recorder of Deeds in and for the County of Lackawanna in Deed Book Number 360, Page 456. Samuel N. Mullin, having since died, title vested in fee in the said Bertha Mullin, his widow, as surviving tenant by the entirety.

BOOK 968 PAGE 424

BOOK 968 PAGE 425

**THIS DOCUMENT MAY NOT BE LOANED, COPIED, TRANSFERRED, INCLUDED OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT.**



REALTY TRANSFER TAX  
 AFFIDAVIT OF VALUE

FOR RECORDER'S USE ONLY  
 BOOK NUMBER 968  
 PAGE NUMBER 101  
 DATE RECORDED 2/15/77

COMPLETE APPLICABLE SECTIONS IN FULL AND FILE IN DUPLICATE WITH RECORDER OF DEEDS WHEN (1) THE FULL CONSIDERATION IS NOT SET FORTH IN THE DEED, (2) THE TRANSFER IS WITHOUT CONSIDERATION OR A GIFT, OR (3) A TAX EXEMPTION IS CLAIMED. (REFER SECT. 8, RTT ACT OF DEC. 27, 1951, P.L. 1742 AS AMENDED)

SECTION I  
 (COMPLETE FOR ALL TRANSACTIONS)

Bertha Mullin 144 N. Main Ave. Scranton, PA  
 GRANTOR (S) ADDRESS ZIP CODE

City of Scranton Municipal Building Scranton, PA  
 GRANTEE (S) ADDRESS ZIP CODE

LOCATION OF LAND, TENEMENTS AND HEREDITAMENTS:

144 N. Main Ave. Scranton, PA Lacka.  
 R.D. STREET & NUMBER OR OTHER DESCRIPTION NAME OF LOCAL GOVERNMENTAL UNIT COUNTY

FULL CONSIDERATION \$ \_\_\_\_\_ HIGHEST ASSESSED VALUE \$ \_\_\_\_\_

FAIR MARKET VALUE \$ \_\_\_\_\_ REALTY TRANSFER TAX PAID \$ \_\_\_\_\_

TAX EXEMPT TRANSACTIONS: IF TRANSFER IS PARTIALLY OR WHOLLY EXEMPT, SHOW AMOUNT EXEMPT, REASON (S) AND CITE PORTION OF LAW. This conveyance is made to the City of Scranton

In lieu of Condemnation.

IF THIS IS A TRANSFER FROM A STRAW, AGENT OR TRUST AGREEMENT, COMPLETE THE REVERSE SIDE.

SECTION II  
 (COMPLETE ONLY IF PROPERTY WAS SUBJECT TO LIEN OR MORTGAGE AT THE TIME OF TRANSFER)

EXISTING MORTGAGE: \$ \_\_\_\_\_ DISPOSITION \_\_\_\_\_

MORTGAGEE ADDRESS  
 EXISTING MORTGAGE: \$ \_\_\_\_\_ DISPOSITION \_\_\_\_\_

MORTGAGEE ADDRESS  
 EXISTING LIEN OR OBLIGATION: \$ \_\_\_\_\_ DISPOSITION \_\_\_\_\_

LIENHOLDER ADDRESS  
 EXISTING LIEN OR OBLIGATION: \$ \_\_\_\_\_ DISPOSITION \_\_\_\_\_

LIENHOLDER ADDRESS

SECTION III  
 (COMPLETE ONLY IF TRANSFER IS RESULT OF JUDICIAL SALE)

OFFICIAL CONDUCTING SALE \_\_\_\_\_ NAME ADDRESS TITLE  
 SUCCESSFUL BIDDER \_\_\_\_\_ NAME ADDRESS TITLE

	JUDGEMENT PLUS PRIOR LIENS	BID PRICE	HIGHEST ASSESSED VALUE
HIGHEST ASSESSED VALUE			
JUDGEMENT PLUS INTEREST	\$		
BID PRICE		\$	
PRIOR RECORDED LIEN	\$	\$	
PRIOR RECORDED MORTGAGE	\$	\$	
PRIOR RECORDED MORTGAGE	\$	\$	
UNPAID REAL ESTATE TAXES	\$	\$	
WATER RENT DUE	\$	\$	
SEWAGE RENT DUE	\$	\$	
ATTORNEY FEES	\$	\$	
OTHER (COSTS, ETC.)	\$	\$	
TOTAL	\$	\$	\$

NOTE: CALCULATIONS MUST BE SHOWN IN ALL COLUMNS.

SWORN AND SUBSCRIBED BEFORE ME THIS 15th  
 DAY OF February 1977  
Michael A. Conis  
 NOTARY PUBLIC

MY COMMISSION EXPIRES July 31 1977 BOOK 968 PAGE 427

ALL OF THE INFORMATION ENTERED ON BOTH SIDES OF THIS AFFIDAVIT IS TRUE, FULL AND COMPLETE TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Bertha Mullin  
 GRANTEE  AGENT FOR GRANTEE  
 GRANTOR  AGENT FOR GRANTOR  
 STRAW  TRUSTEE

State of  
County of

On this, the \_\_\_\_\_ day of \_\_\_\_\_, A.D. 1979, before me  
appeared \_\_\_\_\_ the undersigned officer, personally

known to me, (or satisfactorily  
proven) to be the person whose name subscribed to the within instrument, and  
acknowledged that he executed the same for the purposes therein contained.  
In Witness Whereof, I hereunto set my hand and official seal.

Title of Officer

I Herby Certify, that the precise residence of the Grantee MUNICIPAL  
BUILDING SCRANTON, PA  
Attorney for \_\_\_\_\_

Warranty Deed

6-214-960  
300

Act 1009

From

PEO MARTIN FERRARIO and

ANGELA FERRARIO,  
His Wife,

To

CITY OF SCRANTON

FILED FOR RECORD

FEB 15 12 07 PM '79

FEE \_\_\_\_\_ STAMPS \_\_\_\_\_

STATE TAX \_\_\_\_\_

CITY OF SCRANTON  
Municipal Bldg.  
Scranton, Pa.

Form No. 1580-Legal Blank Preparer, Lancaster, Pa.

Commonwealth of Pennsylvania  
County of Lacka.

Recorded on this 15th day of Feb., A. D. 1979, in the  
Recorder's Office of the said County in Deed Book Volume 968 Pages 428-432  
Given under my hand and the seal of the said Office, the date above written.  
Incl.

Recorder

BOOK 968 P. 428

# This Deed,

Made the 13th day of FEBRUARY in the year of our Lord one thousand nine hundred and seventy-nine, (1979),

Between PEO MARTIN FERRARIO and ANGELA FERRARIO, His Wife, of the Borough of Dunmore, County of Lackawanna, and State of Pennsylvania, Parties of the First Part, GRANTORS,

A N D

CITY OF SCRANTON, a Municipality organized and existing under the Laws of the Commonwealth of Pennsylvania, Party of the Second Part, GRANTEE,

Witnesseth, that in consideration of the Sum of Thirty-Eight Thousand Five-Hundred (\$38,500.00) \_\_\_\_\_ Dollars, in hand paid, the receipt whereof is hereby acknowledged; the Grantors do hereby grant and convey to the said Grantee, Its ~~Heirs~~ <sup>successors</sup> and Assigns.

All that certain lot, piece or parcel of land situate in the 14th Ward, City of Scranton, County of Lackawanna, and State of Pennsylvania, bounded and described as follows:

BEGINNING at a point, said point being the intersection of the Southeasterly right-of-way line of North Main Avenue and the Southwesterly right-of-way line of Price Street; THENCE along the Southwesterly right-of-way line of Price Street, South 46 degrees 29 minutes East One Hundred Forty-Two (142) feet to a point; said point being a Northerly corner of lands, now or formerly of Burton L. Greenwald; THENCE along said Greenwald lands and along lands now or formerly of Vincent Manzo, South 43 degrees 31 minutes West One Hundred (100) feet to a point;

THENCE South 46 degrees 29 minutes East Four and Thirty-Six One Hundredths (4.36) feet to a point on the Northwesterly side of Edwards Court; THENCE along Edwards Court South 49 degrees 57 minutes West twenty (20) feet to a point, said point being a Southerly corner of lands, now or formerly of Joseph F. Gimini; THENCE along said Joseph F. Gimini's lands North 46 degrees 29 minutes West One Hundred Fifty-Eight and Fourteen One Hundredths (158.14) feet to a point on the Southeasterly right-of-way line of North Main Avenue; THENCE North 45 degrees 57 minutes East, Fifty-three and Twenty-five One Hundredths (53.25) feet to a point, said point being a Westerly corner of lands, now or formerly of Samuel E. Mullen;

THENCE along said Samuel E. Mullen's lands the following courses and distances: South 46 degrees 29 Minutes East one hundred five (105) feet; North 43 degrees 31 Minutes East thirty (30) feet; North 46 degrees 29 Minutes West One Hundred Three and Seventy-two One Hundredths (103.72) feet to a point on the Southeasterly right-of-way line of North Main Avenue.

THENCE along said right-of-way line North 45 Degrees 57 Minutes East Forty and Sixteen One Hundredths (40.16) feet to the place of beginning.

This Description is according to a survey prepared by Charles Carey Kanavey, Registered Surveyor.

BOOK 988 PAGE 429

Regardless of the description hereinabove described, it is the intention of the Grantors herein to convey the entire premises that they acquired from the following deeds:

(1.) - Deed from Angelo Ferrario and Angelina Ferrario, His Wife, to Peo Martin Ferrario and Angela Ferrario, His Wife, dated January 24, 1957, and recorded in the Office of the Recorder of Deeds in and for the County of Lackawanna in Deed Book Number 544, Page 360.

(2.) - Deed from Edmund J. Thomas and Ruth T. Thomas, His Wife, to Peo Martin Ferrario and Angela Ferrario, His Wife, dated February 20, 1957 and recorded in the Office of the Recorder of Deeds of Lackawanna County in Deed Book Number 549, Page 42.

(3.) - Deed from West Side Bank to Peo Martin Ferrario and Angela Ferrario, His Wife, dated May 19, 1961 and recorded in the Office of the Recorder of Deeds in and for, the County of Lackawanna in Deed Book Number 582, Page 98.

(4.) - Deed from Saul Robert Bresch and David Landau, surviving executors of the Estate of Maximilian S. Bresch, Deceased, to Peo Martin Ferrario and Angela Ferrario, His Wife, dated May 19, 1961, and recorded in the Office of the Recorder of Deeds in and for, the County of Lackawanna in Deed Book Number 582, Page 99.

as well as the private alley referred to in the above recited deeds, which private alley, inter alia, has been conveyed to the City of Scranton by Deed of the Northeastern Bank of Pennsylvania dated January 15, 1979, and intended to be duly recorded.

BOOK 364 OF 439

THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR NOTIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT.

And the said Grantors Will Warrant Generally

the property hereby conveyed

In Witness Whereof, the Grantors have hereunto set their hands and seals the day and year first above written.

Signed, Sealed and Delivered  
in the presence of

*Norma Yajinski*  
*Norma Yajinski*

*Peo Martin Ferrario*  
*Angela Ferrario*

Commonwealth of Pennsylvania  
County of Lackawanna

On this, the 13<sup>th</sup> day of FEBRUARY A. D. 1979, before me  
a Notary Public, the undersigned Officer, personally  
appeared Peo Martin Ferrario and Angela Ferrario, His Wife,  
known to me (or satisfactorily  
proven) to be the person whose names subscribed to the within instrument, and  
acknowledged that they executed the same for the purposes therein contained.

In Witness Whereof, I hereunto set my hand and official seal.

*Norma J. Yajinski*

*Norma J. Yajinski*  
Title of Officer

My commission expires June 15, 1981.

Commonwealth of Pennsylvania  
County of

On this, the day of A. D. 19, before me  
the undersigned officer, personally  
appeared

known to me, (or satisfactorily  
proven) to be the person whose name subscribed to the within instrument, and  
acknowledged that he executed the same for the purposes therein contained.

In Witness Whereof, I hereunto set my hand and official seal.

BOOK 968 PAGE 431

Title of Officer

44-188 (2-7-74)  
 COMMONWEALTH OF PENNSYLVANIA  
 DEPARTMENT OF REVENUE  
 BUREAU OF FIELD OPERATIONS

REALTY TRANSFER TAX  
 AFFIDAVIT OF VALUE

FOR RECORDER'S USE ONLY  
 BOOK NUMBER \_\_\_\_\_  
 PAGE NUMBER \_\_\_\_\_  
 DATE RECORDED \_\_\_\_\_

COMPLETE APPLICABLE SECTIONS IN FULL AND FILE IN DUPLICATE WITH RECORDER OF DEEDS WHEN (1) THE FULL CONSIDERATION IS NOT SET FORTH IN THE DEED, (2) THE TRANSFER IS WITHOUT CONSIDERATION OR A GIFT, OR (3) A TAX EXEMPTION IS CLAIMED, (REFER SECT. 2, RTT ACT OF DEC. 27, 1951, P.L. 1742 AS AMENDED)

SECTION I  
 (COMPLETE FOR ALL TRANSACTIONS)

Pro Martin Ferrario N. Main Ave. & Price St. Scranton, PA  
 GRANTEE (S) ADDRESS ZIP CODE

City of Scranton Municipal Building Scranton, PA  
 GRANTEE (S) ADDRESS ZIP CODE

LOCATION OF LAND, TENEMENTS AND HEREDITAMENTS:

N. Main Ave. & Price St. Scranton, PA Tacka  
 P.L. STREET & NUMBER OR OTHER DESCRIPTION NAME OF LOCAL GOVERNMENTAL UNIT COUNTY

FULL CONSIDERATION \$ \_\_\_\_\_ HIGHEST ASSESSED VALUE \$ \_\_\_\_\_  
 FAIR MARKET VALUE \$ \_\_\_\_\_ REALTY TRANSFER TAX PAID \$ \_\_\_\_\_

TAX EXEMPT TRANSACTIONS: IF TRANSFER IS PARTIALLY OR WHOLLY EXEMPT, SHOW AMOUNT EXEMPT, REASON (S) AND CITE PORTION OF LAW. This conveyance is made to the City of Scranton in lieu of Condemnation.

IF THIS IS A TRANSFER FROM A STRAW, AGENT OR TRUST AGREEMENT, COMPLETE THE REVERSE SIDE.

SECTION II  
 (COMPLETE ONLY IF PROPERTY WAS SUBJECT TO LIEN OR MORTGAGE AT THE TIME OF TRANSFER)

EXISTING MORTGAGE: \$ \_\_\_\_\_ DISPOSITION \_\_\_\_\_

MORTGAGEE ADDRESS  
 EXISTING MORTGAGE: \$ \_\_\_\_\_ DISPOSITION \_\_\_\_\_

MORTGAGEE ADDRESS  
 EXISTING LIEN OR OBLIGATION: \$ \_\_\_\_\_ DISPOSITION \_\_\_\_\_

LIENHOLDER ADDRESS  
 EXISTING LIEN OR OBLIGATION: \$ \_\_\_\_\_ DISPOSITION \_\_\_\_\_

LIENHOLDER ADDRESS

SECTION III  
 (COMPLETE ONLY IF TRANSFER IS RESULT OF JUDICIAL SALE)

OFFICIAL CONDUCTING SALE  
 SUCCESSFUL BIDDER NAME ADDRESS TITLE

	JUDGMENT PLUS PRICE LIENS	BID PRICE	HIGHEST ASSESSED VALUE
HIGHEST ASSESSED VALUE	\$	\$	\$
JUDGMENT PLUS INTEREST	\$	\$	\$
BID PRICE	\$	\$	\$
FLUOR RECORDED LIEN	\$	\$	\$
FLUOR RECORDED MORTGAGE	\$	\$	\$
FLUOR RECORDED MORTGAGE	\$	\$	\$
UNPAID REAL ESTATE TAXES	\$	\$	\$
WATER RENT DUE	\$	\$	\$
SEWAGE RENT DUE	\$	\$	\$
STAMP DUTY FEES	\$	\$	\$
OTHER COSTS, ETC.	\$	\$	\$
TOTAL	\$	\$	\$

NOTE: CALCULATIONS MUST BE SHOWN IN ALL COLUMNS.

SHOWN AND SUBSCRIBED BEFORE ME THIS 15th  
 DAY OF February 1979  
William A. Jones  
 NOTARY PUBLIC LOUISIANA 432

MY COMMISSION EXPIRES July 31 1979

ALL OF THE INFORMATION ENTERED ON BOTH SIDES OF THIS AFFIDAVIT IS TRUE, FULL AND COMPLETE TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

William A. Jones  
 GRANTEE  AGENT FOR GRANTEE  
 GRANTOR  AGENT FOR GRANTOR  
 STRAW  TRUSTEE



Local Stormwater BMP Implementation Program  
City of Scranton

Project Description

The City of Scranton has experienced economic prosperity and hardships of a “boom and bust” economy. With mining, textiles and a variety of other industries taking hold in the early part of the 20<sup>th</sup> century, Scranton grew rapidly in turn creating impervious surface and the need to continuously control runoff from rain and storm events to help protect local water quality and meet federal and state regulations.<sup>1</sup> The majority of the existing stormwater infrastructure within the City of Scranton was constructed before 1950 and both sewage waste and stormwater runoff are combined into one Combined Sewer System; an estimated 63% of Scranton’s sewers are combined with 37% considered Municipal Separate Storm Sewer System (MS4).<sup>2</sup> The MS4 system takes water runoff and directs it into surrounding rivers and streams which can create pollution problems for the river. When runoff crosses over parking lots and impervious pavement it picks up contaminants and the polluted stormwater is sent directly into the water body, in this case the Lackawanna River.<sup>3</sup>

By the 1960s much of Scranton’s industry had left the area and the City went into a recession. In 1992 Scranton was declared a “financially distressed” city under Pennsylvania Act 47; over 25 years later Scranton remains distressed, leaving limited resources available to

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<sup>1</sup> University of Maryland- Environmental Finance Center, 22. The City of Scranton & Scranton Sewer Authority Stormwater Management (MS4 & CSO) System Review: A Phase One Assessment and Recommendation Report for Efficient Management & Sustainable Infrastructure, 2013.  
[https://efc.umd.edu/assets/lancaster\\_sw/stormwater/scranton\\_nfwf\\_report\\_october\\_31\\_2013\\_final\\_appendices.pdf](https://efc.umd.edu/assets/lancaster_sw/stormwater/scranton_nfwf_report_october_31_2013_final_appendices.pdf)

<sup>2</sup> Ibid, 15

<sup>3</sup> Ibid, 15

manage the City's stormwater system. As the City grew over the years the stormwater system was expanded but not upgraded; currently the general fund allocations for stormwater programming are not adequate for the City to properly manage storm water in long terms. In addition the Lackawanna River is the largest point source of pollution in Chesapeake Bay; mostly due to the Old Forge borehole which discharges between 40 million and 100 million gallons of acid mine drainage per day<sup>4</sup>, the urban stormwater runoff is also a contributing factor to water quality problems.

Having an aging and neglected stormwater infrastructure and facing more stringent regulations, Scranton is left with the realization that collaboration and the utilization of additional funding sources is necessary in order to address water quality problems related to stormwater management. The City of Scranton, an approved distressed municipality with extensive experience in managing state and federal grants and loan projects, is an ideal candidate for funding through the DEP Local Stormwater BMP Implementation Program.

Scranton is requesting \$197,325 in funding to address the water quality problems associated with urban stormwater runoff in the Lackawanna River. This issue has been identified as contributing to the rivers' water quality problems in The City of Scranton & Scranton Sewer Authority Stormwater Management (MS4 & CSO) System Review: A Phase One Assessment and Recommendation Report for Efficient Management and Sustainable Infrastructure (2013) and the Lackawanna River Watershed TMDL Lackawanna, Luzerne, Susquehanna and Wayne Counties (PA DEP, 2005).

The funding will be used to remove 18,000 square feet of impervious pavement in the 100-200 blocks of North Main Avenue, to be replaced with pervious pavement. The result of this project will be sediment reductions in Nitrogen, 4.74 pounds per year, and Phosphorus, 0.85

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<sup>4</sup> <http://thetimes-tribune.com/news/old-forge-borehole-drains-mines-for-50-years-1.1421199>

pounds per year, in the stormwater runoff. This project will be maintained by the City of Scranton through the Pervious Pavement Operations & Maintenance Plan (see attached). The proposed project is recognized by the BMP Effectiveness Values Table, will result in structural on the ground BMP(s) and have been demonstrated to reduce the discharge of nutrient and/or sediment loads to surface waters.



Local Stormwater BMP Implementation Program  
City of Scranton  
Pollution Reductions

The proposed project, located in the 100-200 blocks of North Main Avenue, is primarily designed to address the water quality problems associated with urban stormwater runoff in the Lackawanna River. The project will consist of the removal of 18,000 square feet of impervious pavement and replacement with pervious pavement. The anticipated result is the reduction of 4.74 pounds of Nitrogen per year and .085 pounds of Phosphorus per year.

The sediment reduction will be the result of maintenance activities conducted by the City of Scranton. The sediment reduction estimates were determined by Donald J King, AICP, CFM-City Planner using an online estimator.



# Pervious Pavement Operations & Maintenance Plan

Pervious pavement is a permeable pavement surface with an underlying stone reservoir that temporarily stores surface runoff before infiltrating into the subsoil or being collected in underlying drain pipes and being discharged off-site. There are many types of pervious pavement including plastic rings planted with grass, stone or concrete blocks with pore spaces backfilled with gravel or sand, porous asphalt, and porous concrete. Pervious pavement accepts only precipitation, not stormwater runoff. The following items shall be inspected and maintained as stated:

## What to Look For

**Structural Components**, including surface materials, shall evenly infiltrate stormwater.

Clogged surface

Cracked or moving edge restraints

Cracked or loose pavement

## What to Do

-Vacuum sweep at least twice a year.

-Powerwash annually or as needed. Do not use surfactants.

-Repair per manufacturer's recommendations

-Repair per manufacturer's recommendations

**Vegetation** includes surface cover and nearby plantings.

Large Shrubs and Trees

-Sweep leaf litter and sediment to prevent surface clogging and ponding.

-Prevent large root systems from damaging pavement.

-Manually remove weeds. Remove all plant debris.

## Filter Medium

Aggregate loss in pavers from settling and from power washing, design.

-Replace paver pore space with aggregate from original

## Maintenance Schedule:

*Summer.* Make necessary structural repairs.

*Fall.* Vacuum sweep.

*Winter.* Monitor infiltration rates.

*Spring.* Power wash with proper disposal. Vacuum sweep.

*All Seasons:* Weed as necessary.

*Maintenance Records:* Record date, description, and contractor (if applicable) for all structural repairs, landscape maintenance, and facility cleanout activities. Keep work orders and invoices on file and make available upon request of the inspector.

*Access:* Maintain ingress/egress to design standards.

*Infiltration/Flow Control:* All facilities shall not retain standing water during dry weather. Record time/date, weather, and site conditions when ponding occurs.

*Pollution Prevention:* All sites shall implement best management practices to prevent hazardous or solid wastes or excessive oil and sediment from contaminating stormwater. Contact dispatch for immediate assistance responding to spills. Record time/date, weather, and site conditions if site activities contaminate stormwater.







**BUREAU OF ENGINEERING**

101 WEST POPLAR STREET • SCRANTON, PENNSYLVANIA 18508 • PHONE: 570-348-4180 • FAX: 570-348-0197

**MUNICIPAL PARKING LOT  
100-200 BLOCKS NORTH MAIN AVENUE  
PERMEABLE PAVEMENT PROJECT  
ESTIMATE OF PROBABLE COST**

<u>QUANTITY</u>	<u>ITEM</u>	<u>UNIT PRICE</u>	<u>TOTAL</u>
1,950 SY	Permeable Pavement (3"Depth)	\$18.00/SY=	\$35,100.00
1,620 CY	Excavation	30.00/CY=	48,600.00
1,300 CY	Aggregate	45.00/CY=	58,500.00
480 LF	6" Diameter Drain Pipe	15.00/LF=	7,200.00
110 LF	12" Diameter Drain Pipe	35.00/LF=	3,850.00
1 EA	Type M Inlet	\$2,500.00/EA=	<u>2,500.00</u>
		Subtotal	\$155,750.00
		10% CONTINGENCY	<u>15,575.00</u>
			\$171,325.00
		ENGINEERING DESIGN/INSPECTION	26,000.00
		<b>TOTAL</b>	<b>\$197,325.00</b>





## APPROVAL OF NPDES MS4 INDIVIDUAL PERMIT (IP) COVERAGE

### UNDER THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) INDIVIDUAL PERMIT (IP) FOR STORMWATER DISCHARGES FROM SMALL MUNICIPAL SEPARATE STORM SEWER SYSTEMS (MS4s)

NPDES PERMIT NO: PAI132203

In compliance with the provisions of the Clean Water Act, 33 U.S.C. Sections 1251 *et seq.* ("the Act") and Pennsylvania's Clean Streams Law, *as amended*, 35 P.S. Section 691.1 *et seq.*, the Pennsylvania Department of Environmental Protection (DEP) hereby approves coverage for an NPDES MS4 Individual Permit pursuant to the application submitted by:

APPLICANT(S) (NAME AND ADDRESS):

WATERSHED(S):

Scranton City  
340 N Washington Avenue  
Scranton, PA 18503

5-A

to discharge stormwater to surface waters of the Commonwealth.

This approval to discharge is made subject to DEP's enclosed Authorization to Discharge Under the NPDES Individual Permit for Discharges of Stormwater from Small MS4s. This Authorization is granted based, in part, on information provided by the permittee in the IP Application. The information provided by the person seeking the authorization, including all appendices, attachments, plans and supporting documentation, is incorporated by reference as a part of this Approval of NPDES MS4 IP Coverage and is enforceable as a condition of the authorization. If there is a conflict between the permit and the IP Application, including any appendices, attachments, plans and other supporting documentation, the more environmentally stringent provisions apply.

THIS PERMIT SHALL BECOME EFFECTIVE ON NOVEMBER 1, 2014

THIS PERMIT SHALL EXPIRE AT MIDNIGHT ON OCTOBER 31, 2019

OR UPON TERMINATION OF THIS PERMIT IN WRITING BY DEP. TO CONTINUE DISCHARGING AFTER THE EXPIRATION DATE FOR COVERAGE UNDER THIS INDIVIDUAL PERMIT, AN ADMINISTRATIVELY COMPLETE AND ACCEPTABLE APPLICATION MUST BE RECEIVED BY DEP NO LATER THAN 180 DAYS PRIOR TO THE COVERAGE EXPIRATION DATE. (SEE ITEM #6 ON PAGE 1 OF THE AUTHORIZATION TO DISCHARGE FOR FURTHER INFORMATION).

DATE PERMIT ISSUED October 9, 2014

ISSUED BY \_\_\_\_\_

Michael J. Brunamonti, P.E.  
Clean Water Program Manager  
Northeast Regional Office



## AUTHORIZATION TO DISCHARGE

### UNDER THIS NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) INDIVIDUAL PERMIT (IP) FOR DISCHARGES OF STORMWATER FROM SMALL MUNICIPAL SEPARATE STORM SEWER SYSTEMS (MS4s)

#### GENERAL PROVISIONS:

Dischargers of stormwater from regulated small MS4s, as defined in 40 CFR § 122.26(b)(16), are required under the federal stormwater regulations (40 CFR Part 122) and state regulations incorporating those federal requirements by reference (25 Pa. Code § 92a.3), to submit an application and obtain a National Pollutant Discharge Elimination System (NPDES) permit to discharge stormwater into surface waters of the Commonwealth of Pennsylvania.

This Individual Permit (IP) authorizes stormwater discharges subject to the provisions of the Clean Water Act, 33 U.S.C. Sections 1251 *et seq.*, Pennsylvania's Clean Streams Law, *as amended*, 35 P.S. Sections 691.1 *et seq.*, and 25 Pa. Code Chapter 92a.

Municipalities operating under this permit have been either automatically designated as regulated by the Environmental Protection Agency (EPA) pursuant to 40 CFR § 122.32(a)(1) or designated as regulated by DEP under 40 CFR § 122.32(a)(2).

This authorization to discharge stormwater is subject to the terms and conditions set forth in Parts A, B and C herein. This permit authorizes discharges from regulated small MS4s, as defined herein, to surface waters of the Commonwealth, when such discharges are composed entirely of stormwater as defined in this Individual Permit, except as otherwise provided herein. The permittee is required to submit reports to document the implementation of the Stormwater Management Program (SWMP), as set forth in Appendix A hereto, designed to reduce the discharge of pollutants from the regulated small MS4 to the Maximum Extent Practicable (MEP); and when required, progress with the development, submission to DEP for approval, and activity to ensure implementation of an MS4 Total Maximum Daily Load (TMDL) Plan consistent with applicable Wasteload Allocations (WLAs) in an approved TMDL; and when required, progress with the development, submission to DEP for approval, and ensuring implementation of a Chesapeake Bay Pollutant Reduction Plan.

#### THE AUTHORITY GRANTED BY THIS INDIVIDUAL PERMIT IS SUBJECT TO THE FOLLOWING CONDITIONS:

1. When an NPDES MS4 Individual Permit is issued to an owner or operator of a regulated small MS4 otherwise subject to a General Permit, the applicability of the General Permit to said regulated small MS4 is automatically terminated on the effective date of the Approval of Coverage for this NPDES MS4 Individual Permit.
2. This Individual Permit may be modified or revoked and reissued by DEP.
3. An application for renewal of coverage under this Individual Permit shall be received by DEP at least 180 days prior to the Expiration Date on the Approval of Individual Permit Coverage (unless written permission has been granted by DEP for submission at a later date). A request for renewal of coverage must be made using an application form provided by DEP.
4. Permittees who submit a timely renewal application in accordance with paragraph 3 may continue to operate pursuant to the terms and conditions of this permit until the Approval of Coverage under the renewal permit becomes effective.
5. For those portions of the permittee's regulated small MS4 that are located in, or discharge to, Waters of the Commonwealth, including wetlands, that have an existing or designated use that qualifies as either "High Quality Waters" or "Exceptional Value Waters" under 25 Pa. Code Chapter 93 of DEP's regulations, the permittee shall not authorize stormwater discharges from any new development or redevelopment into that portion of the regulated small MS4 until the person proposing the discharges demonstrates that appropriate measures will be implemented to ensure that the discharges will not cause or contribute to degradation of the quality of those receiving waters.
6. DEP will publish a notice in the *Pennsylvania Bulletin* of the draft renewal Individual Permit. After a comment period specified in the notice of draft Individual Permit, a notice that the final renewal Individual Permit was issued will be published in the *Pennsylvania Bulletin*.

7. No condition of this Individual Permit shall release the permittee from any responsibility or requirements under other federal or Pennsylvania environmental statutes or regulations.
8. Timely submission of the application and, if applicable, the MS4 TMDL Plan.
9. Permittees may implement a local or tribal Qualifying Local Program (QLP) pursuant to 40 CFR 122.44(s) under this Individual Permit. Permittees wishing to propose a QLP must submit complete documentation of the proposed QLP for review and approval by DEP.
10. The permittee agrees to fully implement and enforce to the MEP the SWMP (outlined in Part A, Section 2 below, and detailed in Appendix A); and if required, an MS4 TMDL Plan (outlined in Part C below), consistent with the assumptions and requirements of any applicable Waste Load Allocation (WLA) defined in approved TMDLs, that is designed to reduce the discharge of pollutants from the permittee's regulated small MS4 to meet applicable requirements, to protect water quality, and to satisfy the appropriate water quality requirements of the federal Clean Water Act, the Pennsylvania Clean Streams Law, and regulations promulgated thereto.

#### INDIVIDUAL PERMIT ELIGIBILITY:

This Individual Permit authorizes the discharge of stormwater from regulated small MS4s defined at 40 CFR §122.26(b)(16). This includes small MS4s designated as regulated under 40 CFR §122.32(a)(1) and 40 CFR §122.32(a)(2). The operator of the regulated small MS4 is eligible to discharge under this Individual Permit if all of the following conditions are met:

1. The regulated MS4 is not large or medium MS4s as defined in 40 CFR §122.26(b)(4) or (7);
2. The regulated small MS4 is located fully or partially in an Urbanized Area (UA) as determined by the latest Decennial Census by the Bureau of Census at the time an administratively complete and acceptable application for an Individual Permit is submitted to DEP;
3. The permittee submits an administratively complete and acceptable application and obtains written authorization from the DEP.
4. The regulated small MS4 does not, and shall not, discharge hazardous pollutants, toxics or any other substance which, because of its quantity, concentration or physical, chemical or infectious characteristics, may cause or contribute to an increase in mortality or morbidity in either an individual or the total population or pose a substantial present or future hazard to human health or the environment when discharged into waters of the Commonwealth.

#### INDIVIDUAL PERMIT COVERAGE AND LIMITATIONS:

1. The following are authorized discharges:
  - a. Stormwater discharges. This permit authorizes stormwater discharges to surface waters of the Commonwealth from regulated small MS4s, except as excluded in Section 2 below.
  - b. Non-stormwater discharges. The following categories of non-stormwater discharges or flows are authorized by this permit unless the permittee or DEP has identified them as significant contributors of pollutants to the regulated small MS4 or its discharges:
    - i. discharges or flows from fire fighting activities;
    - ii. discharges from potable water sources including dechlorinated water line and fire hydrant flushing;
    - iii. irrigation water and landscape drainage;
    - iv. diverted stream flows;
    - v. uncontaminated pumped ground water;
    - vi. uncontaminated water from foundation and footing drains;
    - vii. air conditioning condensation;
    - viii. springs;

- ix. water from crawl space pumps;
- x. water from lawn watering;
- xi. individual residential car washing;
- xii. flows from riparian habitats and wetlands; and
- xiii. dechlorinated swimming pool discharges. (clean, no filter backwash)

2. Limitations on Coverage: This permit does not authorize any of the following:

- a. Discharges that are mixed with sources of non-stormwater unless such non-stormwater discharges are in compliance with a separate NPDES permit, or are determined not to be a significant contributor of pollutants to surface waters of the Commonwealth (as per section 1(b) herein).
- b. Stormwater discharges associated with industrial activity as defined in 40 CFR §122.26(b)(14)(i)-(ix) and (xi).
- c. Stormwater discharges associated with construction activity as defined in 40 CFR §122.26(b)(14)(x) or 40 CFR §122.26(b)(15).
- d. Stormwater discharges currently covered under another NPDES permit.
- e. Discharges that contain hazardous pollutants, toxics or any other substance which, because of its quantity, concentration or physical, chemical or infectious characteristics, may cause or contribute to an increase in mortality or morbidity in either an individual or the total population or pose a substantial present or future hazard to human health or the environment when discharged into waters of the Commonwealth.
- g. MS4 systems where any portion of the discharges would be to impaired waters with an applicable and approved TMDL wasteload allocation (WLA) unless the permittee has an approved MS4 TMDL Plan.
- h. Discharges that are not, or shall not be, in compliance with the terms or conditions of this permit.
- i. Discharges where the applicant has failed and continues to fail to comply, or has shown a lack of ability or intention to comply, with a regulation, permit, schedule of compliance, or order issued by DEP.
- j. Discharges that do not, or shall not, result in compliance with applicable effluent limitations or water quality standards.
- k. Discharges that may adversely affect a Pennsylvania or federal endangered or threatened species, or its critical habitat.
- m. Discharges from an MS4 where an NPDES permit has been terminated or denied.

## PART A

### STORMWATER MANAGEMENT PROGRAM (SWMP)

The Stormwater Management Program is contained at Appendix A hereto, which is incorporated by reference herein. The SWMP that you submitted with your application for each of the six (6) MCMs may be either DEP's program or your own alternative program. If you prepared and submitted your own program for any of the MCMs, your program must be at least as protective of water quality as the program in DEP's version of Appendix A. You must implement, enforce and report on such activities related to the approved Stormwater Management Program in Appendix A which is designed to reduce the discharge of pollutants from your regulated small MS4 to the Maximum Extent Practicable (MEP), to protect water quality, and to satisfy the appropriate water quality requirements of the federal Clean Water Act, the Pennsylvania Clean Streams Law, and regulations promulgated thereto.

This permit requires enactment and implementation of one of the following: (1) adoption of an MS4 Stormwater Management Ordinance; (2) adoption of an Ordinance from an applicable Act 167 Stormwater Management Plan approved by DEP in 2005 or later; or (3) an ordinance(s) that satisfies all applicable requirements in a completed and signed MS4 Stormwater Management Ordinance Checklist.

#### 1. DEFINITIONS

**Applicant:** Refers to the owner or operator of a regulated small municipal separate storm sewer system (MS4) seeking to discharge under, and pursuant to, the terms of this permit.

**Best Management Practices (BMPs):** Schedules of activities, prohibitions of practices, structural controls (e.g., infiltration trenches), design criteria, maintenance procedures, and other management practices to prevent or reduce pollution to the waters of the Commonwealth. BMPs include Erosion and Sedimentation Control Plans, Post Construction Stormwater Management Plans, MS4 TMDL Plans, Stormwater Management Act Plans, and other treatment requirements, operating procedures and practices to control runoff, spillage or leaks, sludge or waste disposal, drainage from raw material storage, and methods to reduce pollution, to recharge groundwater, to enhance stream base flow and to reduce the threat of flooding and stream bank erosion.

**Better Site Design (BSD):** An approach to residential and commercial development that, when properly conducted, can simultaneously reduce pollutant loads, conserve natural areas, save money, and increase property values. BSD promotes three main goals for new development sites: (1) to reduce the amount of impervious cover, (2) to increase the amount of natural lands set aside for conservation, and (3) to better integrate stormwater treatment systems on-site. Green Infrastructure techniques like green roofs, rain gardens, and vegetated swales can be used in BSD to manage stormwater runoff and increase the amount of local green space. Also, reducing the overall scale of streets, driveways, setbacks, parking spaces, and lot sizes are effective methods of reducing impervious cover.

<http://cfpub.epa.gov/npdes/greeninfrastructure/information.cfm#glossary>

**Clean Water Act (CWA):** The Federal Water Pollution Control Act, also known as the Clean Water Act (CWA), as amended, 33 U.S.C. §§ 1251, et. seq.

**Control Measure:** As used in this permit refers to any BMP in the MS4 Stormwater Management Program, the MS4 TMDL Plan or any other method used to prevent or reduce the discharge of pollutants to waters of the Commonwealth.

**Consistent with the TMDL:** Implementing measures as soon as practicable to make measurable progress in substantially reducing the applicable pollutant loads specified in the applicable WLA of the TMDL, and ultimately achieving the pollutant reductions required in the WLA through implementation of measures in accordance with an implementation timeline contained in the MS4 TMDL Plan.

**Department:** The Department of Environmental Protection (DEP)

**Designated uses:** Those uses specified in 25 Pa. Code §§ 93.4(a) and 93.9a – 93.9z for each waterbody or segment whether or not they are being attained.

**Director:** The Secretary of the Department of Environmental Protection or any authorized employee thereof.

**Dry Weather:** For required outfall inspections, dry weather is a continuous time interval without stormwater producing events that immediately follows an initial 48 hour period with no stormwater producing events. (NOTE: For additional information regarding dry weather, see Chapter 11 of *Illicit Discharge Detection and Elimination: A Guidance Manual for Program Development and Technical Assessments* [CWP, October 2004], <http://cfpub.epa.gov/NPDES/stormwater/ldde.cfm>.)

**Existing uses:** Those uses actually attained in the waterbody on or after November 28, 1975, whether or not they are included in the water quality standards.

**Illicit Connection:** Any physical connection to a separate stormwater drainage system that conveys illicit discharges into the system and/or is not authorized or permitted by the local authority.

**Illicit Discharge:** Any discharge (or seepage) to a municipal separate storm sewer that is not composed entirely of stormwater. This does not refer to discharges authorized under an NPDES permit (other than the NPDES permit for discharges from the regulated small MS4); certain allowable non-stormwater discharges described in the EPA regulations, NPDES MS4 permit or the MS4 permittee's ordinance; and discharges resulting from fire fighting activities. Examples of illicit discharges include dumping of motor vehicle fluids, household hazardous wastes, grass clippings, leaf litter, animal wastes, or unauthorized discharges of sewage, industrial waste, restaurant wastes, or any other non-stormwater waste into a separate stormwater drainage system. Illicit discharges can be accidental or intentional.

**Load Allocation (LA):** The portion of a surface water's loading capacity that is assigned or allocated to existing and future nonpoint sources and natural quality (25 Pa Code § 96.1).

**Low Impact Development (LID):** A set of site design approaches and small-scale stormwater management practices that promote the use of natural systems for infiltration, evapotranspiration, and reuse of rainwater. LID can be applied to new development, urban retrofits, and revitalization projects. LID utilizes design techniques that infiltrate, filter, evaporate, and store runoff close to its source. Rather than rely on costly large-scale conveyance and treatment systems, LID addresses stormwater through a variety of small, cost-effective landscape features located on-site. <http://cfpub.epa.gov/npdes/greeninfrastructure/information.cfm#glossary>

**Maximum Extent Practicable (MEP):** A technology-based discharge standard established in the CWA at §402(p)(3)(B)(iii) that requires NPDES MS4 permittees to optimize reductions in stormwater pollutants on a location-by-location basis by minimizing pollutant loads in stormwater discharges and maximizing technically achievable and cost-effective water quality improvements. MEP as used in this program also includes the requirement under the Pennsylvania Clean Streams Law to prevent pollution from changes in stormwater rate, volume, and temperature associated with alteration of the land. The MEP standard requires the development, implementation, and enforcement of measures including BMPs, control techniques, system design, engineering methods, and other provisions that DEP determines to be appropriate for the control of such pollutants. MEP is an iterative, dynamic, flexible standard that the permittee shall evaluate and update continuously, as necessary, to better tailor or expand the program based on its effectiveness in reducing pollutant discharge load.

**Measurable Goals:** Best Management Practice design objectives or goals that quantify the progress of program implementation and the performance of the chosen BMPs. They are objective markers or milestones that can be used to track the progress and effectiveness of BMPs in reducing pollutants to the MEP.

**Municipal Separate Storm Sewer:** A conveyance or system of conveyances (including roads with drainage systems, municipal streets, catch basins, curbs, gutters, ditches, manmade channels, or storm drains), which is all of the following:

- (1) owned or operated by a state, city, town, borough, township, county, district, association or other public body (created under state law) having jurisdiction over disposal of sewage, industrial wastes, stormwater or other wastes,
- (2) designed or used for collecting or conveying stormwater,
- (3) not a combined sewer, and
- (4) not part of a Publicly Owned Treatment Works as defined at 40 CFR § 122.2.

**Municipal Separate Storm Sewer System (MS4):** All separate storm sewers that are defined as "large" or "medium" or "small" municipal separate storm sewer systems pursuant to 40 CFR §§ 122.26(b)(18), or designated as regulated under 40 CFR § 122.26(a)(1)(v).

**Municipality:** Any county, city, borough, town, township, school district, or any institution or any authority created by one or more of the aforementioned.

**MS4 TMDL Plan:** A plan that is required for a regulated small MS4 that discharges stormwater into a waterbody with an approved applicable wasteload allocation (WLA) in a TMDL. The MS4 TMDL Plan shall detail measures that will be implemented to make measurable progress in substantially reducing the applicable pollutant loads specified in the applicable WLA of the TMDL, as soon as practicable, consistent with the TMDL. In addition, the MS4 TMDL Plan shall include a timeline, with milestones, that specifies when the pollutant load reductions set forth in the WLA will be attained. Implementation of the MS4 TMDL Plan may be phased, in accordance with the timeline, and can be adaptive, iterative and dynamic. The MS4 TMDL Plan shall be evaluated and updated by the permittee continuously, as necessary. The term "implement" includes any action that may be necessary for the permittee to ensure the proper operation and maintenance of all pollutant control measures identified in, or associated with, the MS4 TMDL Plan.

**National Pollutant Discharge Elimination System (NPDES):** A permit issued under 25 Pa. Code Chapter 92a (relating to National Pollutant Discharge Elimination System permitting, monitoring and compliance) for the discharge or potential discharge of pollutants from a point source to surface waters.

**New Permittee:** Any municipality that has been designated as a regulated small MS4 and has not previously obtained coverage under PAG-13 or obtained an Individual NPDES MS4 Permit.

**NOI:** The Notice of Intent for Coverage under the NPDES General Permit for Discharges from Small Municipal Separate Storm Sewer Systems.

**Non-structural BMP:** Actions that involve management and source controls such as: (1) Policies and ordinances that provide requirements and standards to direct growth to identified areas, protect areas such as wetlands and riparian areas, maintain and/or increase open space, provide buffers along waterbodies, minimize impervious surfaces, and minimize disturbance of soils and vegetation; (2) policies or ordinances that encourage infill development in higher density urban areas, and areas with existing storm sewer infrastructure; (3) education programs for developers and the public about minimizing water quality impacts; (4) other measures such as minimizing the percentage of impervious area after development, use of measures to minimize directly connected impervious areas, and source control measures often thought of as good housekeeping, maintenance, and spill prevention.

**Outfall:** A "Point Source", as that term is defined herein, where an MS4 discharges stormwater to other surface waters of this Commonwealth. This does not include open conveyances connecting two (2) municipal separate storm sewers, or pipes, tunnels or other conveyances which connect segments of the same stream and are used to convey waters of the Commonwealth.

**Owner or operator:** The owner or operator of any "facility" or "activity" subject to regulation under the NPDES program.

**Permittee:** Refers to the owner or operator of a regulated small municipal separate storm sewer system seeking to discharge under, and pursuant to, the terms of this Permit, and thereby agreeing to fully comply with all terms set forth therein. Permittees assume all responsibility for meeting conditions of coverage under this Permit.

**Point Source:** As defined by 25 Pa. Code § 92a.2, which is any discernible, confined, and discrete conveyance, including but not limited to, any pipe, ditch, channel, tunnel, conduit, well, discrete fissure, container, rolling stock, concentrated aquatic animal production facility, concentrated animal feeding operation, landfill leachate collection system, vessel or other floating craft, from which pollutants are or may be discharged.

**Pollutant:** Any contaminant or other alteration of the physical, chemical, biological, or radiological integrity of surface water which causes or has the potential to cause pollution as defined in section 1 of The Clean Streams Law, 35 P.S. § 691.1.

**Pollution:** Shall be construed to mean contamination of any waters of the Commonwealth such as will create or is likely to create a nuisance or to render such waters harmful, detrimental or injurious to public health, safety or welfare, or to domestic, municipal, commercial, industrial, agricultural, recreational, or other legitimate beneficial uses, or to livestock, wild animals, birds, fish or other aquatic life, including but not limited to such contamination by alteration of the physical, chemical or biological properties of such waters, or change in temperature, taste, color or odor thereof, or the discharge of any liquid, gaseous, radioactive, solid or other substances into such waters. The department shall determine when a discharge constitutes pollution, as herein defined, and shall establish standards whereby and wherefrom it can be ascertained and determined whether any such discharge does or does not constitute pollution as herein defined (The Clean Streams Law, 35 P.S. § 691.1).

**Regulated Small MS4:** Any small MS4 that is covered by the federal Phase II stormwater program, either through automatic nationwide designation under 40 CFR § 122.32(a)(1) (via the Urbanized Area criteria) or by designation on a case-by-case basis by DEP pursuant to 40 CFR § 122.32(a)(2). "Regulated small MS4s" are a sub-set of "small MS4s."

**Riparian Forest Buffer (Riparian Buffer):** An area of permanent vegetation consisting of native trees, shrubs, forbs and grasses along surface water that is maintained in a natural state or sustainably managed to protect and enhance water quality, stabilize stream channels and banks, and buffer land use activities from surface waters.

**Section 303(d) Listed Waters:** Stream segments placed on a list when, based on existing and readily available data and/or information, the technology-based effluent limitations required by the federal Clean Water Act, more stringent effluent limitations, and other pollution control requirements are not sufficient to implement an applicable water quality standard and a TMDL is needed.

**Small Municipal Separate Storm Sewer System (Small MS4):** All separate storm sewers that are:

- (1) Owned or operated by the United States, a State, city, town, borough, county, parish, district, association, or other public body (created by or pursuant to State law) having jurisdiction over disposal of sewage, industrial wastes, stormwater, or other wastes, including special districts under State law such as a sewer district, flood control district or drainage district, or similar entity.
- (2) Not defined as "large" or "medium" municipal separate storm sewer systems pursuant to 40 CFR §§122.26(b)(4) and (7), or designated under 40 CFR § 122.26(a)(1)(v).
- (3) This term includes systems similar to separate storm sewer systems in municipalities, such as systems at military bases, large hospitals or prison complexes, and highways and other thoroughfares.

**Storm Sewershed:** The catchment area that drains into the storm sewer system based on the surface topography in the area served by the storm sewer.

**Stormwater:** Runoff from precipitation, snow melt runoff and surface runoff and drainage. "Stormwater" has the same meaning as "Storm Water."

**Stormwater Management Program (SWMP):** A comprehensive program prepared by the applicant and approved by DEP to manage the quality of stormwater discharged from the municipal separate storm sewer system. Permittees are required to develop, implement and enforce a SWMP designed to reduce the discharge of pollutants from the regulated small MS4s to the MEP, to protect water quality and quantity, and to satisfy the appropriate water quality requirements of the Pennsylvania Clean Streams Law and the CWA and regulations promulgated thereto. The permittee is required to implement the SWMP attached as Appendix A hereto.

**Structural BMP:** Storage practices including, but not limited to, wet ponds and extended-detention outlet structures; filtration practices such as grassed swales, sand filters and filter strips; and infiltration practices such as infiltration basins and infiltration trenches.

**Surface Waters:** Perennial and intermittent streams, rivers, lakes, reservoirs, ponds, wetlands, springs, natural seeps and estuaries, excluding water at facilities approved for wastewater treatment such as wastewater treatment impoundments, cooling water ponds and constructed wetlands used as part of a wastewater treatment process.

**Total Maximum Daily Load (TMDL):** The sum of individual wasteload allocations for point sources, load allocations for nonpoint sources, a margin of safety, and natural background. TMDLs can be expressed in terms of mass per time, toxicity or other appropriate measures.

**Urbanized Area (UA):** Land area comprising one or more places (central place(s)) and the adjacent densely settled surrounding area (urban fringe) that together have a residential population of at least 50,000 and an overall population density of at least 1,000 people per square mile, as defined by the United States Bureau of the Census and as determined by the latest available decennial census. The UA outlines the extent of automatically regulated areas. UA maps are available at: <http://www.epa.gov/npdes/stormwater/urbanmaps> or at: <http://www.epa.gov/enviro/html/em/index.html>

**Wasteload Allocation (WLA):** The portion of a surface water's loading capacity that is allocated to existing and future point source discharges.

**Water Quality Criteria:** Numeric concentrations, levels or surface water conditions that need to be maintained or attained to protect existing and designated uses.

**Water Quality Standards:** The combination of water uses to be protected and the water quality criteria necessary to protect those uses.

**Waters of the Commonwealth:** Any and all rivers, streams, creeks, rivulets, impoundments, ditches, water courses, storm sewers, lakes, dammed water, ponds, springs and all other bodies or channels of conveyance of surface and underground water, or parts thereof, whether natural or artificial, within or on the boundaries of this Commonwealth.

## 2. EFFLUENT LIMITATIONS AND OTHER REQUIREMENTS FOR THIS INDIVIDUAL PERMIT

- a. The permittee shall implement, enforce and report on the Stormwater Management Program (SWMP) as set forth in Appendix A hereto, designed to reduce the discharge of pollutants from the regulated small MS4s to the MEP, to protect water quality and quantity, and to satisfy the appropriate water quality requirements of the Clean Water Act, the Pennsylvania Clean Streams Law, and regulations promulgated thereto.
- b. The SWMP shall include Best Management Practices (BMPs) to comply with the following six (6) Minimum Control Measures (MCMs) in the following areas:
  1. Public Education and Outreach on Stormwater Impacts
  2. Public Involvement/Participation
  3. Illicit Discharge Detection and Elimination
  4. Construction Site Stormwater Runoff Control
  5. Post-Construction Stormwater Management (PCSM) in New and Re-Development Activities
  6. Pollution Prevention/Good Housekeeping for Municipal Operations

- c. The SWMP as set forth in Appendix A of this permit contains the approved approach for satisfying each of the six (6) MCMs. The SWMP in Appendix A describes each MCM including BMPs and measurable goals.
- d. New permittees shall enact and implement within the first year of permit coverage, one (1) of the appropriate MS4 Stormwater Management Ordinances; an Ordinance from an applicable Act 167 Stormwater Management Plan approved by DEP in 2005 or later; or an ordinance(s) that satisfies all applicable requirements in a completed and signed MS4 Stormwater Management Ordinance Checklist. The permittee must satisfy these requirements in accordance with the information provided by the permittee in the permit application.

Renewal permittees must continue to maintain, update, implement, and enforce a Stormwater Management Ordinance that satisfies all applicable requirements.

- e. The permittee shall ensure that its SWMP, including its stormwater management ordinance(s), is designed to prevent increased loadings of pollutants and to not cause or contribute to a violation of water quality standards by any discharges from its regulated small MS4s (40 CFR 122.4(i), 40 CFR 122.44(d)(1), and 25 Pa. Code Chapters 91-97, 102, and 105).
- f. The permittee shall develop and maintain adequate legal authorities to implement all parts of this permit, including the SWMP attached as Appendix A hereto.
- g. The permittee shall maintain adequate funding and staffing to implement and manage all provisions of the attached SWMP.
- h. Sharing responsibility
  1. Implementation of one (1) or more of the minimum control measures may be shared with another entity, or the other entity may fully take over implementation of the measure. Because the permittee is responsible for meeting all permit conditions regardless of its delegations to other entities, the permittee should take steps to ensure that:
    - i. The other entity, in fact, implements the control measures in the regulated small MS4 area;
    - ii. The particular control measures as implemented by the other entity, or components of control measures, are at least as protective of water quality as the corresponding permit requirement.
    - iii. The other entity agrees to implement the control measures on behalf of the permittee. The agreement between the parties shall be documented in writing and retained by the permittee consistent with the record keeping requirements for this permit.

2. The permittee shall perform reasonable oversight and the permittee remains responsible for compliance with the obligations of this permit if any other entity fails to implement any of the control measures (or any components thereof).
- i. The permittee shall submit reports to DEP as described in Part B, Section 3.d. below.

**PART B**  
**STANDARD CONDITIONS**

**1. RESPONSIBILITIES**

- a. **Duty to Comply.** The permittee shall comply with all terms and conditions of this permit. Any permit non-compliance constitutes a violation of the Pennsylvania Clean Streams Law and the federal Clean Water Act and is grounds for enforcement action, permit termination, revocation and reissuance, modification or denial of a permit or permit renewal. Financial distress does not relieve the permittee of the terms and conditions of this permit.
- b. **Penalties for Violations of Permit.** The permittee may be subject to criminal and/or civil penalties for violations of the terms and conditions of this permit under Section 602 and 605 of the Clean Streams Law, 35 P.S. Sections 691.602 and 691.605, and under the Clean Water Act as specified in 40 CFR Sections 122.41(a)(2) and (3).
- c. **Need to Halt or Reduce Activity Not a Defense.** The permittee may not use as a defense in an enforcement action that it would have been necessary to halt or reduce the permitted activity to maintain compliance with the conditions of this permit.
- d. **Penalties and Liability.** Nothing in this permit may be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities, or penalties to which the permittee is or may be subject under Section 311 of the CWA (33 U.S.C. §1321) or Section 106 of the Comprehensive Environmental response, Compensation, and Liability Act, 42 U.S.C. § 9606.
- e. **Periodic report (periodic reports, periodically report):** First term permittees and all permittees with any portion of a regulated small MS4 discharging stormwater into the Chesapeake Bay Watershed shall submit all required information in annual reports. Renewal permittees with no portion of a regulated small MS4 discharging stormwater into the Chesapeake Bay Watershed shall provide all required information in periodic progress reports submitted in permit years one (1), three (3), and with the renewal application (or renewal NOI for PAG-13) in year five (5) (also see Part B.3.d).
- f. **Property Rights.** The issuance of this permit does not convey any property rights of any sort, nor any exclusive privileges, nor does it authorize any injury to private property nor any invasion of personal rights, nor any infringement of Federal, State or local laws or regulations.
- g. **Severability.** The provisions of this permit are severable. If any provision of this permit or the application of any provision of this permit to any circumstance is held invalid, the application of such provision to other circumstances and the remainder of this permit shall not be affected thereby.
- h. **Other Laws.** Nothing in this permit may be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities, or penalties established pursuant to any applicable State law or regulation under authority preserved by Section 510 of the Clean Water Act.
- i. **Right of Entry.** Pursuant to Sections 5(b) and 305 of the Pennsylvania Clean Streams Law (35 P.S. §§ 691.5(b) and 691.305), 25 Pa. Code Chapter 92a, section 1917-A of the Administrative Code, section 308 of the CWA and 40 CFR § 122.41 (i), the permittee shall allow an authorized representative of the Environmental Protection Agency (EPA) or DEP, upon the presentation of credentials and other documents, as may be required by law, to:
  - i. Enter upon the permittee's premises where a regulated activity is located or conducted or where records must be kept under the conditions of this permit;
  - ii. Have access to and copy at reasonable times, any records that must be kept under the terms and conditions of this permit;
  - iii. Inspect any facilities or equipment (including monitoring and control equipment), practices or operations regulated or required under this permit;
  - iv. Sample or monitor any substances or parameters, including the discharge of stormwater, at any location within the regulated small MS4.

- j. **Penalties for Falsification of Reports.** Section 309(c)(4) of the Clean Water Act provides that any person who knowingly makes any false material statement, representation, or certification in any record or other document submitted or required to be maintained under this permit, including reports of compliance or non-compliance shall, upon conviction, be punished by a fine of not more than \$10,000, or by imprisonment for not more than two (2) years or by both. In addition, criminal sanctions are set forth for false swearing and unsworn falsification at 18 Pa. C.S. §§ 4903-4904.
- k. **Penalties for Falsification of Monitoring Systems.** The Clean Water Act provides that any person who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under this permit shall, upon conviction, be punished by fines and imprisonment described in Section 309 of the Clean Water Act. In addition, criminal sanctions are set forth for false swearing and unsworn falsification at 18 Pa. C.S. §§ 4903-4904.
- l. **Test Procedures.** With the exception of the field screening conducted under the Illicit Discharge Detection and Elimination (IDDE) measure, wherever monitoring or sampling may be required, it shall be conducted according to test procedures approved under 40 CFR Part 136, unless other test procedures have been specified in the Authorization to Discharge or have been approved by DEP in writing.
- m. **Removed Substances.** Solids, sludge, filter backwash, or other pollutants removed in the course of treatment or control of wastewaters or drinking water, implementation of BMPs, or operating or maintaining the regulated small MS4, shall be managed and disposed of in accordance with the requirements of the Solid Waste Management Act, 35 P.S. § 6018.101, *et seq.*, and the Clean Streams Law, 35 P.S. §§ 691.1 *et seq.*, and in a manner such as to prevent any pollutant in such materials from adversely affecting the environment.
- n. **BMP Implementation and Facilities Construction, Operation, and Maintenance.** The permittee shall properly design, build, operate, and maintain all facilities and systems of treatment and control, including BMPs and any stormwater pollution prevention or management plans, which are installed or used by the permittee to achieve compliance with the conditions of this permit. The permittee shall ensure that BMPs are planned, designed, implemented, and maintained to minimize or eliminate the impacts of stormwater runoff to the maximum extent practicable (MEP) for BMPs associated with the Stormwater Management Program and to reduce the discharge of pollutants consistent with applicable TMDLs for BMPs associated with approved MS4 TMDL Plans. Proper operation and maintenance also includes adequate laboratory controls and appropriate quality assurance procedures and requires the operation of backup or auxiliary facilities, BMPs, or similar systems, installed or implemented by a permittee only when necessary to achieve compliance with the conditions of this permit.
- o. **Adverse Impact.** The permittee shall take all reasonable steps to minimize or prevent any discharge in violation of this permit that has a reasonable likelihood of adversely affecting human health or the environment.
- p. **Monitoring Requirement.** DEP may require monitoring of an individual discharge as may be reasonably necessary in order to characterize the nature, volume or other attributes of that discharge or its sources. If the permittee is required to develop, submit to DEP for approval, and ensure implementation of an MS4 TMDL Plan pursuant to Condition C.1. herein, the permittee shall conduct monitoring of the BMPs and other measures undertaken pursuant to such section in order to demonstrate that measurable progress toward meeting the pollutant load reductions is being achieved consistent applicable waste load allocations in approved TMDLs.

## 2. MANAGEMENT REQUIREMENTS

- a. **Permit Modification, Termination, or Revocation and Reissuance**
  - 1. This permit may be modified, suspended, revoked, reissued, or terminated during its term for any of the causes specified in 25 Pa. Code Chapters 92a and 102, as applicable.
  - 2. The filing of a request by the permittee or co-permittee for a permit or coverage modification, revocation, reissuance, or termination, or a notification of planned changes or anticipated noncompliance, does not eliminate any existing permit conditions.
  - 3. Permit modification or revocation shall be conducted according to 25 Pa. Code Chapters 92a and 102, as applicable.

**b. Duty to Provide Information**

1. The permittee shall furnish to DEP, within a reasonable time, any information that DEP may request to determine whether cause exists for modifying, revoking and reissuing, terminating, or determining compliance with, this permit.
2. The permittee shall furnish to DEP, upon request, copies of records that are required to be kept under the conditions of this permit.
3. When the permittee becomes aware of a failure to submit any relevant facts, of the existence of incorrect information in the permit application, or in any other report to DEP, the permittee shall promptly submit documents to correct such facts or information.
4. The permittee shall give advance notice to DEP of any planned physical alterations or additions to the regulated small MS4 which could, in any way, substantially affect the quality and/or quantity of stormwater discharged from the regulated small MS4.

- c. Operation and Maintenance Requirements.** The Stormwater Management Program (Appendix A), MS4 stormwater management ordinance(s), and MS4 TMDL Plan, if required, shall include provisions to ensure that proper operation and maintenance is performed on all stormwater BMPs and all pollutant reduction BMPs that discharge through the regulated small MS4. The requirement to perform proper operation and maintenance of BMPs that discharge through the regulated small MS4s applies to the owners and operators of all such BMPs, including the permittee.

**3. MONITORING, REPORTING, AND RECORDKEEPING**

The permittee shall evaluate program compliance, the appropriateness of identified BMPs, and progress toward achieving identified measurable goals.

- a. Records of field investigations.** When the permittee conducts monitoring of illicit discharges pursuant to MCM #3, samples and measurements taken shall be representative of the monitored activity. Records of monitoring information shall include:

1. The date, exact place, and time of sampling, measurements, or observations;
2. The name(s) of the individual(s) who performed the sampling, measurements, or observations;
3. The date(s) when sample analyses were performed;
4. The names of the individuals who performed the analyses;
5. The analytical techniques or methods used; and
6. The results of such analysis.

- b. Retention of Records.** The permittee shall retain copies of the documentation related to the SWMP developed in accordance with this permit for a minimum of three (3) years, and until at least one (1) year after coverage under this permit terminates. The permittee shall retain all records of all monitoring information, copies of all reports required by this permit, and records of all data used to complete the application until at least one (1) year after coverage under this permit terminates. In addition, the permittee shall retain on site, at all times, a complete copy of the application, this permit, and any authorizations received from DEP pursuant to this permit, until at least one (1) year after coverage under this permit terminates. This period may be explicitly modified by alternative provisions of this permit or extended by request of DEP at any time.

**c. Signatory Requirements**

1. All reports and applications required by the permit and other information requested by DEP shall be signed and certified by a principal executive officer or ranking elected official or by a duly authorized representative of that person. A person is a duly authorized representative only if:
  - i. The authorization is made in writing by a person described above and submitted to DEP with the reports.
  - ii. The authorization specifies either an individual or a position having responsibility for the overall operation of the regulated facility or activity, such as the position of manager, operator,

superintendent, or position of equivalent responsibility or an individual or position having overall responsibility for environmental matters for the organization. (A duly authorized representative may be either a named individual or any individual occupying a named position).

2. **Changes in Authorized Individuals or Positions.** If an authorization for an individual or a position to submit reports to DEP is no longer accurate because a different individual or position has responsibility for the overall operation of the regulated small MS4, a new authorization satisfying the above requirements shall be submitted to DEP prior to, or together with, any reports, information, or applications to be signed by the newly authorized representative.

3. **Progress Reports Shall Include the Following Signed and Dated Certification:**

"I certify under penalty of law that the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

d. **Periodic Reports (Annual Reports and Progress Reports)**

1. New permittees and all permittees with any portion of a regulated small MS4 discharging stormwater into the Chesapeake Bay Watershed shall submit annual reports to DEP reporting on SWMP activities, Chesapeake Bay Pollutant Reduction Plan activities, and MS4 TMDL Plan activities performed during the preceding permit year. The report shall be in the format provided by the Department. Report Forms are available on DEP's website at <http://www.elibrary.dep.state.pa.us>, select "Forms", "Point and Non-Point Source Management", and "Municipal Separate Storm Sewer System MS4 Annual Progress Report".
2. Renewal permittees with no portion of a regulated small MS4 discharging stormwater into the Chesapeake Bay Watershed shall submit Progress Reports to DEP documenting the SWMP and MS4 TMDL Plan activities that were performed during the preceding reporting time interval.
3. Permittees shall submit the appropriate report form, available on DEP's website.
4. The reports shall include information regarding (but not limited to):
  - i. Status of compliance with the conditions of this permit and progress towards meeting the measurable goals of each MCM;
  - ii. Status of progress towards achieving the statutory requirements of reducing the discharge of pollutants to the MEP and complying with water quality standards.
  - iii. Assessment of the appropriateness of the BMPs;
  - iv. Steps to be taken to address any deficiencies in the BMPs or other aspects of the SWMP developed by the permittee;
  - v. Results of information collected and analyzed during the reporting period;
  - vi. Summary of stormwater activities planned during the next reporting cycle;
  - vii. Any proposed changes to the permittee's SWMP, including changes to BMPs, measurable goals, or responsible parties;
  - viii. Notices, intergovernmental agreements, and other relevant documents if the permittee is relying on another governmental entity to satisfy any of its permit obligations;
  - ix. Progress with implementation of the MS4 TMDL Plan, including a summary of implementation and monitoring data of all control measures and of all BMPs implemented in connection with the MS4 TMDL Plan;
  - x. Progress with preparation, submission to DEP for approval, and implementation of the Chesapeake Bay Pollutant Reduction Plan for permittees with any regulated small MS4s are located in and discharging to receiving watersheds draining to the Chesapeake Bay. Include a list of BMPs implemented and their associated pollutant load reductions.
  - xi. For new permittees, a letter signed by a municipal official, municipal engineer or the municipal solicitor as an attachment to the first year report certifying the enactment of either an ordinance from an Act 167 Plan approved by the DEP in 2005 or later, enactment of the appropriate MS4

Stormwater Management Ordinance; or enactment of an ordinance(s) that satisfies all applicable requirements in a completed and signed MS4 Stormwater Management Ordinance Checklist.

5. All Reports shall be submitted to the appropriate Regional DEP Office.
6. The deadlines for submission of Annual Reports and Progress Reports are as follows:
  - a. Annual Reports no later than 90 days following the end of each permit year.
  - b. Progress Reports no later than 60 days following the end of permit years one (1) and three (3). In year five (5) the report shall be submitted with the application for renewal of this permit.

#### 4. TRANSFER OF OWNERSHIP OR CONTROL

This permit is not transferable to any person except after notice to DEP.

- a. In the event of any pending change in control or ownership of the regulated small MS4 from which the authorized discharges emanate, the permittee shall notify DEP by letter of such pending change at least 30 days prior to the change in ownership or control. The letter shall be accompanied by the application and a written agreement between the existing permittee and the new owner or operator stating that the existing permittee shall be liable for violations of the permit up to and including the date of coverage transfer and that the new owner or operator shall be liable for permit violations under the permit after that date.
- b. After receipt of the required documentation, DEP shall notify the existing permittee and the new owner or controller of its decision concerning approval of the transfer. Such requests shall be deemed approved unless DEP notifies the applicant otherwise within 30 days.

#### 5. TERMINATION OF COVERAGE

- a. **Notice of Termination.** Where all stormwater discharges from a regulated small MS4 that are authorized by this permit are eliminated, the operator of the regulated small MS4 may submit a letter that is signed in accordance with Part B.3.c. (signatory requirements) of this permit certifying that:

"Under penalty of law, I hereby certify that all MS4 discharges that are authorized by this NPDES MS4 Permit have been eliminated. I understand that by submitting this notice of termination, I am no longer authorized to discharge stormwater from the small MS4 regulated under this permit, and that discharging stormwater or pollutants to surface waters of the Commonwealth is unlawful under the Clean Water Act and Clean Streams Law where the discharge is not authorized by an NPDES MS4 permit."

- b. **Addresses.** All letters certifying discharge termination are to be sent to the appropriate regional office of DEP.

#### 6. ANNUAL FEE

Permittees shall pay an annual fee in accordance with 25 Pa. Code § 92a.62. Annual fees are due on each anniversary of the effective date of the most recent new or reissued permit.

Invoices for annual fees will be mailed to permittees approximately three months prior to the due date. In the event that an invoice is not received, the permittee is nonetheless responsible for payment. Throughout a five year permit term, permittees will pay four annual fees followed by a permit renewal application fee in the last year of permit coverage. Permittees may contact the DEP at 717-787-6744 with questions related to annual fees.

Payment for annual fees shall be remitted to DEP at the address below by the anniversary date. Checks should be made payable to the Commonwealth of Pennsylvania.

PA Department of Environmental Protection  
Bureau of Point and Non-Point Source Management  
Re: Chapter 92a Annual Fee  
P.O. Box 8466  
Harrisburg, PA 17105-8466

## PART C

### OTHER CONDITIONS

#### 1. TOTAL MAXIMUM DAILY LOAD (TMDL) REQUIREMENTS:

If the regulated small MS4 discharges stormwater into any portion of a receiving water with applicable Wasteload Allocations (WLAs) in approved TMDLs, the permittee shall implement an approved MS4 TMDL Plan that is designed to achieve pollutant reductions consistent with the applicable WLAs in the TMDLs. When an MS4 TMDL Plan is required, that MS4 TMDL Plan must be implemented according to the schedule in the approved plan.

For each regulated small MS4 that discharges stormwater into any portion of a receiving water with applicable wasteload allocations in approved TMDLs, permittees shall develop, submit to DEP for approval, and ensure implementation of a written MS4 TMDL Plan that is designed to achieve pollutant reductions consistent with the assumptions and requirements of the applicable wasteload allocations in the approved TMDLs. An MS4 TMDL Plan consists of two (2) components: an MS4 TMDL Strategy and MS4 TMDL Design Details. The MS4 TMDL Strategy must include a narrative discussion of how the MS4 TMDL Plan will satisfy the requirements in Subsections a through c below. MS4 TMDL Design Details must be submitted to DEP within one (1) year of the effective date of this permit for written approval by DEP. The complete MS4 TMDL Plan must satisfy the requirements in Subsections a through d below, including final design details for the BMPs that will be implemented during the term of this permit. MS4 TMDL Plans must include a timeline (schedule) with milestones and upon approval the plan must be implemented as soon as practicable, and no later than according to the approved timeline.

##### a. MS4 TMDL Plan for Impaired Waters with a TMDL

The MS4 TMDL Plan must be consistent with the conditions and assumptions of the any applicable waste load allocation(s) (WLAs) in approved TMDLs, and it must include implementation of pollutant control measures that reduce pollutants in discharges from the regulated small MS4s as required by the wasteload allocations in the TMDLs. (Note: The MS4 TMDL Plan is in addition the Stormwater Management Program (SWMP) in Appendix A required to satisfy the six (6) mandatory MCMs).

The permittee's progress with implementation of the MS4 TMDL Plan must be fully described in every periodic report (see Part B.3.d of the Authorization to Discharge).

##### b. MS4 TMDL Plan, Required Contents

The MS4 TMDL Plan shall reduce pollutants in discharges from the regulated small MS4 as required by applicable wasteload allocations in approved TMDLs. The permittee must develop, submit to DEP for approval, and ensure implementation of the MS4 TMDL Plan in accordance with the approved timeline.

MS4 TMDL Plans shall include:

- i. The Title of TMDL or TMDL(s);
- ii. A list of the watershed name(s) and the eight-digit Hydrologic Unit Code (HUC) for the areas that discharge through the regulated MS4s to waterbodies with TMDLs;
- iii. A list of the pollutant(s) and Waste Load Allocations (WLAs) assigned to each regulated small MS4 in each municipality covered by this permit;
- iv. For each applicable TMDL, a list all of the municipalities subject to the TMDL within the area of the same eight-digit HUC;
- v. For each applicable TMDL, a list of all the counties subject to the TMDL within the area of the same eight-digit HUC;
- vi. Allocated pollutant loadings established in each applicable TMDL;
- vii. Reductions in pollutant loads (pounds or percent) necessary to meet each applicable TMDL or WLA;
- viii. For each regulated small MS4 outfall that discharges to waters with TMDLs, and for each TMDL, list all of the control measures and BMPs that will be implemented and reported to achieve consistency

with each applicable TMDL or WLA. Include a brief analysis to explain and justify the control measures and BMPs that were selected for implementation.

- ix. Permittees must include an analysis to show that implementation of the MS4 TMDL Plan, including the selected control measures and BMPs, will reduce the pollutant loads consistent with the applicable WLAs established in approved TMDLs. Permittees must include a timeline with milestones. Implementation of the MS4 TMDL Plan may be phased, in accordance with the timeline, and can be adaptive, iterative, and dynamic to show measurable progress toward meeting pollutant load reductions. Permittees must evaluate and update MS4 TMDL Plans as necessary, based on effectiveness in reducing pollutant discharge loads to meet approved TMDLs and applicable WLAs. MS4 TMDL Plans must include a process for evaluating control measures and BMPs, implementation efforts undertaken to date, and any changes made to the control measures or BMPs to obtain greater reductions in pollutant loadings from the outfalls of the regulated MS4s.
- x. Additional information deemed necessary by DEP or by the permittee for addressing the TMDL.

Information for TMDLs (including HUC numbers) can be found at [www.depweb.state.pa.us](http://www.depweb.state.pa.us), keyword: TMDL.

**c. Signature and Seal by Professional Engineer for MS4 TMDL Plans**

MS4 TMDL Strategies and an MS4 TMDL Plans must be signed and sealed by a Professional Engineer (PE) holding a valid license in good standing from the Pennsylvania Department of State.

**d. Implementation Requirements**

Permittees shall develop, submit to DEP for approval, and ensure implementation of an MS4 TMDL Plan that is consistent with the applicable WLAs in approved TMDLs and that is designed to achieve the pollutant reductions established by applicable WLAs in the TMDLs. The term "implement" includes any action that may be necessary for the permittee to ensure the proper operation and maintenance of all pollutant control measures identified in, or associated with, the MS4 TMDL Plan. Permittees shall report on implementation of the MS4 TMDL Plan in each periodic report submitted under this permit. All pollutant control measures needed to reduce the pollutant load consistent with the TMDL shall be implemented as soon as practicable, in accordance with the MS4 TMDL Plan's timeline, to make measurable progress in substantially reducing the applicable pollutant loads. Implementation of all measures can be adaptive, iterative, and dynamic. The MS4 TMDL Plan shall be evaluated and updated by the permittee as necessary, based on its effectiveness in reducing pollutant loads in discharges from the regulated small MS4s.

The MS4 TMDL Plan shall demonstrate that the required pollutant load reductions will be achieved, consistent with the TMDL, and the Plan must be implemented as soon as practicable. The MS4 TMDL Plan can demonstrate this by showing how measurable implementation progress will be made in substantially reducing applicable pollutant loads specified in the WLA, in accordance with the implementation timeline, including attainment of applicable milestones, along with the proposed end date for ultimate attainment of the pollutant load reductions set forth in the WLA.

Permittees shall report on progress with implementation of the MS4 TMDL Plan in all periodic reports and in the final report submitted with the next renewal application. Permittees must include the reductions in pollutant loads attained by implementation of control measures or BMPs, broken down measure by measure or BMP by BMP. Permittees must have physical pollutant removal measures installed on-the-ground in time for their successful operation to be documented in the periodic report or the progress report submitted at the end of the third year of coverage under this permit. Additional measurable substantial progress with installation of physical pollutant removal measures must be documented in the reports submitted with the next successive application for a renewal permit.

**2. DISCHARGES TO IMPAIRED WATERS WITHOUT A TMDL:**

For each regulated small MS4 that discharges stormwater into any portion of a receiving water that is impaired, but does not have an approved TMDL, permittees shall ensure that new discharges from the permittee's regulated small MS4s do not cause or contribute to exceedances of water quality standards. Permittees must:

- a. identify outfalls that discharge to impaired waters;

- b. identify additional or modified BMPs in the SWMP to ensure that new discharges do not cause or contribute to the impairment; and
- c. implement such BMPs and report on the status of each.

Permittees shall report on progress with implementation of the additional or modified BMPs in the each periodic report.

### 3. CHESAPEAKE BAY POLLUTANT REDUCTION PLANS:

Permittees with regulated small MS4s located in and discharging to receiving watersheds draining to the Chesapeake Bay:

- a. Shall within twelve (12) months of the effective date of the Approval of Coverage, develop and submit to DEP for approval a Chesapeake Bay Pollutant Reduction Plan, including a schedule, to implement BMPs to reduce nitrogen, phosphorus, and sediment associated with existing stormwater discharges into regulated small MS4s discharging to receiving waters tributary to the Chesapeake Bay;
- b. The Chesapeake Bay Pollutant Reduction Plan required under this permit shall include a narrative description of the estimated area, including impervious cover, draining to the regulated small MS4, which may be based upon existing documents or data, such as zoning maps. This narrative description should identify areas where municipal infrastructure upgrades are planned and include an evaluation of the suitability for incorporation of green infrastructure, ESD, or LID BMPs into the planned municipal infrastructure upgrades. Where feasible, such practices should be incorporated into the municipal infrastructure upgrades and be included in the Chesapeake Bay Pollutant Reduction Plan BMP implementation schedule.
- c. The Chesapeake Bay Pollutant Reduction Plan required under this permit shall include BMPs that are designed to achieve reductions of nitrogen, phosphorus, and sediment consistent with the goals and objectives of the Pennsylvania Chesapeake Watershed Implementation Plan and must be signed and sealed by a Professional Engineer holding a valid license in good standing from the Pennsylvania Department of State;
- d. In the development of the Chesapeake Bay Pollutant Reduction Plan, the permittee shall evaluate and incorporate into the plan a combination of TMDL control measures listed in Section II.F of the Instructions for an Application for an Individual Permit;
- e. Upon approval by DEP, the permittee shall ensure implementation of the Chesapeake Bay Pollutant Reduction Plan consistent with the approved schedule; and
- f. In the annual report to the Department required under Part B of this permit, the permittee shall include a list of BMPs implemented and their associated reductions, and a narrative description of the progress with development, submission to DEP for approval, and ensuring implementation of the Chesapeake Bay Pollutant Reduction Plan.
- g. Where the permittee is required to develop, submit to DEP for approval, and ensure implementation of an MS4 TMDL Plan to meet a WLA for nitrogen, phosphorus, or sediment as described in Part C(1) of this permit, the permittee may rely on and incorporate the portions of such MS4 TMDL Plan that address nitrogen, phosphorus, and sediment associated with existing stormwater discharges into the Chesapeake Bay Pollutant Reduction Plan.



## Individual Permit Appendix A Stormwater Management Program

This Appendix A contains specific Best Management Practices (BMPs) and Measurable Goals that make up the permittee's Stormwater Management Program (SWMP) and that are required for the permittee to comply with this NPDES Municipal Separate Storm Sewer System (MS4) permit. There are six (6) Minimum Control Measures (MCMs), which are required by Federal Regulations. Within each MCM, the permittee will implement several BMPs as conditions of this permit. Associated with each BMP are Measurable Goals, which represent the means by which the permittees' accomplishments shall be reported and evaluated. For supplemental information on the six (6) MCMs, permittees are encouraged to refer to [www.depweb.state.pa.us](http://www.depweb.state.pa.us), keyword: Stormwater. For a national perspective on guidance for setting measurable goals, please refer to EPA's publication "Measurable Goals Guidance for Phase II Small MS4s," available from EPA's website: <http://cfpub.epa.gov/npdes/stormwater/measurablegoals/index.cfm>.

In your permit application you indicated whether the BMPs and Measurable Goals under each of the six (6) MCMs follow exactly the wording provided by DEP in DEP's version of this Appendix A, or whether you provided alternative BMPs and Measurable Goals for any of the MCMs. You are required to satisfy all requirements of this Stormwater Management Program as a condition of this permit during the term of this permit.

### MCM #1: Public Education and Outreach on Stormwater Impacts

The following are the requirements for MCM #1 that are included in the Federal Regulations:

- *Implement a public education program to distribute educational materials to the community or conduct equivalent outreach activities about the impacts of stormwater discharges on water bodies and the steps that the public can take to reduce pollutants in stormwater runoff (40 CFR Part 122.34(b)(1)(i)).*

The following requirements, Best Management Practices (BMPs) and Measurable Goals are to be implemented and achieved:

**BMP #1:** Develop, implement and maintain a written Public Education and Outreach Program (PEOP).

**Measurable Goal:** For new permittees, a PEOP shall be developed and implemented during the first year of coverage under this permit and shall be re-evaluated each permit year thereafter and revised as needed. For renewal permittees, the existing PEOP shall be reviewed and revised as necessary. The permittee's PEOP shall be designed to achieve measurable improvements in the target audience's understanding of the causes and impacts of stormwater pollution and the steps they can take to prevent it.

Recommendation: Refer to the Environmental Protection Agency (EPA) document, "[Getting In Step, A Guide for Conducting Watershed Outreach Campaigns](#)" (EPA 841-B-03-002, December, 2003), for guidance on developing and implementing the PEOP.

**BMP #2:** Develop and maintain lists of target audience groups that are present within the areas served by your regulated small MS4s. In most communities, the target audiences shall include residents, businesses (including commercial, industrial and retailers), developers, schools, and municipal employees.

**Measurable Goal:** For new permittees, the lists shall be developed within the first year of coverage under the permit and reviewed and updated as necessary every year thereafter. For renewal permittees, the lists shall continue to be reviewed and updated annually.

Recommendation: Utilize databases or spreadsheets to record and track this information and to allow for easy identification and creation of mailing lists easily retrievable.

**BMP #3:** You must annually publish at least one (1) issue of a newsletter, a pamphlet, a flyer, or a website that includes general stormwater educational information, a general description of your Stormwater Management Program, and/or information about your stormwater management activities. The list of publications, including websites, and the content of the publications must be reviewed and updated at least once during each year of permit coverage. Publications should include a list of references (or links) to refer the reader to additional information (e.g., PADEP and US EPA stormwater websites, and any other sources that will be helpful to readers). You must implement at least one of the following alternatives:

- a. Publish and distribute in printed form a newsletter, a pamphlet or a flyer containing information consistent with this BMP.
- b. Publish educational and informational items including links to DEP's and EPA's stormwater websites on your municipal website.

**Measurable Goals:** For new permittees, stormwater educational and informational items shall be produced and published in print and/or on the Internet within the first year of permit coverage. In subsequent years (and for renewal permittees), the list of items published and the content in these items shall be reviewed, updated, and maintained annually. Your publications shall contain stormwater educational information that addresses one (1) or more of the six (6) MCMs.

**Recommendation:** There are numerous example educational resources available from the sources listed at [www.depweb.state.pa.us](http://www.depweb.state.pa.us), keyword: Stormwater. Periodically you should review and consider distributing or republishing stormwater information available from DEP, EPA, and other sources. Your stormwater materials can be published either in print format or electronically on the internet. Permittees can partner with other MS4 permittees to meet this BMP.

**BMP #4:** Distribute stormwater educational materials and/or information to the target audiences using a variety of distribution methods, including, but not limited to: displays, posters, signs, pamphlets, booklets, brochures, radio, local cable TV, newspaper articles, other advertisements (e.g., at bus and train stops/stations), bill stuffers, posters, presentations, conferences, meetings, fact sheets, giveaways, or storm drain stenciling.

**Measurable Goal:** All permittees shall select and utilize at least two (2) distribution methods in each permit year. These are in addition to the newsletter and website provisions of BMPs #3 and #4.

**Recommendations:** Abundant educational resources and examples are available from numerous sources (see [www.depweb.state.pa.us](http://www.depweb.state.pa.us), keyword: Stormwater) that can be adapted for use, including the DEP brochure titled "When It Rains, It Drains." Since school districts frequently cross MS4 boundaries, seek out watershed groups or other qualified service providers to help assist and/or implement school education on behalf of the group of permittees. Permittees also can partner with other permittees to jointly arrange for school education.

## **MCM #2: Public Involvement / Participation**

The following are the requirements for MCM #2 that are included in the Federal Regulations:

- *Comply with applicable state and local public notice requirements when implementing a public involvement / participation program (40 CFR Part 122.34(b)(2)(i)).*

The following requirements, Best Management Practices (BMPs) and Measurable Goals are to be implemented and achieved by MS4 permittees in Pennsylvania:

**BMP #1:** Develop, implement and maintain a written Public Involvement and Participation Program (PIPP), which describes various types of possible participation activities and describes methods of encouraging the public's involvement and of soliciting the public's input.

**Measurable Goal:** New permittee's PIPP shall be developed and implemented during the first year of coverage under this permit. All permittees shall re-evaluate the PIPP each permit year and revise as needed. Your PIPP shall include, but not be limited to:

- a. Opportunities for the public to participate in the decision-making processes associated with the development, implementation, and update of programs and activities related to this permit.
- b. Methods of routine communication to groups such as watershed associations, environmental advisory committees, and other environmental organizations that operate within proximity to the permittee's regulated small MS4s or their receiving waters.
- c. Making your periodic reports available to the public on your website, at your municipal offices, or by US Mail upon request.

**BMP #2:** Prior to adoption of any ordinance required by this permit, provide adequate public notice and opportunities for public review, input, and feedback.

**Measurable Goal:** Advertise any proposed MS4 Stormwater Management Ordinance, provide opportunities for public comment, evaluate any public input and feedback, and document the comments received and the municipality's response.

**BMP #3:** Regularly solicit public involvement and participation from the target audience groups. This should include an effort to solicit public reporting of suspected illicit discharges. Assist the public in their efforts to help implement your SWMP. Conduct public meetings to discuss the on-going implementation of your SWMP.

**Measurable Goals:** Conduct at least one (1) public meeting per year to solicit public involvement and participation from target audience groups. The public should be given reasonable notice through the usual outlets a reasonable period in advance of each meeting. During the meetings, you should present a summary of your progress, activities, and accomplishments with implementation of your SWMP, and you should provide opportunities for the public to provide feedback and input. Your presentation can be made at specific MS4 meetings or during any other public meeting. Under this MCM, you should document and report instances of cooperation and participation in your activities; presentations you made to local watershed organizations and conservation organizations; and similar instances of participation or coordination with organizations in your community. You also should document and report activities in which members of the public assisted or participated in your meetings and in the implementation of your SWMP, including education activities or organized implementation efforts such as cleanups, monitoring, storm-drain stenciling, or others.

### **MCM #3: Illicit Discharge Detection and Elimination (IDD&E)**

The following are the requirements for MCM #3 that are included in the Federal Regulations:

- *Develop, implement, and enforce a program to detect and eliminate illicit discharges into the MS4 (40 CFR Part 122.34(b)(3)(i)).*
- *Develop, if not already completed, a storm sewer system map, showing the location of all outfalls and the names and locations of all surface waters of the Commonwealth that receive discharges from those outfalls (40 CFR Part 122.34(b)(3)(ii)(A)).*
- *To the extent allowable under State or local law, effectively prohibit, through ordinance, or other regulatory mechanism, non-stormwater discharges into your storm sewer system and implement appropriate enforcement procedures and actions (40 CFR Part 122.34(b)(3)(ii)(B)).*
- *Develop and implement a plan to detect and address non-stormwater discharges, including illegal dumping, to your system (40 CFR Part 122.34(b)(3)(ii)(C)).*
- *Inform public employees, businesses, and the general public of hazards associated with illegal discharges and improper disposal of waste (40 CFR Part 122.34(b)(3)(ii)(D)).*

The following requirements, Best Management Practices (BMPs) and Measurable Goals are to be implemented and achieved:

**BMP #1:** You shall develop and implement a written program for the detection, elimination, and prevention of illicit discharges into your regulated MS4s. Your program shall include dry weather field screening of outfalls for non-stormwater flows and sampling of dry weather discharges for selected chemical and biological parameters. Test results shall be used as indicators of possible discharge sources. The program shall include the following:

- a. Procedures for identifying priority areas. These are areas with a higher likelihood of illicit discharges, illicit connections, or illegal dumping. Priority areas may include areas with older infrastructure, a concentration of high-risk activities, or past history of water pollution problems.
- b. Procedures for screening outfalls in priority areas during varying seasonal and meteorological conditions.
- c. Procedures for identifying the source of an illicit discharge when a contaminated flow is detected at a regulated small MS4 outfall.
- d. Procedures for eliminating an illicit discharge.
- e. Procedures for assessing the potential for illicit discharges caused by the interaction of sewage disposal systems (e.g., on-lot septic systems, sanitary piping) with storm-drain systems.
- f. Mechanisms for gaining access to private property to inspect outfalls (e.g., land easements, consent agreements, search warrants).
- g. Procedures for program documentation, evaluation and assessment.

**Measurable Goal:** For new permittees, the IDD&E program shall be developed during the first year of coverage under this permit and shall be implemented and evaluated each year thereafter. For renewal permittees, the existing IDD&E program shall continue to be implemented and evaluated annually. Records shall be kept of all outfall inspections, flows observed, results of field screening and testing, and other follow-up investigation and corrective action work performed under this program.

**Recommendation:** For information on development and implementation of an IDD&E program, refer to: *Illicit Discharge Detection and Elimination: A Guidance Manual for Program Development and Technical Assessments* (CWP, October 2004). <http://cfpub.epa.gov/NPDES/stormwater/iddde.cfm>

**BMP #2:** Develop and maintain a map of your regulated small MS4. The map must also show the location of all outfalls and the locations and names of all surface waters of the Commonwealth (e.g., creek, stream, pond, lake, basin, swale, channel) that receive discharges from those outfalls.

**Measurable Goals:** For new permittees, develop the map(s) of your regulated small municipal separate storm sewer systems (MS4) and the information on all outfalls from your regulated small MS4 by the end of the fourth (4<sup>th</sup>) year of

permit coverage. For renewal permittees, the existing map(s) of your regulated small MS4 shall be updated and maintained as necessary during each year of coverage under the permit.

**BMP #3:** In conjunction with the map(s) created under BMP #2 (either on the same map or on a different map), new permittees shall show, and renewal permittees shall update, the entire storm sewer collection system, including roads, inlets, piping, swales, catch basins, channels, basins, and any other features of the permittee's storm sewer system, including municipal boundaries and/or watershed boundaries.

Measurable Goal: For new permittees, develop the map(s) by the end of the fourth (4<sup>th</sup>) year of coverage under the permit and update and maintain the map(s) as necessary each year of permit coverage thereafter. For renewal permittees, update and maintain the map(s) as necessary during each year of permit coverage.

**BMP #4:** Following the IDD&E program created pursuant to BMP #1, the permittee shall conduct outfall field screening, identify the source of any illicit discharges, and remove or correct any illicit discharges using procedures developed under BMP #1.

Measurable Goals: For new permittees, all of the identified regulated small MS4 outfalls shall be screened during Dry Weather on at least two (2) different occasions during the permit coverage term. In each permit coverage year, at least forty percent (40%) of the total number of outfalls should be screened.

For renewal permittees, each of the identified regulated small MS4 outfalls shall be screened at least once during each permit coverage term. For areas where past problems have been reported or known sources of dry weather flows occur on a continual basis, outfalls shall be screened annually.

For each outfall, if the screening reveals dry weather flow, the discharge from the outfall and the area around the outfall shall be inspected visually for color, turbidity, sheen, floating or submerged solids; for adverse affects on plants or animals in proximity to the outfall; and for odor. If the outfall produces any odor, or if the visual inspection shows any indication that the discharge may contain pollutants, then samples of the discharge shall be collected for field and / or lab testing of selected chemical and biological parameters as part of a process to determine if the dry weather flow is illicit. Common parameters include: pH; conductivity; E. Coli bacteria; fecal coliform bacteria; metals; suspended solids; dissolved solids; oils; ammonia; surfactants; chlorine; and fluoride.

You shall implement the IDD&E plan that you developed to address any non-storm water discharges. If an outfall does not have any dry weather flow, then sampling and testing are not needed.

For all permittees, outfall inspections need to be prioritized according to the perceived chance of illicit discharges within the outfall's contributing drainage area. Observations of each outfall shall be recorded each time an outfall is screened, regardless of the presence of dry weather flow. Proper quality assurance and quality control procedures shall be followed when collecting, transporting or analyzing water samples. All outfall inspection information shall be recorded on the Outfall Reconnaissance Inventory/Sample Collection field sheet (attached below) excerpted from the *Illicit Discharge Detection and Elimination: A Guidance Manual for Program Development and Technical Assessments* (CWP, October 2004). Adequate written documentation shall be maintained to justify a determination that an outfall flow is not illicit. If an outfall flow is illicit, the actions taken to identify and eliminate the illicit flow also shall be documented.

The results of outfall inspections and actions taken to remove or correct illicit discharges shall be summarized in periodic reports.

**Recommendation:** All permittees should consider conducting some outfall screenings during varying seasonal and meteorological conditions since it is possible for illicit discharges/connections to occur during different times of the year and during or just after rain events. Seasonal outfall screenings conducted during periods of both low and high groundwater conditions can be beneficial in identifying illicit discharges that can occur during these times.

**BMP #5:** Enact a stormwater management ordinance to implement and enforce a stormwater management program (SWMP) that includes prohibition of non-stormwater discharges to the regulated small MS4.

**Measurable Goal - 1:** Within the first year of coverage under the permit, new permittees shall enact and implement an ordinance from an Act 167 Plan approved by the Department in 2005 or later; one (1) of the MS4 Stormwater Management Ordinances; or an ordinance that satisfies all applicable requirements in a completed and signed MS4 Stormwater Management Ordinance Checklist.

Renewal permittees must continue to maintain, update, implement, and enforce a Stormwater Management Ordinance that satisfies all applicable requirements.

**Measurable Goal - 2:** New permittees shall submit a letter signed by a municipal official, municipal engineer, or the municipal solicitor as an attachment to their first year report certifying the enactment of an ordinance that meets all applicable requirements of this permit. Renewal permittees shall update their existing ordinance, if necessary, and submit documentation of completion to the DEP.

**BMP #6:** Provide educational outreach to public employees, business owners and employees, property owners, the general public and elected officials (i.e., target audiences) about the program to detect and eliminate illicit discharges.

Educational outreach should include:

- a. Distribution of brochures and guidance for target audiences including schools;
- b. Programs to encourage and facilitate public reporting of illicit discharges;
- c. Organizing volunteers to locate and visually inspect outfalls and to stencil storm drains; and
- d. Implement and encourage recycling programs for common wastes such as motor oil, antifreeze and pesticides.

**Measurable Goals:** During each year of permit coverage, appropriate educational information concerning illicit discharges shall be distributed to the target audiences using methods outlined under MCM #1. If not already established, set up and promote a stormwater pollution reporting mechanism (e.g., a complaint line with message recording) by the end of the first year of permit coverage for the public to use to notify you of illicit discharges, illegal dumping or outfall pollution. Respond to all complaints in a timely and appropriate manner. Document all responses, include the action taken, the time required to take the action, whether the complaint was resolved successfully.

#### **MCM #4: Construction Site Stormwater Runoff Control**

If you checked Option MCM #4.A in Section E(4)-(5) of the NOI, then you are relying on DEP's statewide QLP for issuing NPDES Permits for Stormwater Discharges Associated with Construction Activities to satisfy all requirements under this MCM #4 and under BMPs #1 through #3 of MCM #5; therefore, all requirements are met for both this MCM #4 and BMPs #1 through #3 of MCM #5.

If you checked Option MCM #4.B in Section E(4)-(5) of the NOI, you are not relying on DEP's QLP for issuing NPDES Permits for Stormwater Discharges Associated with Construction Activities to satisfy this MCM #4 and BMPs #1 through #3 of MCM #5; therefore, you must implement and achieve all of the requirements in this MCM #4 and all of the requirements in MCM #5, including the Best Management Practices (BMPs) and the Measurable Goals.

The following are the requirements for MCM #4 that are included in the Federal Regulations:

- *Develop, implement, and enforce a program to reduce pollutants in any stormwater runoff to your small MS4 from construction activities that result in a land disturbance of greater than or equal to one acre, including projects less than one acre that are part of a larger common plan of development or sale that equals one acre or more (40 CFR Part 122.34(b)(4)(I)).*
- *Develop and implement an ordinance or other regulatory mechanism to require erosion and sediment controls, as well as sanctions to ensure compliance, to the extent allowable under State or local law (40 CFR Part 122.34(b)(4)(ii)(A)).*
- *Require construction site operators to implement appropriate erosion and sediment control best management practices (BMPs) (40 CFR Part 122.34(b)(4)(ii)(B)).*
- *Develop and implement requirements for construction site operators to control waste at the construction site that may cause adverse impacts to water quality. These wastes can include discarded building materials, concrete truck washout, chemicals, litter, and sanitary waste (40 CFR Part 122.34(b)(4)(ii)(C)).*
- *Develop and implement procedures for site plan review which incorporate consideration of potential water quality impacts (40 CFR Part 122.34(b)(4)(ii)(D)).*
- *Develop and implement procedures for receipt and consideration of information submitted by the public (40 CFR Part 122.34(b)(4)(ii)(E)).*
- *Develop and implement procedures for site inspections and enforcement of control measures (40 CFR Part 122.34(b)(4)(ii)(F)).*

Under 25 Pa. Code, Chapter 102 of Department regulations issued under the authority of the Pennsylvania Clean Streams Law, the permittee (a municipality or a county) may not issue a building or other permit or final approval to those proposing or conducting earth disturbance activities requiring a DEP permit until the DEP has issued the permit, or DEP or a delegated county conservation district (CCD) has approved coverage under an NPDES Permit for Stormwater Discharges Associated With Construction Activities.

**BMP #1:** Develop your program consisting of all procedures necessary to comply with the requirements of this MCM. Your program shall provide for construction stormwater permitting, construction inspection, and enforcement of installation and maintenance of the necessary Erosion and Sedimentation (E&S) control measures. Your program shall describe clearly how your program will be coordinated with DEP's NPDES Construction Stormwater Permitting program.

**Measurable Goal - 1:** For new permittees, the written program for this MCM shall be developed during the first year of permit coverage; nevertheless, you are responsible for implementation of this MCM during entire term of this permit, including the time you are developing your program.

For all permittees, your program shall be reviewed and updated during each year of permit coverage. The purpose of the written program is to establish clear roles and responsibilities for the implementation of the MCM #4 requirements. An agreement between the permittee, the CCD, and any other resources to be used by the permittee that clearly defines roles for each entity is recommended. If an agreement is made, you shall place and keep a written copy in your file, consistent with the Retention of Records requirements in this Permit. Please note that in

accordance with Section A.2.h in Part A of the Authorization to Discharge, as the permittee you are responsible to ensure that implementation of all requirements under this Permit are fulfilled.

Recommendation: Develop a tracking system that summarizes your actions to comply with this BMP (e.g., number of active construction sites, inspections, enforcement actions, etc.) and which can be described in a summary report format.

Measurable Goal - 2: If any portion of your regulated small MS4 is located in, or discharging to, Waters of the Commonwealth, including wetlands, that have an existing or designated use that qualifies as either "High Quality Waters" or "Exceptional Value Waters" under 25 Pa. Code Chapter 93 of DEP's regulations, then your program for this MCM, as written and as implemented, must ensure that stormwater discharges from new development or redevelopment into that portion of your regulated small MS4 will not cause or contribute to degradation of the quality of the receiving waters.

Recommendation: Develop maps, design guidance, application review guidance, inspection procedures, enforcement procedures, and a tracking system to ensure that this requirement is met.

**BMP #2:** The permittee shall enact, implement, and enforce an ordinance to require the implementation of erosion and sediment control BMPs, as well as sanctions to ensure compliance.

Measurable Goal - 1: Within the first year of coverage under the permit, new permittees shall enact and implement an ordinance that meets all applicable requirements of this permit.

Measurable Goal - 2: Permittees shall submit a letter signed by a municipal official, municipal engineer or the municipal solicitor as an attachment to their first periodic report certifying the enactment and implementation of a stormwater management ordinance that meets all requirements of this permit

**BMP #3:** Develop and implement requirements for construction site operators to control waste at the construction site that may cause adverse impacts to water quality. While sediment is the most common pollutant of concern for MCM #4, there are other types of pollutants that also can be a concern and the intent of this BMP is to address these other types of pollutants, such as, but not limited to, discarded building materials, washout from concrete trucks, chemicals, litter, and sanitary waste.

Measurable Goal: New permittees shall establish requirements to address this BMP by the end of the first year of permit coverage. Renewal permittees shall continue to implement existing requirements and update as necessary. This could be implemented by written municipal ordinance/code provisions, by standard notes on the site plans, by any other written format that accomplishes the objectives of this BMP, or by any combination of these measures. The goal of this BMP shall be communicated to construction site operators during pre-construction meetings. This BMP shall be implemented during each year of the MS4 permit. Permittees must prepare and maintain records of site inspections, including dates and results and you must maintain these records in accordance with the Retention of Records requirements in this Permit.

Recommendation: Verification of proper waste handling procedures can be determined at the same time that site E&S control inspections are conducted under BMP #1, described above.

**BMP #4:** Develop and implement procedures for the receipt and consideration of public inquiries, concerns, and information submitted by the public (to the permittee) regarding local construction activities. The permittee shall demonstrate acknowledgement and consideration of the information submitted, whether submitted verbally or in writing.

Measurable Goal: Permittees shall establish and implement a tracking system to keep a record of any submitted public information as well as your response, actions, and results. This BMP shall be implemented during each year of coverage under this permit and information should be submitted with the each periodic report.

Recommendation: Develop a tracking system that can keep a record of information submitted by the public as well as your responses to such public inquiries. The tracking system should be capable of producing periodic summary reports.

**MCM #5: Post-Construction Stormwater Management (PCSM) in New and Re-Development Activities**

If you checked Option MCM #4.A in Section E(4)-(5) of the NOI, then you are relying on DEP's statewide QLP for issuing NPDES Permits for Stormwater Discharges Associated with Construction Activities to satisfy all requirements under BMPs #1 through #3 of this MCM #5; therefore, all requirements are met for BMPs #1 through #3 of this MCM #5 and for all requirements under MCM #4.

If you checked Option MCM #4.B in Section E(4)-(5) of the NOI, you are not relying on DEP's QLP for issuing NPDES Permits for Stormwater Discharges Associated with Construction Activities to satisfy the requirements in BMPs #1 through #3 of this MCM #5; therefore, you must implement and achieve all of the requirements in this MCM #5 and all of the requirements in MCM #4, including the Best Management Practices (BMPs) and the Measurable Goals.

The following are the requirements for MCM #5 that are included in the Federal Regulations:

- *Develop, implement, and enforce a program to address stormwater runoff from new development and redevelopment projects that disturb greater than or equal to one acre, including projects less than one acre that are part of a larger common plan of development or sale, that discharge into your small MS4. Your program shall ensure that controls are in place that would prevent or minimize water quality impacts (40 CFR Part 122.34(b)(5)(I)).*
- *Develop and implement strategies which include a combination of structural and/or non-structural best management practices (BMPs) appropriate for your community (40 CFR Part 122.34(b)(5)(ii)(A)).*
- *Use an ordinance or other regulatory mechanism to address post-construction runoff from new development and redevelopment projects to the extent allowable under State, Tribal or local law (40 CFR Part 122.34(b)(5)(ii)(B)).*
- *Ensure adequate long-term operation and maintenance of BMPs (40 CFR Part 122.34(b)(5)(ii)(C)).*

The following requirements, Best Management Practices (BMPs) and Measurable Goals are to be implemented and achieved:

Note: Please refer to the definitions section of this permit for clarification of terms used in this MCM. In the following language, the term "BMPs" refers to post-construction stormwater management controls and Best Management Practices.

**BMP #1:** Develop a written procedure that describes how the permittee shall address all required components of this MCM. Guidance can be found in the Pennsylvania Stormwater Best Management Practices Manual. This plan shall include the following components:

- a. Minimum requirements for use of structural and/or non-structural BMPs in plans for development and redevelopment;
- b. Criteria for selecting and standards for sizing stormwater BMPs;
- c. Implementation of an inspection program to ensure that BMPs are properly installed;

**Measurable Goal:** The written procedure shall be developed by the end of the first year of permit coverage and be reviewed and updated every permit year thereafter, as needed. The intent of BMP #1 is for the permittee to describe how the listed tasks will be accomplished.

**BMP #2:** Require the implementation of a combination of structural and/or non-structural BMPs that are appropriate to the local community, that minimize water quality impacts, and that are designed to maintain pre-development runoff conditions. This requirement can be met by ensuring that the selected BMPs comply with the municipal Stormwater Management Ordinance that meets the requirements of this permit.

**Measurable Goal:** All qualifying development or redevelopment projects shall be reviewed to ensure that their post-construction stormwater management plans and selected BMPs conform to the applicable requirements. A tracking system (e.g., database, spreadsheet, or written list) shall be maintained to record qualifying projects and their associated BMPs. In your records, you shall note if there are no qualifying projects in a calendar year.

**BMP #3:** Ensure that controls are installed that shall prevent or minimize water quality impacts.

Measurable Goal: All qualifying development or redevelopment projects shall be inspected during the construction phase to ensure proper installation of the approved structural PCSM BMPs. A tracking system (e.g., database, spreadsheet, or written list) shall be implemented to track the inspections conducted and to track the results of the inspections (e.g., BMPs were, or were not, installed properly). Permittees not relying on DEP's statewide QLP to satisfy requirements under this BMP shall summarize construction inspections and results in periodic reports. See BMP #6 for requirements related to post-construction inspection and tracking of PCSM BMPs to ensure that the operation and maintenance plan is being implemented.

**BMP #4:** The permittee shall enact, implement, and enforce an ordinance or other regulatory mechanism to address post-construction stormwater runoff from new development and redevelopment projects, as well as sanctions and penalties associated with non-compliance, to the extent allowable under State or local law.

Measurable Goal - 1: Within the first year of coverage under this permit, new permittees shall enact and implement a stormwater management ordinance that meets the requirements of this permit.

Measurable Goal - 2: All permittees shall submit a letter signed by a municipal official, municipal engineer or the municipal solicitor as an attachment to their first periodic report certifying the enactment of a stormwater management ordinance that meets the requirements of this permit.

**BMP #5:** Develop and implement measures to encourage and expand the use of Low Impact Development (LID) in new and redevelopment. Measures also should be included to encourage retrofitting LID into existing development. DEP's Pennsylvania Stormwater Best Management Practices Manual provides guidance on implementing LID practices.

Measurable Goal - 1: In your inventory of development and redevelopment projects authorized for construction since March 10, 2003, that discharge stormwater to your regulated small MS4s, indicate which projects incorporated LID practices and for each project list and track the BMPs that were used.

Measurable Goal - 2: Enact ordinances consistent with LID practices and repeal sections of ordinances that conflict with LID practices. Progress with enacting and updating your ordinances to enable the use of LID practices shall be summarized in the periodic reports.

Recommendations: The EPA website provides publications on LID, including Reducing Stormwater Costs through Low Impact Development (LID) Strategies and Practices Publication Number EPA 841-F-07-006, December 2007 at <http://www.epa.gov/owow/nps/lid/costs07/>. The Pennsylvania Standards for Residential Site Development, Pennsylvania Housing Research/Resource Center, The Pennsylvania State University, April 2007 at <http://www.enqr.psu.edu/phrc/>.

**BMP #6:** Ensure adequate Operation and Maintenance (O&M) of all post-construction stormwater management BMPs installed at all qualifying development or redevelopment projects (including those owned or operated by the permittee).

Measurable Goal - 1: Within the first year of coverage under this permit, new permittees shall develop and implement a written inspection program to ensure that stormwater BMPs are properly operated and maintained. The program shall include sanctions and penalties for non-compliance. All permittees shall review and update the inspection program annually and shall continue to implement this BMP.

Measurable Goal - 2: An inventory of PCSM BMPs shall be developed by permittees and shall be continually updated during the term of coverage under the permit as development projects are reviewed, approved, and constructed. This inventory shall include all PCSM BMPs installed since March 10, 2003 that discharge directly or indirectly to your regulated small MS4s. The inventory also should include PCSM BMPs discharging to the regulated small MS4 system that may cause or contribute to violation of water quality standard. The inventory shall include:

- a. All PCSM BMPs that were installed to meet requirements in NPDES Permits for Stormwater Discharges Associated with Construction Activities approved since March 10, 2003.

- b. The exact location of the PCSM BMP (e.g., street address);
- c. Information (e.g., name, address, phone number(s)) for BMP owner and entity responsible for BMP Operation and Maintenance (O&M), if different from BMP owner;
- d. The type of BMP and the year it was installed;
- e. Maintenance required for the BMP type according to the Pennsylvania Stormwater BMP Manual or other manuals and resources;
- f. The actual inspection/maintenance activities for each BMP;
- g. An assessment by the permittee if proper occurred during the year and if not, what actions the permittee has taken, or shall take, to address compliance with O&M requirements

Recommendation: Develop a single system that supports recording and tracking the information specified in BMPs #3, #4 and #5.

Measurable Goal - 3: If any portion of your regulated small MS4 is located in, or discharging to, Waters of the Commonwealth, including wetlands, that have an existing or designated use that qualifies as either "High Quality Waters" or "Exceptional Value Waters" under 25 Pa. Code Chapter 93 of DEP's regulations, then your inspection program for this MCM, as written and as implemented, must ensure that stormwater discharges from new development or redevelopment into that portion of your regulated small MS4 will not cause or contribute to degradation of the quality of the receiving waters.

Recommendation: Develop maps, inspection procedures, enforcement procedures, and a tracking system to ensure that this requirement is met.

### **MCM #6: Pollution Prevention/Good Housekeeping for Municipal Operations**

The following are the requirements for MCM #6 that are included in the Federal Regulations:

- *Develop and implement an operation and maintenance program that includes a training component and has the ultimate goal of preventing or reducing pollutant runoff from municipal operations (40 CFR Part 122.34(b)(6)(i)).*
- *Provide employee training to prevent and reduce stormwater pollution from activities such as parks and open space maintenance, fleet and building maintenance, new construction and land disturbances, and stormwater system maintenance (40 CFR Part 122.34(b)(6)(i)).*

The following requirements, Best Management Practices (BMPs) and Measurable Goals are to be implemented and achieved:

**BMP #1:** Identify and document all facilities and activities that are owned or operated by the permittee and have the potential for generating stormwater runoff to the regulated small MS4. This includes activities conducted by contractors for the permittee. Activities may include the following: street sweeping; snow removal/deicing; inlet/outfall cleaning; lawn/grounds care; general storm sewer system inspections and maintenance/repairs; park and open space maintenance; municipal building maintenance; new construction and land disturbances; right-of-way maintenance; vehicle operation, fueling, washing and maintenance; and material transfer operations, including leaf/yard debris pickup and disposal procedures. Facilities can include streets; roads; highways; parking lots and other large paved surfaces; maintenance and storage yards; waste transfer stations; parks; fleet or maintenance shops; wastewater treatment plants; stormwater conveyances (open and closed pipe); riparian buffers; and stormwater storage or treatment units (e.g., basins, infiltration/filtering structures, constructed wetlands, etc.).

**Measurable Goal:** By the end of the first year of permit coverage, new permittees shall identify and document all types of municipal operations, facilities and activities and land uses that may contribute to stormwater runoff within areas of municipal operations that discharge to the regulated small MS4. Renewal permittees should have completed this list during the previous permit term. For all permittees, this information shall be reviewed and updated each year of permit coverage, as needed. Part of this effort shall include maintaining a basic inventory of various municipal operations and facilities.

**BMP #2:** Develop, implement and maintain a written operation and maintenance (O&M) program for all municipal operations and facilities that could contribute to the discharge of pollutants from the regulated small MS4s, as identified under BMP #1. This program (or programs) shall address municipally owned stormwater collection or conveyance systems, but could include other areas (as identified under BMP #1). The O&M program(s) should stress pollution prevention and good housekeeping measures, contain site-specific information, and address the following areas:

- a. Management practices, policies, procedures, etc. shall be developed and implemented to reduce or prevent the discharge of pollutants to your regulated small MS4s. You should consider eliminating maintenance-area discharges from floor drains and other drains if they have the potential to discharge to storm sewers.
- b. Maintenance activities, maintenance schedules, and inspection procedures to reduce the potential for pollutants to reach your regulated small MS4s. You also should review your procedures for maintaining your stormwater BMPs.
- c. Controls for reducing or eliminating the discharge of pollutants from streets, roads, highways, municipal parking lots, maintenance and storage yards, waste transfer stations, fleet or maintenance shops with outdoor storage areas, and salt / sand (anti-skid) storage locations and snow disposal areas.
- d. Procedures for the proper disposal of waste removed from your regulated small MS4s and your municipal operations, including dredge spoil, accumulated sediments, trash, household hazardous waste, used motor oil, and other debris.

**Measurable Goal:** During the first year of permit coverage, new permittees shall develop and implement a written O&M program that complies with BMPs #1 and #2. Renewal permittees shall continue to implement their existing program. All permittees shall review the O&M program annually, edit as necessary, and continue to implement during every year of permit coverage.

**Guidance:** Permittees may develop a single all encompassing written O&M program or they may develop separate programs for their stormwater system and for their vehicles.

**BMP #3:** Develop and implement an employee training program that addresses appropriate topics to further the goal of preventing or reducing the discharge of pollutants from municipal operations to your regulated small MS4s. The program may be developed and implemented using guidance and training materials that are available from federal, state or local agencies, or other organizations. Any municipal employee or contractor shall receive training. This could include public works staff, building / zoning / code enforcement staff, engineering staff (on-site and contracted), administrative staff, elected officials, police and fire responders, volunteers, and contracted personnel. Training topics should include operation, inspection, maintenance and repair activities associated with any of the municipal operations / facilities identified under BMP #1. Training should cover all relevant parts of the permittee's overall stormwater management program that could affect municipal operations, such as illicit discharge detection and elimination, construction sites, and ordinance requirements.

Measurable Goal - 1: During the first year of permit coverage, new permittees shall develop and implement a training program that identifies the training topics that will be covered, and what training methods and materials will be used. Renewal permittees shall continue to operate under their existing program. All permittees shall review the training program annually, edit it as necessary, and continue to implement it during every year of permit coverage.

Measurable Goal - 2: Your employee training shall occur at least annually (i.e., during each permit coverage year) and shall be fully documented in writing and reported in your periodic reports. Documentation shall include the date(s) of the training, the names of attendees, the topics covered, and the training presenter(s).

Guidance: The training requirements of this BMP can be met in various ways. Training can be:

- a. formal or informal;
- b. conducted on-site or off-site;
- c. conducted on-the-job or during dedicated training periods;
- d. conducted one-on-one or in a group setting (including with staff from other MS4s);
- e. conducted by municipal staff or consultants/volunteers;
- f. conducted via oral presentations/instructions and/or via written materials (e.g., SOP's, guidance manuals, tests).

Recommendation: For efficiency and cost savings, you may wish to arrange and schedule joint training events with other nearby operators of regulated small MS4s.

## OUTFALL RECONNAISSANCE INVENTORY/ SAMPLE COLLECTION FIELD SHEET

### Section 1: Background Data

Subwatershed:		Outfall ID:	
Today's date:		Time (Military):	
Investigators:		Form completed by:	
Temperature (°F):	Rainfall (in.):	Last 24 hours:	Last 48 hours:
Latitude:	Longitude:	GPS Unit:	GPS LMK #:
Camera:		Photo #s:	
Land Use in Drainage Area (Check all that apply):			
<input type="checkbox"/> Industrial		<input type="checkbox"/> Open Space	
<input type="checkbox"/> Ultra-Urban Residential		<input type="checkbox"/> Institutional	
<input type="checkbox"/> Suburban Residential		Other: _____	
<input type="checkbox"/> Commercial		Known Industries: _____	
Notes (e.g., origin of outfall, if known):			

### Section 2: Outfall Description

LOCATION	MATERIAL	SHAPE	DIMENSIONS (IN.)	SUBMERGED
<input type="checkbox"/> Closed Pipe	<input type="checkbox"/> RCP <input type="checkbox"/> CMP <input type="checkbox"/> PVC <input type="checkbox"/> HDPE <input type="checkbox"/> Steel <input type="checkbox"/> Other: _____	<input type="checkbox"/> Circular <input type="checkbox"/> Elliptical <input type="checkbox"/> Box <input type="checkbox"/> Other: _____	<input type="checkbox"/> Single <input type="checkbox"/> Double <input type="checkbox"/> Triple <input type="checkbox"/> Other: _____	Diameter/Dimensions: _____  In Water: <input type="checkbox"/> No <input type="checkbox"/> Partially <input type="checkbox"/> Fully  With Sediment: <input type="checkbox"/> No <input type="checkbox"/> Partially <input type="checkbox"/> Fully
<input type="checkbox"/> Open drainage	<input type="checkbox"/> Concrete <input type="checkbox"/> Earthen <input type="checkbox"/> rip-rap <input type="checkbox"/> Other: _____	<input type="checkbox"/> Trapezoid <input type="checkbox"/> Parabolic <input type="checkbox"/> Other: _____	Depth: _____ Top Width: _____ Bottom Width: _____	
<input type="checkbox"/> In-Stream	(Applicable when collecting samples)			
Flow Present?	<input type="checkbox"/> Yes <input type="checkbox"/> No <i>If No, Skip to Section 3</i>			
Flow Description (If present)	<input type="checkbox"/> Trickie <input type="checkbox"/> Moderate <input type="checkbox"/> Substantial			

### Section 3: Quantitative Characterization

FIELD DATA FOR FLOWING OUTFALLS				
PARAMETER	RESULT	UNIT	EQUIPMENT	
<input type="checkbox"/> Flow #1	Volume		Liter	Bottle
	Time to fill		Sec	
<input type="checkbox"/> Flow #2	Flow depth		In	Tape measure
	Flow width	____' ____"	Ft, In	Tape measure
	Measured length	____' ____"	Ft, In	Tape measure
	Time of travel		S	Stop watch
Temperature		°F	Thermometer	
pH		pH Units	Test strip/Probe	
Ammonia		mg/L	Test strip	

## Outfall Reconnaissance Inventory Field Sheet

**Section 4: Physical Indicators for Flowing Outfalls Only**  
 Are Any Physical Indicators Present in the flow?  Yes  No *(If No, Skip to Section 5)*

INDICATOR	CHECK IF Present	DESCRIPTION	RELATIVE SEVERITY INDEX (RSI)		
			1 - Faint	2 - Easily detected	3 - Noticeable from a distance
Odor	<input type="checkbox"/>	<input type="checkbox"/> Sewage <input type="checkbox"/> Rancid/sour <input type="checkbox"/> Petroleum/gas <input type="checkbox"/> Sulfide <input type="checkbox"/> Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Color	<input type="checkbox"/>	<input type="checkbox"/> Clear <input type="checkbox"/> Brown <input type="checkbox"/> Gray <input type="checkbox"/> Yellow <input type="checkbox"/> Green <input type="checkbox"/> Orange <input type="checkbox"/> Red <input type="checkbox"/> Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Turbidity	<input type="checkbox"/>	See severity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Foamables -Does Not Include Trash!!	<input type="checkbox"/>	<input type="checkbox"/> Sewage (Toilet Paper, etc.) <input type="checkbox"/> Suds <input type="checkbox"/> Petroleum (oil sheen) <input type="checkbox"/> Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 5: Physical Indicators for Both Flowing and Non-Flowing Outfalls**  
 Are physical indicators that are not related to flow present?  Yes  No *(If No, Skip to Section 6)*

INDICATOR	CHECK IF Present	DESCRIPTION	COMMENTS
Outfall Damage	<input type="checkbox"/>	<input type="checkbox"/> Spalling, Cracking or Chipping <input type="checkbox"/> Feeling Paint <input type="checkbox"/> Corrosion	
Deposits/Stains	<input type="checkbox"/>	<input type="checkbox"/> Oily <input type="checkbox"/> Flow Line <input type="checkbox"/> Paint <input type="checkbox"/> Other:	
Abnormal Vegetation	<input type="checkbox"/>	<input type="checkbox"/> Excessive <input type="checkbox"/> Inhibited	
Poor pool quality	<input type="checkbox"/>	<input type="checkbox"/> Odors <input type="checkbox"/> Colors <input type="checkbox"/> Floatables <input type="checkbox"/> Oil Sheen <input type="checkbox"/> Suds <input type="checkbox"/> Excessive Algae <input type="checkbox"/> Other:	
Pipe benthic growth	<input type="checkbox"/>	<input type="checkbox"/> Brown <input type="checkbox"/> Orange <input type="checkbox"/> Green <input type="checkbox"/> Other:	

**Section 6: Overall Outfall Characterization**

Unlikely  Potential (presence of two or more indicators)  Suspect (one or more indicators with a severity of 3)  Obvious

**Section 7: Data Collection**

1. Sample for the lab?  Yes  No

2. If yes, collected from:  Flow  Pool

3. Intermittent flow trap set?  Yes  No *If Yes, type:  OBM  Canik dam*

**Section 8: Any Non-Ilicit Discharge Concerns (e.g., trash or needed infrastructure repairs)?**





DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

March 9, 2017

To the Honorable Council  
Of the City of Scranton  
Municipal Building  
Scranton, PA 18503

RECEIVED

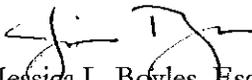
MAR - 9 2017

OFFICE OF CITY  
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A GRANT APPLICATION AND, IF SUCCESSFUL, TO ENTER INTO A GRANT AGREEMENT, AND ACCEPT THE FUNDING THROUGH THE DEPARTMENT OF ENVIRONMENTAL PROTECTION LOCAL STORMWATER BMP IMPLEMENTATION PROGRAM AWARDED IN THE AMOUNT OF \$197,325.00 TO ADDRESS THE WATER QUALITY PROBLEMS ASSOCIATED WITH URBAN STORMWATER RUNOFF IN THE LACKAWANNA RIVER.

Respectfully,

  
Jessica L. Boyles, Esquire  
City Solicitor

JLB/sl



RESOLUTION NO. 130  
2017

APPOINTMENT OF ROBERT J. PALMITESSA, 730 NORTH LINCOLN AVENUE, SCRANTON, PENNSYLVANIA 18504 AS A MEMBER OF THE BOARD OF ZONING APPEALS FOR THE CITY OF SCRANTON. MR. PALMITESSA WILL FILL THE UNEXPIRED TERM OF STEVEN KOCHIS, WHO RESIGNED ON FEBRUARY 9, 2017. MR. PALMITESSA'S TERM WILL EXPIRE ON JULY 15, 2019.

WHEREAS, Steven Kochis served as a member of the City of Scranton Board of Zoning Appeals; and

WHEREAS, Steven Kochis has tendered his resignation to the Board of Zoning Appeals February 9, 2017; and

WHEREAS, Steven Kochis's resignation creates a vacancy on the Board of Zoning Appeals; and

WHEREAS, Scranton City Council desires to fill that vacancy with the appointment of Robert Palmitessa.

**NOW, THEREFORE, BE IT RESOLVED BY SCRANTON CITY COUNCIL THAT** Robert Palmitessa, 730 North Lincoln Avenue, Scranton, Pennsylvania, 18504 is hereby appointed to fill the unexpired term of Steven Kochis on the City of Scranton's Zoning Board of Appeals with said term to expire on July 15, 2019.

**SECTION 1.** If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Resolution and the effective administration thereof.

**SECTION 2.** This Resolution shall become effective immediately upon approval.

Introduced in Council on above date and referred to Committee on **PLANNING RULES**

March 16, 2017

*[Signature]*  
City Clerk

Scranton, Pa. Committee on Rules reports favorably on the within Appointment.

Chairman

**SECTION 3.** This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

Passed by the Council

\_\_\_\_\_  
Receiving the Affirmative votes of Council Persons

Negative \_\_\_\_\_

\_\_\_\_\_  
President

Approved \_\_\_\_\_

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

Certified Copy

RECEIVED

FEB - 9 2017

OFFICE OF CITY  
COUNCIL/CITY CLERK

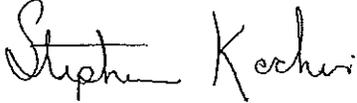
February 9, 2017

Atty. Dan Penetar  
Scranton Zoning Board  
City of Scranton  
340 N. Washington Ave.  
Scranton, PA 18503

Dear Atty. Penetar:

Please accept my resignation from the Scranton Zoning Board, at once, 2/9/17.  
Thank you and best wishes.

Sincerely,



Steve Kochis  
531 Hickory St.  
Scranton, PA 18505

CC: Jack Sweeney, City Zoning Officer