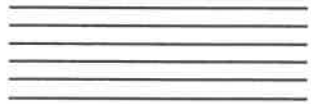

TULSA COUNTY



PURCHASING
DEPARTMENT

MEMO

DATE: April 24, 2019

FROM: Megan Blackford
Assistant Purchasing Director

TO: Board of County Commissioners

SUBJECT: Insurance Proposal-Zurich

Submitted for your approval and execution is the attached Insurance Proposal between the Board of County Commissioners and Zurich, which is presented by Tedford Insurance on behalf of Zurich, for the builders risk plan for premium and insurance coverage regarding the Tulsa County Headquarters Building, which is located 218 W. 6th Street, Tulsa, OK 74119

MLB / skb

ORIGINAL: Michael Willis, County Clerk, for the April 29, 2019 agenda.



Market leadership

Zurich has been providing comprehensive solutions for more than 140 years around the globe

Financial strength

We demonstrate strength and stability:
AA- S&P and A+ A.M. Best ratings

Industry experience

Zurich insures 90% of Fortune 500 companies, and provides cutting-edge insights for 25 industries

Exceptional people

We are a values-based organization and live the Zurich Commitment in all we do, which includes acting responsibly and following our core values

Delivering when it matters

Industry leading claims service in North America

Zurich Insurance Group (Zurich) offers Insurance solutions around the globe through its member companies.

Rating as of March 31, 2016. A.M. Best and S&P's ratings are under continuous review and subject to change and/or affirmation. For the latest ratings, access the ratings section on www.zurichna.com. The rating represents the overall financial status of the individual member companies of Zurich in North America, including Zurich American Insurance Company in the United States and Zurich Insurance Company Ltd (Canadian Branch) in Canada; and is not a recommendation of the specific policy provisions, rates or practices of each issuing insurance company. The Zurich logo and Zurich are trademarks of Zurich Insurance Company Ltd.
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Zurich Programs

Builders Risk and Installation



Quote

Our Builders Risk Plan offers world-class coverages, flexibility and service to agents and builders nationwide. For more than 40 years, we've been pioneering the development of insurance solutions for construction professionals and have protected the property interests of builders and developers on even the most intricate residential and commercial construction projects. The Builders Risk and Installation product offers a wide spectrum of property coverage. Here are a few highlights of the coverages offered:

Limits:

• Construction Forms and Scaffolding (including the re-assembling and re-erecting)	\$100,000
• Valuable Papers and Records – Cost of Research	\$100,000
• Outdoor Trees, Shrubs, Plants and Lawns	\$100,000
• Debris removal expense up to 50% of the amount paid for direct loss, subject to a maximum of:	\$250,000
• Pollutant clean-up and removal of land and water each 12 month period of the policy	\$250,000
• Fire Department Service Charge	\$100,000
• Cost to Refill Fire Protection Devices up to \$10,000	\$25,000
• Claims Preparation Expense	\$25,000
• Contract Penalty	\$50,000
• Limited Fungus, Wet Rot, Dry Rot and Bacteria	\$15,000
• Rewards	\$25,000
• No Coinsurance clause	Included
• Foundations, excavations and other underground property	Included
• Temporary structures including office trailers, tool trailers and fencing	Included
• Coverage for electrical, mechanical, pneumatic or hydrostatic testing, as defined in the form, used in the start-up and testing of building systems	Included
• Occupancy coverage	60 Days
• Valuation can include profit if included in the Limit of Insurance you selected	Included
• Collapse coverage	Included
• No glass limitations; no theft restrictions; no mechanical or electrical breakdown exclusions; no back-up sewer or drain exclusion or limitation	Included
• Coverage for resulting loss by a Covered Cause of Loss caused by faulty design, faulty workmanship or faulty materials	Included

Strong, reliable insurance protection is available from Zurich Programs. Zurich Programs is an integral part of Zurich North America.

Zurich Financial Services (www.zurich.com) is an insurance-based financial services provider with a global network that focuses its activities on its key markets in North America and Europe. Founded in 1872, Zurich is headquartered in Zurich, Switzerland. Through its offices in more than 50 countries, 57,000 Zurich employees serve clients in more than 120 countries. In North America, Zurich (www.zurichna.com) is a leading commercial property-casualty insurance provider serving the global corporate, large corporate, middle market, specialties and programs sectors.

This is a proposal for insurance. It is not an insurance policy. Only the policy itself provides coverage. The coverages offered in this proposal are based on information received through the agent and may not include all available coverages. The client should discuss any additional or optional coverages needed. Coverage descriptions are abbreviated and do not indicate in force coverage. This proposal is not a part of and is not incorporated into the insurance policy. If there is any conflict between the coverage description shown in this proposal and the actual insurance policy, the insurance policy prevails. The insurance policy supercedes this proposal

Zurich Programs Builders Risk and Installation



Quote

Prepared For Tulsa County
500 S Denver
Tulsa, OK 74103

Presented By TEDFORD INSURANCE
02134138

Proposed Policy Period **From** 4/15/19 **To** 3/31/21
(12:01 a.m. Standard Time at your address as stated herein)

Location Information

218 W 6th St
Tulsa OK 74119 **Protection Class:** 3
Construction: Masonry Non Combustible
of Stories: 9

Project Description Non structural renovations to Tulsa County headquarters (excluding existing structure)

Coverage and premium information

This is intended only as a brief outline and does not alter any of the coverages, conditions, exclusions or provisions contained in the policy.	Type of Coverage	Total Premium (all locations)*
	Builders Risk	\$30,607

Total Premium \$30,607

*Premium quotation valid for 30 days. Policy can be cancelled pro-rata subject to a minimum earned premium of \$22,955

If the project is not completed within the estimated completion time of 23 month(s), any extension of coverage will require approval/agreement to extend and re-negotiation of rates, terms and conditions if the extension is approved.

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John M. Fields II 4-24-19
APPROVED AS TO FORM
ASSISTANT DISTRICT ATTORNEY

Zurich Programs

Builders Risk and Installation



Quote

The following summarizes the proposal for your insurance. This is not a contract. The terms of the policy forms will control the insurance contract without regard to any statement made below.

Primary Builders Risk Coverages	Deductible	Proposed Total Limits
Coverage Limit at the Project Site	\$25,000	\$20,000,000
Property while in Transit	\$25,000	\$500,000
Property at temporary location	\$25,000	\$500,000
For all covered property	\$25,000	\$20,000,000

Coverage Extensions	Deductible	Proposed Total Limits
Soft Costs	N/A	Not Covered
Business Income & Extra Expense	N/A	Not Covered
Earth Movement Zone N/A	N/A	Not Covered
Flood Zone N/A	N/A	Not Covered
Existing Structure Coverage	N/A	Not Covered

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Zurich Programs Builders Risk and Installation



Quote

Special Conditions	Deductible	Proposed Total Limits
Windstorm & Hail	\$50,000	Included in Project Site Limit

24-hour Claim Service

Our claim representatives understand businesses like yours and recognize how difficult a business shutdown can be for you. So, while they provide service that's fast, responsive and fair, their ultimate goal is to minimize your business disruption and get you back to full operation as promptly as possible.

In the event you have a loss, we now offer online loss reporting with immediate acknowledgement. Your claim is assigned to a local claim office, usually within two hours of reporting the loss, but generally no longer than 24 hours. You can also call us toll-free at 1-800-987-3373.

This is a proposal for insurance. It is not an insurance policy. Only the policy itself provides coverage. The coverages offered in this proposal are based on information received through the agent and may not include all available coverages. The client should discuss any additional or optional coverages needed. Coverage descriptions are abbreviated and do not indicate in force coverage. This proposal is not a part of and is not incorporated into the insurance policy. If there is any conflict between the coverage description shown in this proposal and the actual insurance policy, the insurance policy prevails. The insurance policy supercedes this proposal

THIS DISCLOSURE DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER ANY POLICY.

**DISCLOSURE OF IMPORTANT INFORMATION
RELATING TO TERRORISM RISK INSURANCE ACT**

SCHEDULE*

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA:
\$0

*Any information required to complete this Schedule, if not shown above, will be shown in the quote or proposal.

A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government may pay a share of insured losses resulting from an act of terrorism. The federal share will decrease by 5% from 85% to 80% over a five year period while the insurer share increases by the same amount during the same period. The schedule below illustrates the decrease in the federal share:

January 1, 2015 – December 31, 2015 federal share: 85%

January 1, 2016 – December 31, 2016 federal share: 84%

January 1, 2017 – December 31, 2017 federal share: 83%

January 1, 2018 – December 31, 2018 federal share: 82%

January 1, 2019 – December 31, 2019 federal share: 81%

January 1, 2020 – December 31, 2020 federal share: 80%

C. Disclosure of \$100 Billion Cap on All Insurer and Federal Obligations

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed \$100 billion in a calendar year (January 1 through December 31) and an insurer has met its deductible under the program, that insurer shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

D. Availability

As required by TRIA, we have made available to you for lines subject to TRIA coverage for losses resulting from acts of terrorism certified under TRIA with terms, amounts and limitations that do not differ materially from those for losses arising from events other than acts of terrorism.

E. Definition of Act of Terrorism under TRIA

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;

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Builders Risk and Installation



3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. To have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an "act of terrorism" if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

