

Boiler & Machinery Breakdown Proposal

Proposing Insurer: Affiliated FM

Current A.M. Best Rating Level (i.e., A-): A+
 Current A.M. Best Financial Size (i.e., XV): XV
 Admitted/Non-Admitted in Texas: Admitted

DESCRIPTION	KPIA Property & Casualty Expiring Limits & Coverage	Proposed Limit or Included (I) or Not Included (NI)	COMMENTS
Includes all scheduled locations owned, operated or under the care, custody or control of Williamson County	Per listed locations	Per listed locations	
Comprehensive Equipment Breakdown Coverage Limit & Physical Damage	Policy Limits	Policy Limits	
Business Income	Included in \$500,000 BI limit in the Property policy	Included in \$500,000 BI limit in the Property policy	
Extra Expense	Included in \$500,000 Extra Expense limit in the Property policy	Included in \$500,000 Extra Expense limit in the Property policy	
Expediting Expense Limit	\$250,000	\$250,000	
Environmental, safety and efficiency improvements	N/A	N/A	
Hazardous Substance Limit	Policy Limits	Policy Limits	
CFC Refrigerants	Policy Limits	Policy Limits	
Water Damage Limit	Policy Limits	Policy Limits	
Spoilage Limit (perishable goods)	Policy Limits	Policy Limits	
Off-Premises Utility Service Interruption Limit	\$500,000 PD \$500,000 BI	\$500,000 PD \$500,000 BI	
Consequential Damage	Policy Limits	Policy Limits	

Joint-loss agreement with Property policy	N/A	N/A	
Data Restoration	Policy Limits	Policy Limits	
Computer Equipment	Policy Limits	Policy Limits	
Demolition & ICC	Demolition \$1M ICC \$1M	Demolition \$1M ICC \$1M	
Jurisdictional inspections	Included	Included	
Boiler & Machinery Deductibles			
Damage to Covered Property	\$ 10,000	\$ 10,000	
Business Interruption, Extra Expense	\$ 10,000	\$ 10,000	
Consequential Damage	\$10,000	\$ 10,000	
Boiler & Machinery Premium & Policy Period			
Annual Premium for coverage outlined above	Included in Property Premium	Included in Property Premium	
Does this quoted premium include state boiler inspections conducted by the insurer?	Yes	Yes or No? Yes	
Policy Period	10/1/09-10	10/01/10-11	
Boiler & Machinery Options			
DESCRIPTION	ADJUSTMENT to premium quoted Above (indicate "-" for return premium or "+" for additional premium)	DEDUCTIBLE (if different from deductibles provided above)	COMMENTS (indicate "Not proposed" if the option is not being proposed or "Included" if coverage is provided at no change in the premium provided above).
	\$		
	\$		
	\$		

	\$		
	\$		
	\$		

Property			
Proposing Insurer: Affiliated FM		Current A.M. Best Rating Level (i.e., A-): A+ Current A.M. Best Financial Size (i.e., XV): XV Admitted/Non-Admitted in Texas: Admitted	
DESCRIPTION	KPIA Property & Casualty Expiring Limits & Coverage	Proposed Limit <u>or</u> Included (I) <u>or</u> Not Included (NI)	COMMENTS
Building & Contents Maximum Limit (any one loss, all locations)	\$164,384,500	\$175,087,475	(Note: base your quote on the values provided in RFP Property schedule-Exhibit A)
Limit, any one location	Blanket	Blanket	
Blanket coverage applies	Yes	Yes	
Replacement Cost coverage at all locations	Incl.	Incl.	
Agreed Amount values	Incl.	Incl.	
"All Risk" coverage (other than exclusions)	Yes	Yes	
Replacement Cost Coverage	Yes	Yes	
Replacement Cost claim valuation	Adjustment of loss amount(s) under this policy will be determined based on the cost of repairing or replacing (whichever is the lesser), at the time of loss, with materials or equipment of like kind and quality without deduction for depreciation, except as provided in this valuation section.	Adjustment of loss amount(s) under this policy will be determined based on the cost of repairing or replacing (whichever is the lesser), at the time of loss, with materials or equipment of like kind and quality without deduction for depreciation, except as provided in this valuation section.	
Property Valuation	100%	100%	
Coinsurance Penalty	Waived	Waived	

Definition of "real property" includes:

- 1) Scheduled buildings either owned by the County, in which the County has an insurable interest, or the County has agreed in advance to cover
- 2) supplies, tools, permanently installed fixtures pertaining to the service of the real property
- 3) new buildings and other structures and additions at scheduled locations including materials and supplies thereof or and equipment, machinery, and apparatus for the service thereof, when at a covered location or within 1,000 feet thereof
- 4) all contractor's interests in real property when agreed to in writing in advance

This policy insures the following property, if shown in the declarations section, at or within 1,000 feet of a **described location**, unless excluded, that the insured:

- I. Owns;
- II. Operates;
- III. Controls; or
- IV. Is under the obligation to insure for direct physical loss or damage, to the extent of such obligation

1. Real Property

If this policy insures real property it includes:

- a) New construction;
- b) Additions under construction;
- c) Alterations and repairs to buildings or structures;
- d) Materials, equipment and supplies for new construction, additions, buildings or structures;
- e) Temporary structures;
- f) Machinery, equipment, and fixtures that are permanently attached to the building;
- g) Personal property that is used to maintain or service the building;
- h) Above and below ground pipes, tanks, flues and drains;
- i) Buildings or structures donated to the Insured;
- j) Helipads and associated attached equipment.

All if not covered by other insurance. This policy also covers contractors' interests in a) through j) above to the extent that the Insured has agreed, prior to loss, to keep such interests insured.

This policy insures the following property, if shown in the declarations section, at or within 1,000 feet of a **described location**, unless excluded, that the insured:

- I. Owns;
- II. Operates;
- III. Controls; or
- IV. Is under the obligation to insure for direct physical loss or damage, to the extent of such obligation

1. Real Property

If this policy insures real property it includes:

- a) New construction;
- b) Additions under construction;
- c) Alterations and repairs to buildings or structures;
- d) Materials, equipment and supplies for new construction, additions, buildings or structures;
- e) Temporary structures;
- f) Machinery, equipment, and fixtures that are permanently attached to the building;
- g) Personal property that is used to maintain or service the building;
- h) Above and below ground pipes, tanks, flues and drains;
- i) Buildings or structures donated to the Insured;
- j) Helipads and associated attached equipment.

All if not covered by other insurance. This policy also covers contractors' interests in a) through j) above to the extent that the Insured has agreed, prior to loss, to keep such interests insured.

<p>Definition of "personal property" includes:</p> <ol style="list-style-type: none"> property at scheduled locations or within 1,000 feet thereof when owned by the County, in which the County has an insurable interest, which belongs to others but which is in the actual or constructive custody of the County (except when the County is acting as a warehouseman or carrier for hire) or property which the County has agreed in advance in writing to cover. improvements and betterments to buildings not owned by the County but the county has scheduled contents coverage personal property of officials and employees at scheduled locations (other than motor vehicles), 	<p>2. Personal Property If this policy insures personal property, it includes:</p> <ol style="list-style-type: none"> Machinery and equipment; Stock, supplies, and raw materials; Furniture and fixtures; Electronic data processing equipment; Processing water; Molds and dies; Outside property; Improvements and Betterments in which the Insured has an insurable interest; Personal property of directors, officers and employees of the Insured, while at a described location; The Insured's interest in and legal liability for property of others, while at a described location. 	<p>2. Personal Property If this policy insures personal property, it includes:</p> <ol style="list-style-type: none"> Machinery and equipment; Stock, supplies, and raw materials; Furniture and fixtures; Electronic data processing equipment; Processing water; Molds and dies; Outside property; Improvements and Betterments in which the Insured has an insurable interest; Personal property of directors, officers and employees of the Insured, while at a described location; The Insured's interest in and legal liability for property of others, while at a described location. 	
B&M Joint Loss Agreement	N/A	N/A	
Accounts Receivable Limit	\$500,000	\$500,000	
Arson Reward	\$100,000	\$100,000	
Automobile Physical Damage	NI	NI	
Builders Risk	Policy Limits if listed location.	Policy Limits if listed location.	
Business Interruption	\$500,000	\$500,000	
Electronic Data Processing Equipment (expanded to cover electrical or magnetic injury, breakdown, accidental erasure)	Policy Limits	Policy Limits	
Crime Reward	NI	NI	
Data Processing Equipment	\$287,033	Property Limits	Quote the value provided in Exhibit D.
Data Processing - Media	\$500,000	\$500,000	
Data Processing Extra Expense	\$500,000	\$500,000	

Debris Removal – Trees, Shrubs, Plants, limited to named perils,	100,000	100,000	
Debris Removal –all other,	Policy Limits	Policy Limits	
Detached Signs	If within 1000 ft, policy limits	If within 1000 ft, policy limits	
Earth Movement	\$100,000,000	\$100,000,000	
Errors & Omissions (including inadvertent failure to report a location)	\$1,000,000	\$1,000,000	
Expediting Expense	\$250,000	\$250,000	
Fine Arts	\$250,000	\$250,000	
Flood	\$ 100,000,000 (not applicable to 100 year flood plain, Zone A, areas where no flood designation has been made by FEMA)	\$ 100,000,000 (not applicable to 100 year flood plain, Zone A, areas where no flood designation has been made by FEMA)	
Foundations	Included	Included	
Garagekeepers Liability (including vehicles of others impounded by the County or in the custody of the County) while at a scheduled location	Not included	Not included	
Glass	Policy limits	Policy limits	
Leasehold Interests	Included in BI	Included in BI	
Lock Replacement	\$100,000	\$100,000	
Off-Premise Utility Failure	\$500,000 PD \$500,000 BI	\$500,000 PD \$500,000 BI	
Extra Expense (through period of restoration)	\$500,000	\$500,000	
Fire Department service charge	\$100,000	\$100,000	
Fire Equipment Recharge	\$100,000	\$100,000	
Flagpoles	If within 1000 ft, policy limits	If within 1000 ft, policy limits	

Newly Acquired Property Limit (Contents)	\$2.5 M (120 days or policy expiration)	\$2.5 M (120 days or policy expiration)	
Newly Acquired Property Limit (Buildings)	Incl. immediately above	Incl. immediately above	
Off-premise personal property when removed from a covered location due a loss or for servicing or repair	\$1M	\$1M	
Ordinance or Law – Demolition of damaged and undamaged property	Demolition \$1M Undamaged Portion – policy limit	Demolition \$1M Undamaged Portion – policy limit	
Ordinance or Law – Increased Cost of Construction	\$1M	\$1M	
Outdoor Trees, Shrubs, Plants	\$100,000 (named perils)	\$100,000 (named perils)	
Personal effects and property of others	If legal liable	If legal liable	
Pollutant Cleanup following an insured loss, extract pollutants from land or water, restore or replace land or water, aggregate limit/policy year	\$50,000	\$50,000	
Premises boundary increased distance	1,000'	1,000'	
Property in Transit	\$250,000	\$250,000	
Rental Income	\$500,000	\$500,000	
Protection of Property in the event of actual or imminent loss	Included	Included	
Theft damage to building	Included	Included	
Inflation guard	NI	NI	
Valuable Papers	\$500,000	\$500,000	
Indirect or remote loss	NI	NI	

<p>The cost of making good or correcting:</p> <ul style="list-style-type: none"> • faulty workmanship, construction, material or design • inherent or latent defect • damage by rodents or insects • wear & tear, deterioration, depletion, erosion, corrosion • mold 	NI	NI	
<ul style="list-style-type: none"> • settling cracking, shrinking of walls, pavements, foundations, floors, roofs, ceilings • leakage of contents • dampness or dryness of atmosphere 			
<p>Loss ensuing from:</p> <ul style="list-style-type: none"> • faulty workmanship, construction, material or design • inherent or latent defect • damage by rodents or insects • wear & tear, deterioration, depletion, erosion, corrosion • mold • settling cracking, shrinking of walls, pavements, foundations, floors, roofs, ceilings • leakage of contents • dampness or dryness of atmosphere 	NI	NI	
Unexplained or mysterious disappearance	NI	NI	
Accumulated effects of smoke	NI	NI	
Back up of sewers or drains	Included	Included	
Asbestos	NI	NI	
Fraud or dishonest acts intended for personal gain	NI	NI	
Errors made in planning, zoning, surveying, developing property, building codes	NI	NI	
Off-premise power interruption	\$500,000 PD \$500,000 BI	\$500,000 PD \$500,000 BI	

Certified acts of terrorism	Policy Limits	Policy Limits	
Non-certified acts of terrorism	Included, immediately above	Included, immediately above	
Collapse (whether or not caused by faulty workmanship, construction, material or design; inherent or latent defect; damage by rodents or insects; wear & tear, deterioration, depletion, erosion, corrosion; settling cracking, shrinking	I	I	
Personal property of others while in the County's custody at an insured location (other than vehicles)	NI	NI	
Land, water	NI	NI	
Dams, bridges	NI	NI	
Watercraft	NI	NI	
Animals	NI	NI	
Underground tanks, pipes, flues, wiring	Included	Included	
Property Premium & Policy Period			
Annual Premium for coverage outlined above	\$251,216.00	\$211,247 w/ Terrorism \$196,847 w/o Terrorism	
Policy Period	10/1/09-10	10/01/10-11	
Property Deductibles			
Garagekeepers Liability	N/A	N/A	
Transit	\$10,000	\$10,000	
Wind, Hurricane	\$10,000	\$10,000	
Earth Movement	\$100,000	\$100,000	
Flood	\$100,000	\$100,000	
Hail	\$10,000	\$10,000	
All Other	\$10,000	\$10,000	

Subject To			
Underwriter's Conditions			
What type of verification of property values will be required by the insurer? (i.e., appraisal provided by the insurer, appraisal provided by Williamson County, reasonable values by sq. footage, etc.)			
Property Options			
DESCRIPTION	ADJUSTMENT to premium quoted Above (indicate "-" for return premium or "+" for additional premium)	DEDUCTIBLE (if different from deductibles provided above)	COMMENTS (indicate "Not proposed" if the option is not being proposed or "Included" if coverage is provided at no change in the premium provided above).
Limits to apply on a blanket basis (i.e., total policy limits apply to any one loss)			
\$25,000 deductible	\$		
\$50,000 deductible	\$		
Arson Reward - \$25,000	\$		
Crime Reward - \$25,000	\$		
Off-premise utility failure -\$500,000	\$		
Valuable Papers \$500,000	\$		
Valuable Papers \$250,000	\$		
Data Processing Media - \$100,000	\$		
Extra Expense - \$1M (through restoration period)	\$		
Errors & Omissions (including inadvertent failure to report a location)	\$		
Expediting Expense -\$100,000	\$		
Outdoor Trees, Shrubs, Plants \$25,000, named perils	\$		
Garagekeepers Liability \$100,000 (impounded vehicles and vehicles while in the County's custody while at a scheduled location)	\$		

Lock Replacement -\$10,000	\$		
Inventory Preparation/Professional Fees- \$100,000	\$		
Fire Extinguisher Recharge within policy limits	\$		
Automatic Fire Suppression Recharge within policy limits	\$		
Other (Explain)	\$		

Inland Marine

Proposing Insurer: Affiliated FM

Current A.M. Best Rating Level (i.e., A-): A+

Current A.M. Best Financial Size (i.e., XV):
XV

Admitted/Non-Admitted in Texas: Admitted

DESCRIPTION	KPIA Property & Casualty Expiring Limits & Coverage	Proposed Limit <u>or</u> Included (I) <u>or</u> Not Included (NI)	COMMENTS
Electronic voting machines wherever stored or used	\$103,776.00	\$954,750	Quote the value provided in Exhibit C, \$954,750.00, which is now needed.
Mobile Equipment Floater	\$8,954,042.00	\$9,440,400	Quote the value provided in Exhibit B, \$9,440,399.82, which is now needed.
Communication tower and fixed transmitting/receiving equipment	NI	NI	
Valuable Papers at all County locations	See Property Insurance Form	See Property Insurance Form	
Rental Expense Reimbursement	NI	NI	
Flood	I	I	
"All Risk" Coverage	I	I	
Replacement Cost Coverage	I	I	
ACV coverage	NI	NI	
Property Valuation	100%	100%	
Newly acquired property, 30 days	125% of the total scheduled values	125% of the total scheduled values	
Pairs or Sets	I	I	
Coinsurance Penalty	Waived	Waived	
<i>Inland Marine Premium & Policy Period</i>			
Annual Premium for coverage outlined above	Included in Property premium	Included in Property premium	

Subject to audit	No	No	
Policy Period	10/1/09-10	10/01/10-11	
Inland Marine Deductible			
All covered objects	\$10,000	\$10,000	
Subject To			
Underwriter's Conditions			
Inland Marine Options			
DESCRIPTION	ADJUSTMENT to premium quoted Above (indicate "-" for return premium <u>or</u> "+" for additional premium)	DEDUCTIBLE (if different from deductibles provided above)	COMMENTS (indicate "Not proposed" if the option is not being proposed <u>or</u> "Included" if coverage is provided at no change in the premium provided above).
Rental Expense Reimbursement - \$5,000	\$		
All equipment on Exhibit B			
Other (Explain)	\$		