CITY OF CHARLESTON
West Virginia

Council Member – 12th WARD

Joseph Jenkins
839 Gordon Drive
Charleston, West Virginia 25303
304-575-9202
joseph.jenkins@cityofcharleston.org

Finance Committee, Chair
Parking Committee, Chair
Parks and Recreation Committee

AGENDA
FINANCE COMMITTEE MEETING
UNTIL FURTER NOTICE, MEETINGS WILL BE MADE AVAILABLE TO THE PUBLIC VIA ZOOM AND CIVICCLERK
Monday, March 1, 2021
5:00 PM

***Join via internet:**
https://us02web.zoom.us/j/81408610035?pwd=cGdwNjhzcG5MNnYvaWZQS0dOc1FQdz09
Passcode: 103260
***Join via Telephone: (312) 626-6799 or (929) 436-2866**
Webinar ID: 814 0861 0035

I. DISCUSSION:

a. Approval of Previous Minutes 2-16-2021

b. Insurance Renewal Presentation – Frank Baer

c. Budget Presentation

II. RESOLUTIONS:

a. Resolution No. 431-21 - KRT Construction Agreement

b. Resolution No. 432-21 - KRT Lease Agreement

c. Resolution No. 433-21 - Purchase of Power Cots for Charleston Fire Department Ambulances

d. Resolution No. 434-21 - Purchase of vehicle for MDENT

e. Resolution No. 436-21 - MOU between the City of Charleston and the Kanawha Charleston Health Department

f. Resolution No. 437-21 - Insurance Renewal

MINUTES
FINANCE COMMITTEE MEETING
5:00 P.M., FEBRUARY 16, 2021
A/V CONFERENCE ROOM*

Joseph Jenkins, Chairperson, called the meeting of the Charleston City Council Committee on Finance to order at 5:00 p.m., February 16, 2021, in the Audio/Visual Room in City Hall*.

A silent roll was taken by the Clerk and a quorum was established. The following committee members were present:

Joseph Jenkins, Chair
Bobby Reishman, Vice Chair
Ben Adams
Brent Burton
Becky Ceperley
Mary Beth Hoover
Will Laird

*In response to the COVID-19 pandemic, the meeting of the Finance Committee was conducted electronically. The meeting was made available to the public as a live stream via Zoom and CivicClerk (per the agenda).

I. DISCUSSION:

a. Approval of Previous Minutes - Councilmember Reishman asked for unanimous consent to dispense with the reading of the minutes for the February 1, 2021 meeting and that they be approved as distributed. There was no objection and the minutes were approved.

II. RESOLUTIONS:

a. Resolution No. 426-21 – Authorizing the Mayor or City Manager to enter into an agreement with Piper Sandler & Co. for underwriting or placement agent services relating to refunding certain outstanding municipal bonds based on an evaluation of responses received as part of an Expression of Interest selection process. Fees are contingent on successful closing of the refunding bonds in an amount not to exceed $3.50/$1,000 of the par amount of bonds issued.

   Now, therefore, be it Resolved by the Council of the City of Charleston, West Virginia:

   That the Mayor or City Manager is authorized to enter into an agreement with Piper Sandler & Co. for underwriting or placement agent services relating to refunding certain outstanding municipal bonds based on an evaluation of responses received as part of an Expression of Interest selection process. Fees are contingent on successful closing of the refunding bonds in an amount not to exceed $3.50/$1,000 of the par amount of bonds issued.

City Manager, Jonathon Storage, added that on January 25, 2021, the City issued a request of interest from various municipal financial advisors, underwriters and placement agents regarding the City's interest in evaluating options for refinancing bond debt obligations, particularly for bond debt incurred for the renovation of the Coliseum an Convention Center. Multiple factors were considered, such as cost, experience, West Virginia connects, etc. Joseph Nassif of Piper Sandler added that his company worked on the Convention Center bond in 2015. He stated that the refunding would save a least 5% of significant savings. Storage reviewed the debt structure of the pending bonds with the Committee.

Councilmember Jenkins added that he and Councilmember Laird had discussed the responses with the City Manager and Finance Director, and agreed that Piper Sandler was the best choice.

Councilmember Ceperley commended the Administration for their efforts. She asked for the rate for the current biggest outstanding bond for the Convention Center. Nassif replied that it was a 4% coupon on the bonds that are maturing in 2035 and 3.35% on the bonds that are maturing in 2030.

Councilmember Adams asked for the timeline if the resolution was approved. Nassif replied that there will be a bond authorizing ordinance that would likely require 3 meetings, so it would likely require 10-11 weeks. Storage added that they are trying to beat a May 15 debt service payment date. Councilmember Adams confirmed that the bond counsel is Carrie Cecil of Frost Brown Todd.

Councilmember Reishman moved to approve the Resolution. With members present recorded thereon as voting unanimously in the affirmative, Chairperson Jenkins declared Resolution No. 426-21 approved.

b. Resolution No. 427-21 - Authorizing the Mayor or City Manager to purchase four (4) Class 10 Ford Ranger R1F Extended Cab 4X4 pickup trucks from Matheny Motor Truck Company for a total purchase price of $107,916 pursuant to a competitively-sourced state contract. The new vehicles will replace Units 606, 607, 609, and 613 within the Parking System as part of a standard capital outlay replacement cycle.

Now, therefore, be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor or City Manager is authorized to purchase four (4) Class 10 Ford Ranger R1F Extended Cab 4X4 pickup trucks from Matheny Motor Truck Company for a total purchase price of $107,916 pursuant to a competitively-sourced state contract. The new vehicles will replace Units 606, 607, 609, and 613 within the Parking System as part of a standard capital outlay replacement cycle.

Terri Allen, Parking System Director, added that the proposal is to replace 4 pickup trucks currently being used by the department. All of the trucks are older than the 10 year replacement threshold.

Councilmember Reishman moved to approve the Resolution. With members present recorded thereon as voting unanimously in the affirmative, Chairperson Jenkins declared Resolution No. 427-21 approved.

c. Resolution No. 428-21 - Authorizing the Mayor or City Manager to contract with Ozark Materials LLC in the amount of $29,472.85 for the purchase of 1,870 gallons of yellow traffic marking paint and 1,595 gallons of white traffic marking paint to be used by the Traffic Engineering Department, where the contract is being awarded following a competitive bidding process.

Now, therefore, be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor or City Manager is authorized to contract with Ozark Materials LLC in the amount of $29,472.85 for the purchase of 1,870 gallons of yellow traffic marking paint and 1,595 gallons of white traffic marking paint to be used by the Traffic Engineering Department, where the contract is being awarded following a competitive bidding process.

Matt Hartline, Director of Traffic, added that this is the annual purchase of traffic marking paint that they use for streets, curbs, parking lots, etc.

Councilmember Jenkins confirmed with Hartline that the amount is a little more than previous years because of the increase in marking parking lots.

Councilmember Reishman moved to approve the Resolution. With members present recorded thereon as voting unanimously in the affirmative, Chairperson Jenkins declared Resolution No. 428-21 approved.

Traffic Marking Paint
Project No. 2021-004
Bid Opening: February 12 , 2021 @ 11:00am

	Ozark	**Sherwin Williams**	**Osburn Associates Inc**	**Ennis- Flint**
	591 Glendale Ave	1010 Prospedt Ave; 1500Midland	PO BOX 912	4161 Piedmont Parkway
	Greenville, AL 36037	Cleveland OH 41115	Logan, OH 43138	Greensboro NC 27410
	P: (334) 371-2303	P: (800) 597-2929	P: (800) 523-8917	P: (336) 663-6612
	dyana@ozarkmaterials.net	hwyinsidesales@sherwin.com	Jennifert@osburns.com	Drussell@ennisflint.com
Traffic Marking Paint	$29,472.85	$30,717.50	$42,107.92	$31,440.75
Local Vendor Preference (4%)	($1,178.91) $28,293.94	($1,228.70) $29,488.80	Did Not Apply	($1,257.63) $30,183.12
Successful Bidder	✓			

d. Resolution No. 429-21 - Authorizing the Mayor or City Manager to contract with Nitro Construction Services to purchase and install a fire alarm system for the Kanawha City Community Center at a total price of $25,050.00. The purchase price was determined through a competitive bidding process, of the which the awarded bidder qualified for local vendor preference for one year.

   Now, therefore, be it Resolved by the Council of the City of Charleston, West Virginia:

   That the Mayor or City Manager is authorized to contract with Nitro Construction Services to purchase and install a fire alarm system for the Kanawha City Community Center at a total price of $25,050.00. The purchase price was determined through a competitive bidding process, of the which the awarded bidder qualified for local vendor preference for one year.

Rashaun Sayles, Director and Parks and Recreation, added that during a routine fire inspection, it was determined that the Kanawha City Center did not have a fire alarm system. It is required that the building have one with the addition of their after-school program.

Councilmember Adams asked if any other centers are without fire alarm systems. Sayles replied that the others have them, but the North Charleston Center's system needs updated.

Councilmember Reishman moved to approve the Resolution. With members present recorded thereon as voting unanimously in the affirmative, Chairperson Jenkins declared Resolution No. 429-21 approved.

Fire Alarm System for Kanawha City Community Center
Project No. 2021-003
Bid Opening: February 02 , 2021 @ 11:00am

	Nitro Construction	**Brewer and Co.**
	4300 1st Ave	
	Nitro, WV 25213	
	P: (304) 204-1568	P: (304) 807-3566
	rlayton@nitrocs.com	casey.harbour@brewerfire.com
Fire Alarm System	$25,050.00	$28,400.00
Local Vendor Preference (4%)	($1,002) $24,048.00	($1,136) $27,264.00
Successful Bidder	✓	

e. Resolution No. 430-21 - Authorizing the Mayor or City Manager to submit an application to the FEMA Fire Prevention and Safety Grant Program in the amount of $37,000 that includes the required 5% cash match and administer any funds awarded. The Charleston Fire Department will use these funds to purchase carbon monoxide and smoke detectors as part of a fire safety community outreach project.

Now, therefore, be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor or City Manager is authorized to submit an application to the FEMA Fire Prevention and Safety Grant Program in the amount of $37,000 that includes the required 5% cash match and administer any funds awarded. The Charleston Fire Department will use these funds to purchase carbon monoxide and smoke detectors as part of a fire safety community outreach project.

Storage added that this is to aid in some of the Fire Prevention Bureau’s work and to fund the distribution of certain fire safety detectors. Assistant Fire Chief Jones added that currently smoke detectors are purchased out of their budget. The grant will allow them to purchase a lot more as well as monoxide detectors, and will allow for a larger community outreach.

Councilmember Reishman moved to approve the Resolution. With members present recorded thereon as voting unanimously in the affirmative, Chairperson Jenkins declared Resolution No. 430-21 approved.

Councilmember Reishman motioned to adjourn the meeting.

Meeting adjourned.

340 MacCorkle Ave. SE
Charleston, WV 25314
(304) 345-8000
(304) 345-8014 Fax

THE CITY OF CHARLESTON
PROPERTY AND CASUALTY RENEWAL
(Finance Committee presentation as of 3/1/21)

I. **CONCEPTUAL OVERVIEW OF PROGRAM**

II. **MARKET UPDATE:**

A. Property

B. Casualty/Excess Casualty/Auto

III. **MARKETING ANALYSIS**

IV. **RENEWAL SUMMARY**

V. **HISTORICAL ACCOUNT ANALYSIS**

VI. **LOSS SUMMARY**

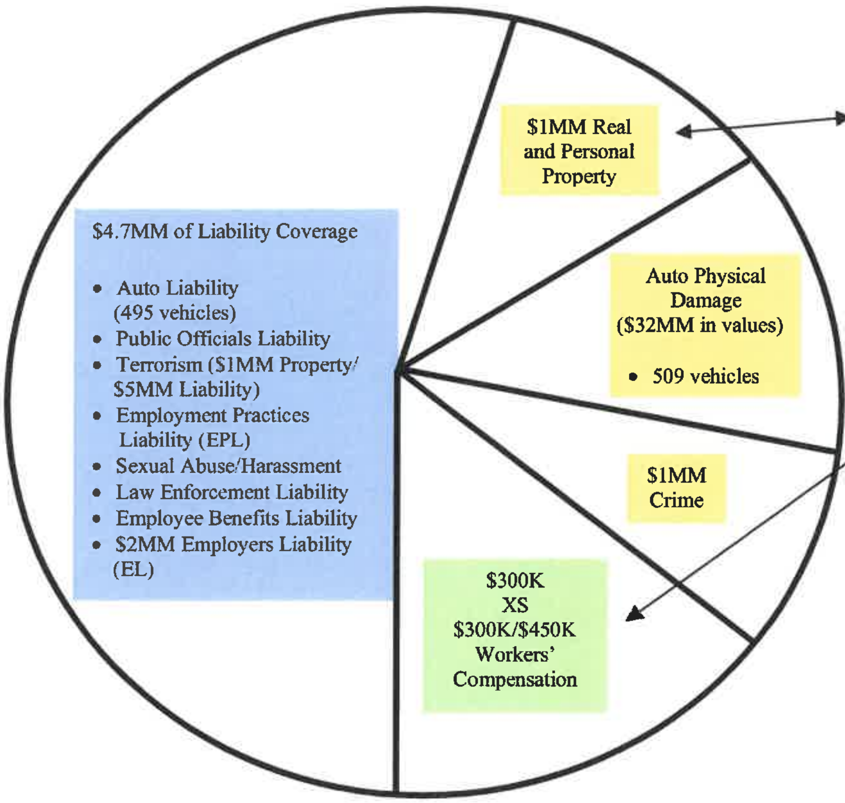
VII. **CYBER INSURANCE REVIEW**

VIII. **INDUSTRY ARTICLES**

Questions?

THE CITY OF CHARLESTON
P & C INSURANCE SUMMARY

I. ALA PACKAGE (BRIT/Lloyd's of London):



II. EXCESS PROPERTY COVERAGE (Hartford):

- $516,893,478 of insured values

III. BOILER AND MACHINERY COVERAGE (Hartford Steam Boiler):

- $50,000,000 limit

IV. EXCESS WORKERS' COMPENSATION COVERAGE (Safety National):

- Full statutory coverage excess of a $600K/$750K per claim retention
- July 1, 2021 renewal date

V. CYBER/DATA BREACH COVERAGE (Ascent):

- $5,000,000 limit

VI. TPA CLAIMS MANAGEMENT FOR ITEMS I, II, III AND IV ABOVE:

- Provided by RMSC

VII. RISK CONTROL AND SAFETY TRAINING SERVICES FOR COC AND CSB – Jeff Dixon of AssuredPartners of West Virginia, LLC (APWV):

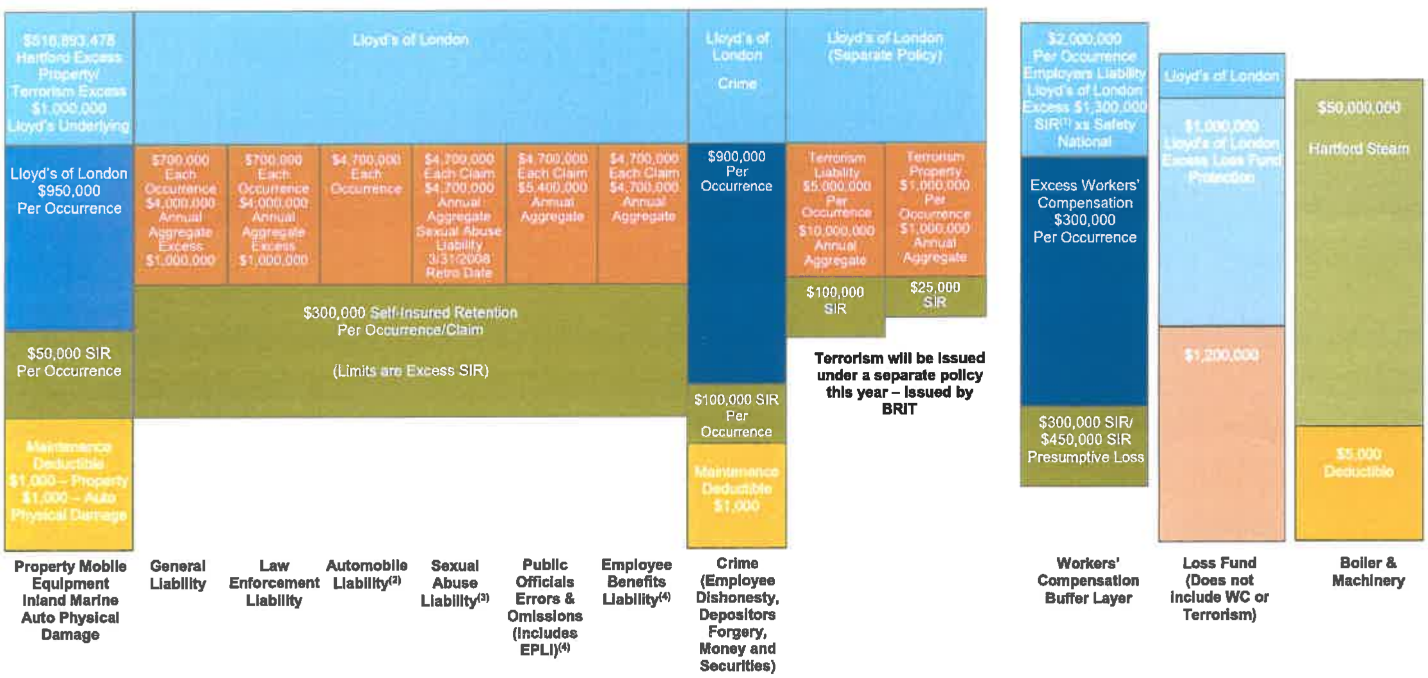
- $25,000 annual cost ($15,000 paid by BRIT Insurance; $0.00 by COC; and $10,000 by CSB)

VIII. AGENCY SERVICES (APWV):

Brokerage; Consultation; Oversight; Marketing; Claims Review; etc. (standard agency commissions payable on all lines).

Lloyd's (Brit)/Hartford Protected Self-Insurance Program Structure

March 31, 2021 to March 31, 2022



Note: The SIR is a per occurrence retention. Only one retention applies in the event of a multiple loss, and the higher retention shall apply. (Does not include Terrorism coverage.) See Multiple Lines Loss Protection for limits in the event of a multiple lines loss.

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(1) Workers' Compensation, Coverage Part A, BRIT is primary (Buffer Layer). Employers Liability, Coverage Part B, BRIT is excess Safety National; U.S.L.& H. Act Coverage $2,000,000 excess $1,300,000.
(2) Uninsured Motorists: $25,000 Ground-Up BI Per Person; $50,000 Ground-Up Bodily Injury Per Accident; $25,000 Ground-Up Property Damage Per Accident.
(3) Retroactive date for Sexual Abuse claims under the POL is 3/31/2008 and Retroactive date under the GL/LEL is 3/31/2021.
(4) Public Officials Errors & Omissions and Employee Benefits Liability are on a Claims-Made basis, with an Annual Aggregate and a retro date of July 1, 1990, except Sexual Abuse under the Public Officials Liability retro date March 31, 2008. Sexual Harassment Aggregate Limit $4,700,000; Sexual Abuse Aggregate Limit $4,700,000 (these limits are part of the overall E&O limit and not in addition to).

Gallagher

Market Review – Declinations

DECLINATIONS

Berkley Group	Casualty Package	Declined	Could not provide APD nor be competitive
Old Republic	Casualty Package	Declined due to claim history and large auto loss	N/A
AIX	Casualty Package	Declined due to claim history and large auto loss	N/A
Safety National	Casualty Package	Indication Quoted	N/A
Euclid	Property	Declined due to claim history and large auto loss	N/A
Liberty Mutual	Property	Declined – could not be competitive	N/A
Chubb	Property	Looked at last year, but did not approach this year due to lack of sprinkler systems at the Conference Center	N/A
Old Republic	Property	Declined – could not be competitive	N/A
Travelers	Property	Indication Quoted	N/A

CITY OF CHARLESTON, WV - PROGRAM RENEWAL EFFECTIVE 3/31/2021		
	EXPIRING BRIT PACKAGE	**RENEWAL BRIT PACKAGE**
PROGRAM COMPARISONS	**Lloyds of London (BRIT)**	**Lloyds of London (BRIT)**
	2020 expiring (With Crime, Property, APD, Terrorism/WC/EL Buffer)	**2021 (With Crime, Property, APD, WC/EL Buffer)**
PREMIUMS (1)	**$837,616**	**$955,000**
	Non-Admitted (please add state taxes)	**Non-Admitted (please add state taxes)**
Annual Aggregate (Loss fund)	All lines Aggregate $1,200,000	All lines Aggregate $1,200,000
Excess Annual Aggregate	$1,000,000	$1,000,000
Property Self-Insured Retention (SIR)	$25,000	$50,000
Auto Physical Damage SIR	$25,000	$50,000
Crime Self-Insured Retention (SIR)	$100,000	$100,000
Property, APD, Crime Maintenance Deductible	$1,000	$1,000
Liability Self-Insured Retention (SIR)	$300,000	$300,000
WC/EL SIR (split SIR due to Presumptive claims)	$300,000 SIR WC/$1,300,000 SIR EL	$300,000 SIR/$450,000 WC/$1,300,000 SIR EL
Package Limits:		
Property Occurrence Limits	$975,000	$950,000
Auto Physical Damage Occurrence Limits (Comp and Collision)	$975,000	$950,000
Crime Limits	$900,000	$900,000
Full Liability Terrorism	$5,000,000	NA - Now in sepaerate policy - see below
Full Property Terrorism	$1,000,000	NA - Now in sepaerate policy - see below
WC Buffer Limit per Occurrence	$300,000	$300,000 / $450,000 (all presumptive Claims)
EL Buffer Limit Per Occurrence	$2,000,000	$2,000,000
General Liability Per Occurrence Limits	$700,000 Primary (No Annual Aggregate)	$700,000 Primary (No Annual Aggregate)
GL Aggregate Limits	$4,000,000 Excess and aggregate	$4,000,000 Excess and aggregate
Includes Sexual Harassment	Yes	Yes
Liquor Liability	Yes	Yes
Law Enforcement Liability Per Occurrence Limit	$700,000 Primary (no annual aggregate)	$700,000 Primary (no annual aggregate)
Law Enforcement Liability Aggregate Limit	$4,000,000 Excess and aggregate	$4,000,000 Excess and aggregate
Sexual Harassment	Yes	Yes
		Yes
Auto Liability Limit	$4,700,000	$4,700,000
Garagekeepers	$250,000 Ground UP	$250,000 Ground UP
UM/UIM	$50K Ground up	$50K Ground up
Med Pay	$50K Ground up	$50K Ground up
Errors and Omissions (POL)/EPLI Limit Each Claim	$4,700,000	$4,700,000
Aggregate Limit	$5,400,000	$5,400,000
Retro date	7/1/1990	7/1/1990
Sexual Harassment Retro Date	7/1/1990	7/1/1990
Employee Benefits Liability Limit Each Claim	$4,700,000	$4,700,000
EBL Aggregate limit	$5,400,000	$5,400,000
EBL Retro Date	7/1/1990	7/1/1990
Sexual Abuse	Included above	$4,700,000
Retro Date under the GL/LEL	NA	3/31/2021
Retro Date under the Public Officials	3/31/2008	3/31/2008
TOTAL LIABILITY LIMITS	**$4,700,000**	**$4,700,000**
CARRIER ADMITTED OR NON ADMITTED	NON-ADMITTED	NON-ADMITTED
LOSS CONTROL $ REIMBURSEMENT	$15,000 plus a multitude of on line programs	$15,000 plus a multitude of on line programs
CLASH COVERAGE	YES	YES
Other Policies:		
BRIT Terrorism - stand alone policy		
Terrorism Deductible	NA - INCLUDED IN PACKAGE	$100,000 DeductibleLiability/$25,000 Deductible Property
Property Limit per occurrence	NA - INCLUDED IN PACKAGE	$1,000,000
Liability Limit - annual aggregate	NA - INCLUDED IN PACKAGE	$5,000,000
TOTAL TERROR PREMIUM (DOES NOT INCLUDE POLICY SURCHARGE OR TAXES	NA - INCLUDED IN PACKAGE	**$10,000**
Excess Property - Premium (including policy surcharge/taxes and Terrorism) (1)	**$302,522.00**	**$363,666.00**
Carrier	**Hartford**	**Hartford**
Limits (including Vacant Macy's and 3 parking Garages)	**$499,389,864**	**$516,893,476**
Rate per $100 of Values	0.06030	0.07035
Auto Physical Damage Included - per vehicle	$1,000,000	$1,000,000
Over the Road Coverage for Auto	Not covered	Not covered
Policy margin clause	150%	150%
Total APD values included above	$30,272,348	32,175,594
Boiler and Machinery - Premium (including policy surcharge/taxes and Terrorism) (1)	**$27,286.00**	**$30,655.73**
Limits	$50,000,000	$50,000,000
Deductible	$5,000	$5,000
TPA Claims Service Fee - Est	**$103,720**	**$103,720**
Gallagher Broker Services Fee	**$40,000**	**$41,200**
TOTAL ESTIMATED PROGRAM COST	**$1,311,144**	**$1,504,242**
(1) expiring term includes vacant Macy's building or three parking Garages - annualized		
(2) various options for higher limits		
(3) Receipt, review and acceptance of 5 year crime loss runs		
	Lloyds (BRIT) package includes:	Lloyds (BRIT) package includes:
	Crime, APD, WC Buffer and	Crime, APD, WC Buffer and
	Liability/Property Terrorism	Liability/Property Terrorism
	$1,000,000 in over the road coverage	$1,000,000 in over the road coverage
	with this program	with this program

City of Charleston
Premium Comparison
BRIT Program

	2019-2020	Expiring 2020-2021	Renewal 2021-2022
Package	$747,505	$837,616	$955,000
Terrorism	Included	Included	$10,000 ($1MM Property) ($51MM Liability)
Hartford Excess Property	$127,072	$302,522	$361,825 ($516,893,478 Limit)
Boiler & Machinery	$21,913	$27,286	$30,488 ($50MM Limit)
RMSC-TPA Service	$103,720	$103,720	$103,720
AP Risk Management Service	$35,000*	$25,000*	$25,000*
Gallagher Broker Fee	$37,500	$40,000	$40,000
Cyber Liability	$20,356 (8/20/19-3/31/20) $33,153 Annual	$32,000	$55,565
Tax	$35,162.79	$39,717.61	$48,444.69
Total	$1,128,228.79	$1,407,861.61	$1,630,042.69

*BRIT is offering $15,000 loss control reimbursement (plus CSB pays $10,000 of the total). City of Charleston pay $0.

Notes:

- Auto PD and Property deductible increased from $25,000 to $50,000.
- Property Option – Option for $100K SIR for Property/APD $808,500 Premium and $1.4M Loss Fund WC TRIA $1,625 and Other Section TRIA $8,704.
- Safety National alternative casualty package quote indication - $700K+ premium; $500K casualty SIR; with a $50K auto PD deductible with NO (real or personal) property coverage.
- Alternative Travelers Property Deductible - $100,000 deductible; premium indication of $375K+.

City of Charleston
Historical Coverage and Pricing Summary

2021 / 2022 Cost Summary:

Subject	16/17	17/18	18/19	19/20	20/21 Expiring	21/22 Renewal
BRIT All Lines Aggregate (ALA) – Primary property and liability coverages	$740,000	$703,427	$703,427	$747,505	$837,616	$955,000
Terrorism (Property)	Included	Included	Included	Included	Included	$10,000
Terrorism (Liability)	Included	Included	Included	Included	Included	Included
Excess Property (Hartford)	$93,111	$93,038	$96,654	$127,072	$302,522	$361,825
Boiler and Machinery (Hartford Steam Boiler)	$15,366	$15,306	$15,797	$21,913	$27,286	$30,488
Premium Taxes (WVDOI)	$33,755	$32,091	$32,093	$40,347	$39,717.61	$48,444.69
Loss Control Consulting Fee (CIS)	$35,000*	$35,000*	$35,000*	$35,000*	$25,000*	$25,000*
AJG Placement Fee	$37,500	$37,500	$37,500	$37,500	$40,000	$40,000
Cyber Liability					$32,000	$55,565
Subtotal Cost	$954,732	$916,362	$920,471	$1,009,332	$1,304,141.61	$1,526,322.69
Loss Control Reimbursement (from BRIT)*	-$25,000	-$25,000	-$15,000	- $15,000	- $15,000	- $15,000
*Net Cost to The City of Charleston after reimbursement of Loss Control Fee	$929,732	$891,362	$905,471	$994,337	$1,289,141.61	$1,511,322.69

STANDALONE TPA FEES

TPA Workers' Compensation and Property/Casualty Claims Handling Contract Fee (RMSC)	16/17	17/18	18/19	19/20	20/21	21/22
	$97,140	$103,720	$103,720	$103,720	$103,720	$103,720

TOTAL (Including TPA Fees)	$1,026872	$995,082	$1,009,191	$1,098,057	$1,392,861.61	$1,615,042.69

DISCLAIMER: Coverage outlines used on this spreadsheet are only visuals to a basic understanding of coverages. If there is any conflict between the coverage statements and the actual insurance policy, the policy provisions will prevail.

Limits and Retention Summary:

Coverage	SIR	Total Insured Limit	Total Limits
General Liability	$300,000	$4,700,000	$5,000,000
Auto Liability	$300,000	$4,700,000	$5,000,000
Public Officials/Employment Practices Liability	$300,000	$4,700,000	$5,000,000
Sexual Harassment	$300,000	$4,700,000	$5,000,000
Sexual Abuse	$300,000	$4,700,000	$5,000,000
Employee Benefits Liability	$300,000	$4,700,000	$5,000,000
Law Enforcement	$300,000	$4,700,000	$5,000,000
Workers' Compensation "Buffer Layer"	$300,000 / $450,000	$300,000 / $450,000	$300,000 / $450,000
Property – Real and Personal Property	$50,000	$950,000	$1,000,000
Excess Property	$1,000,000	$516,893,478	$516,893,478
Terrorism (Property)	$25,000	$1,000,000	$1,000,000
Terrorism (Liability)	$100,000	$5,000,000 per Loss; $10,000,000 Maximum Limit	$5,000,000
Crime – Employee Dishonesty, Depositors' Forgery/Alterations, Money and Securities – In/Out	$100,000	$900,000	$1,000,000
Boiler and Machinery	$5,000	$50,000,000	$50,000,000

Historical Summary of the City of Charleston's Package Account with Lloyd's of London

Policy Year	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022
Package Premium	$750,000	$747,500	$765,000	$765,000	$740,000	$703,427	$703,427	$747,505	$837,616	$955,000
Loss Control Funds	$20,000	$20,000	$25,000	$25,000	$35,000	$35,000	$35,000*	$35,000*	$25,000*	$25,000*
Aggregate Loss Fund	$1,100,000	$1,100,000	$1,100,000	$1,100,000	$1,100,000	$1,100,000	$1,100,000	$1,100,000	$1,200,000	$1,200,000
General Liability, Auto Liability, Public Officials & Law Enforcement Limits	$4,700,000 Excess	$4,700,000 Excess	$4,700,000 Excess	$4,700,000 Excess	$4,700,000 Excess	$4,700,000 Excess	$4,700,000 Excess	$4,700,000 Excess	$4,700,000 Excess	$4,700,000 Excess
Self-Insured Retention Liability Lines Property/Auto Physical Damage	$300,000 SIR $25,000 SIR	$300,000 SIR $25,000 SIR	$300,000 SIR $25,000 SIR	$300,000 SIR $25,000 SIR	$300,000 SIR $25,000 SIR	$300,000 SIR $25,000 SIR	$300,000 SIR $25,000 SIR	$300,000 SIR $25,000 SIR	$300,000 SIR $25,000 SIR	$300,000 SIR $25,000 SIR $50,000 Property/Auto PD SIR
WC/EPL Buffer Layer	$200,000 Excess $300,000	$200,000 Excess $300,000	$300,000 Excess $300,000	$300,000 Excess $300,000	$300,000 Excess $300,000	$300,000 Excess $300,000	$300,000 Excess $300,000	$300,000 Excess $300,000	$300,000 Excess $300,000	$300,000 Excess $300,000
No. of Vehicles	431	441	442	448	461	489	466	495	495	509
Payroll	$36,163,961	$34,889,843	$41,902,422	$37,676,597	$36,553,202	$37,884,735	$39,132,254	$41,018,180	$41,018,180	$37,833,931
Total Insured Values	**$303,674,189**	**$310,835,228**	**$314,851,752**	**$322,702,934**	**$314,334,462**	**$320,703,079**	**$324,342,729**	**$425,416,893**	**$499,389,864**	**$516,893,478**

*** Includes $15,000 which is refunded to insured by the carrier.**

DISCLAIMER: Coverage outlines used on this spreadsheet are only visuals to a basic understanding of coverages. If there is any conflict between the coverage statements and the actual insurance policy, the policy provisions will prevail.

Historical Claims Summary:

Policy Year	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Total Incurred	$2,122,408	$1,285,141	$1,312,393	$773,712	$185,391	$1,376,881	$235,507	TBD
SIRs paid by The City of Charleston	$1,555,389	$815,423	$888,862	$657,543	$154,790	$211,785	$103,764	TBD
Specific Excess Recoveries	$567,019	$467,400	$384,598	$0	$52,500	$760,000	$0	TBD
Remaining Reserve	$0	$2,318	$38,934	$116,169	$30,601	$1,165,095	$131,743	TBD

AssuredPartners - Commercial Insurance
Risk Management Services Company

City of Charleston

Workers' Compensation Program
Self-Insured Program Results

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Claim Status	12/31/2020	12/31/2020	12/31/2020	12/31/2020	12/31/2020	12/31/2020	12/31/2020	12/31/2020	12/31/2020	12/31/2020	12/31/2020	12/31/2020
Open Claims	1	1	1	0	0	1	1	1	2	4	16	24
Closed Claims	79	93	120	132	140	107	98	101	99	89	53	12
Total Claims	80	94	121	132	140	108	99	102	101	93	69	36
Claim Type												
Med Only Claims	51	57	76	79	85	79	77	80	78	76	54	32
Lost Time Claims	29	37	45	53	55	29	22	22	23	17	15	4
Claim Financial												
Incurred	$ 2,076,631	$ 546,261	$ 677,401	$ 679,008	$ 652,876	$ 413,258	$ 515,705	$ 254,998	$ 616,765	$ 290,323	$ 342,546	$ 201,219
Paid	$ 758,595	$ 540,459	$ 677,401	$ 679,008	$ 652,876	$ 399,279	$ 513,619	$ 234,660	$ 607,732	$ 234,029	$ 241,155	$ 42,599
Reserve	$ 1,318,036	$ 5,801	$ -	$ -	$ -	$ 13,979	$ 2,086	$ 20,339	$ 9,032	$ 56,294	$ 101,391	$ 158,620
Average Claim	$ 25,958	$ 5,811	$ 5,598	$ 5,144	$ 4,663	$ 3,826	$ 5,209	$ 2,500	$ 6,107	$ 3,122	$ 4,964	$ 5,589
WC Payroll	$ 36,038,073	$ 35,757,832	$ 37,149,278	$ 35,628,920	$ 35,089,144	$ 34,669,658	$ 36,550,886	$ 37,732,516	$ 39,132,254	$ 39,500,000	$ 39,500,000	$ 39,500,000
Basic Loss Rate/$100 payroll	5.762	1.528	1.823	1.906	1.861	1.192	1.411	0.676	1.576	0.735	0.867	0.509
# Claims Over $300k	1	0	0	0	0	0	0	0	0	0	0	0

RMSC
Risk Management Services Co

AssuredPartners - Commercial Insurance
Risk Management Services Company

City of Charleston

P&C Summary Claim Summary

	2014	2015	2016	2017	2018	2019	2020
Claim Status	1/15/2020	1/15/2020	1/15/2020	1/15/2020	1/15/2020	1/15/2020	1/15/2020
Open Claims	1	2	5	5	4	9	14
Closed Claims	128	145	87	102	100	86	51
Total Claims	129	147	92	107	104	95	65
Claim Type							
Property	0	1	3	1	1	4	1
Automobile Liability	36	48	30	34	44	21	9
Automobile Physical Damage	2	9	5	7	7	5	5
General Liability	80	80	49	56	46	57	45
Professional	2	0	0	0	0	0	0
Law Enforcement	8	9	5	9	5	6	1
Other Liability	1	0	0	0	1	2	4
Claim Financial							
Incurred	$ 2,122,408	$ 1,285,141	$ 1,312,393	$ 773,712	$ 185,391	$ 1,376,881	$ 235,507
Paid	$ 2,122,408	$ 1,282,823	$ 1,273,460	$ 657,543	$ 154,790	$ 211,785	$ 103,764
Reserve	$ -	$ 2,318	$ 38,934	$ 116,169	$ 30,601	$ 1,165,095	$ 131,743
Recoveries	$ 6,130	$ 55,332	$ 28,994	$ 53,397	$ 4,725	$ 14,776	$ -
Specific Excess Recoveries	$ 567,019	$ 467,400	$ 384,598	$ -	$ -	$ 760,000	$ -
Net Paid	$ 1,549,259	$ 760,091	$ 859,868	$ 604,146	$ 150,065	$ 197,009	$ 103,764
Net Incurred	$ 1,549,259	$ 762,409	$ 898,801	$ 720,315	$ 180,666	$ 602,105	$ 235,507

RMSC
Risk Management Services Co.

CYBER INSURANCE REVIEW

City of Charleston:

Insurance Co./Coverage:	Beazley Insurance Company March 31, 2020 to 2021 Cyber Coverage:	Beazley Insurance Company March 31, 2021 to 2022 Cyber Coverage:	Ascent Syndicate March 31, 2021 to 2022 Cyber Coverage:
Annual or Policy Aggregate as Indicated:	There are three (3) annual aggregates:(1) aggregate for up to 250,000 Notifications; One (1) Aggregate for up to $1MM of Crisis Management Services; One (1) Policy Aggregate	There are three (3) annual aggregates:(1) aggregate for up to 250,000 Notifications; One (1) Aggregate for up to $1MM of Crisis Management Services; One (1) Policy Aggregate	There is one (1) policy aggregate
1st Party Liability Limits:			
Cyber Incident Response Fund: 1st Party Expenses Incurred as the result of a Privacy/Security breach including but not limited to forensic expenses, public relation expenses, notification & legal expenses.	One (1) Aggregate for up to 250,000 notifications; One (1) Aggregate for up to $1,000,000 for Crisis Management Services	One (1) Aggregate for up to 250,000 notifications; One (1) Aggregate for up to $1,000,000 for Crisis Management Services	$5,000,000 per claim/annual aggregate
Electronic Business Interruption & Extra Expense Loss Caused by a Network Security Breach: 1st party expenses for loss of income and extra expenses	$5,000,000 per claim/annual aggregate (Waiting Period = 10 Hours)	$250,000 per claim/annual aggregate (Waiting Period = 10 Hours)	$5,000,000 per claim/annual aggregate (Waiting Period = 8 Hours)
Electronic Business Interruption & Extra Expense Loss Caused by a Network System Failure: 1st party expenses for loss of income and extra expenses	$5,000,000 per claim/annual aggregate (Waiting Period = 10 Hours)	$250,000 per claim/annual aggregate (Waiting Period = 10 Hours)	$5,000,000 per claim/annual aggregate (Waiting Period = 8 Hours)
Bricking Coverage: This will provide coverage to replace or repair your hardware provided that such hardware cannot be restored to the original level of functionality and the cost of replacement is less than the cost to restore, recollect or replace your data.	$500,000 per claim/annual aggregate	$500,000 per claim/annual aggregate	$250,000 per claim/annual aggregate
Dependent Electronic Business Interruption & Extra Expense Loss Caused by a Network Security breach at a 3rd Party IT Vendor: 1st party expenses for loss of income and extra expenses.	$1,000,000 per claim/annual aggregate (Waiting Period =10 Hours)	$250,000 per claim/annual aggregate (Waiting Period = 10 Hours)	$250,000 per claim/annual aggregate (Waiting Period = 8 Hours)
Dependent Electronic Business Interruption & Extra Expense Caused by a Network Systems Failure at the 3rd Party IT Vendor: 1st party expenses for loss of income and extra expenses	$1,000,000 per claim/annual aggregate (Waiting Period = 10 Hours)	$250,000 per claim/annual aggregate (Waiting Period = 10 Hours)	$250,000 per claim/annual aggregate (Waiting Period = 8 Hours)
Digital Data Recovery: 1st Party Expenses associated with the recovery of damaged data on an insured computer system as the result of a cyber breach	$5,000,000 per claim/annual aggregate	$250,000 per claim/annual aggregate	$5,000,000 per claim/annual aggregate
Electronic Extortion: Payments to prevent or ameliorate a cyber breach or ransomware attack	$5,000,000 per claim/annual aggregate	$250,000 per claim/annual aggregate	$5,000,000 per claim/annual aggregate

Insurance Company/ Coverage:	Beazley Insurance Company 2020 to 2021	Beazley Insurance Company 2021 to 2022	Ascent Underwriting Syndicate 2021 to 2022
3rd Party Liability Limits:			
Cyber, Privacy and Network Security Liability: This provides liability coverage if an insured fails or their computer system fails to prevent a Privacy or Security Breach.	$5,000,000 per claim/annual aggregate	$2,000,000 per claim/annual aggregate	$5,000,000 per claim/annual aggregate
Internet Media Communications: Coverage is provided for those circumstances where an insured commits a personal injury peril including the theft of intellectual property.	$5,000,000 per claim/annual aggregate	$2,000,000 per claim/annual aggregate	$5,000,000 per claim/annual aggregate
Regulatory Defense, Fines & Penalties: Coverage is provided for the defense of any type of regulatory investigation or lawsuit including potential payment of fines & penalties.	$5,000,000 per claim/annual aggregate	$2,000,000 per claim/annual aggregate	$5,000,000 per claim/annual aggregate
Other Insurance Coverage:			
PCI Fines & Penalties:	$5,000,000 per claim/annual aggregate	$2,000,000 per claim/annual aggregate	$5,000,000 per claim/annual aggregate
HIPAA/HITECH Fines & Penalties:	$5,000,000 per claim/annual aggregate	$2,000,000 per claim/annual aggregate	$5,000,000 per claim/annual aggregate
GDPR Cyber Endorsement:	Yes for specific regulations within the act	Yes for specific regulations within the act	Yes up to full limits for the entire act
Post Breach Remedial Services Endorsement:	Yes provided for up to 100 Hours of risk management service	Yes provided for up to 100 Hours of risk management service	As described within the company marketing materials
Amendatory Endorsement for Utilities:	Yes provided per the endorsement wording	Yes provided per the endorsement wording	Not offered
Cryptojacking Endorsement:	Yes, $250,000 per claim/annual aggregate	Yes, $250,000 per claim/annual aggregate	Not Offered
State Consumer Privacy Statutes Endorsement:	Yes, provided to match policy limits	Yes, provided to match policy limits	This has been added specific to the California Consumer Privacy Protection Act at a sub-limit of $250,000
Amend Other Insurance Clause:	Primary with respect to Breach Response Services, Cyber Extortion and Data Loss Recovery	Primary with respect to Breach Response Services, Cyber Extortion and Data Loss Recovery	Not Offered
Voluntary Shutdown Coverage:	Yes, specific to a Business Interruption Loss at the limits offered	Yes, specific to a Business Interruption Loss at the limits offered	Yes, specific to a Business Interruption Loss at the limits offered
Reputation Loss:	Yes, up to $1,000,000 per claim/annul aggregate	Yes, up to $1,000,000 per claim/annul aggregate	Yes, up to $5,000,000 per claim/annual aggregate
Telecommunications Fraud:	$250,000 per claim/annual aggregate	$250,000 per claim/annual aggregate	Not Offered
Social Engineering/ Fraudulent Instruction:	$250,000 per claim/annual aggregate	$250,000 per claim/annual aggregate	Not Offered
Electronic Crime/Funds Transfer Fraud:	$250,000 per claim/annual aggregate	$250,000 per claim/annual aggregate	Not Offered
Criminal Reward Coverage	$50,000 per claim/annual aggregate	$50,000 per claim/annual aggregate	Not Offered
Retentions/ Agreement:	$25,000 per claim/Insuring Agreement; $10,000 for Forensic, Public Relations & Crisis Management Expenses; $5,000 for Legal Expenses	$250,000 per claim/insuring agreement; $60,000 for forensic, Public Relations, & Crisis Management Expenses; $20,000 for Legal Expenses	$50,000 per claim/incident
Pending or Prior Acts Date:	August 20, 2018	August 20, 2018	Inception
Retroactive Date:	Full Prior Acts	Full Prior Acts	Full Prior Acts
Annual Premium: (Does Not Include any Taxes or Fees)	$32,000	$102,390	$55,565

Insurance Company Responses to the City of Charleston Cyber Application:

Insurance Company:	Response:
American International Group A.M. Best Rating A + (Superior) XV ($2 Billion or More in Policyholder Surplus)	They indicated that they would need to hold a ninety (90) minute phone call between the underwriter and their cyber specialist with the management of the insured. If they provide a quote they will require at least a $500,000 retention and the premium will be in the 6 figures. The maximum limit they can provide is $5MM.
AXA/XL A.M. Best Rating A + (Superior) XV ($2 Billion or More in Policyholder Surplus)	They indicated that they would need to hold a ninety (90) minute phone call between the underwriter and their cyber specialist with the management of the insured. If they provide a quote they will require a minimum retention of $500,000 and the premium will be in the 6 figures. The maximum limit they can provide is $5MM.
Axis A.M. Best Rating A + (Superior) XV ($2 Billion or More in Policyholder Surplus)	The Axis underwriter indicated that for the remainder of 2021 they will not be providing any cyber quotes for municipal businesses
Beazley A.M. Best Rating A (Excellent) XV ($2 Billion or More in Policyholder Surplus)	Beazley provided a renewal quote lowering the limits offered to $2MM and increasing the retention and premium charge.
CNA A.M. Best Rating A (Excellent) XV ($2 Billion or More in Policyholder Surplus)	The CNA underwriter indicated that for the remainder of 2021 they will not be providing any cyber quotes for municipal businesses
Coalition (Argo & Swiss Re) A.M. Best Rating A (Excellent) XV ($2 Billion or more in policyholder surplus)	The Coalition underwriter indicated that for the remainder of 2021 this is not a class of business they have any interest in underwriting
Corvus (Hudson Insurance Group) A.M. Best Rating A + (Superior) XV ($2 Billion or More in Policyholder Surplus)	The Corvus underwriter indicated that for the remainder of 2021 this is not a class of business they have any interest in underwriting
Various Underwriters at Lloyds of London A.M. Best Rating A (Excellent) XV ($2 Billion or more in policyholder surplus)	They are still reviewing the risk.
SOMPO A.M. Best Rating A (Excellent) XV ($2 Billion or more in policyholder surplus)	The SOMPO underwriter indicated that for the remainder of 2021 this is not a class of business they have any interest in underwriting
Tokio Marine HCC A.M. Best Rating A+ (Superior) XV ($2 Billion or more in policyholder surplus)	The TMHCC underwriter indicated that for the remainder of 2021 this is not a class of business they have any interest in underwriting

Chubb Insurance Group A.M. Best Rating A ++ (Superior) XV ($2 Billion or more in policyholder surplus)	The Chubb underwriter indicated they were not currently interested in underwriting this class of business
Zurich Insurance Company A.M. Best Rating A+ (Superior) XV ($2 Billion or more in policyholder surplus)	The Zurich underwriter indicated that if the insured completed a satisfactory risk engineer conference call they could offer up to $5MM in limits with a minimum of a $150,000 retention and the premium would be in the range of $130,000

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Advisen

Commercial insurance prices to keep rising 'well into 2021': Aon

By Erin Ayers

Commercial insurance prices will continue to rise across most lines of business "well into 2021," according to a recent report from Aon, but businesses are responding with a heightened focus on understanding their interconnected risks and boosting organizational resilience.

Pressure from litigation trends, more frequent and severe natural disasters, and COVID-19 effects prompted insurers to deepen their underwriting scrutiny and be more selective on risks, especially in North America. Pricing, limits, deductibles, coverage terms and claims performance have been "strained," Aon said in the report.

With rate increases ranging from an average 11% to 30% in North America and heading toward a previous high set in 2003, Aon said it expects pricing momentum to continue. New capital entering the market, mostly flowing into the property catastrophe reinsurance, casualty, and financial line sectors, could "temper" rate changes by the second half of 2021, the broker said.

"There is general optimism that the rollout of the COVID-19 vaccine will have a positive economic impact. Along with the introduction of additional capacity into the market, this may result in an easing in the second half of 2021 of some of the challenges experienced in the risk and insurance environment during 2020," said Cynthia Beveridge, Aon Broking president.

Insurers are still expected to keep a close watch on supply chain risks, COVID-19 and communicable disease safety measures and cyber threat resilience, and pricing will reflect that focus, she added.

On the buyer side, Aon conducted a global survey at the end of 2020 to assess the impact of the COVID-19 pandemic on risk management – 80% of respondents said they now take a more enterprise-wide view of incident management. For most (82%), pandemics or major health crises hadn't even registered on their Top 10 risks before 2020. The risk came in 60th on a list of 69 risks in 2019.

In charting insurer-client relationships, Aon reported that "friction is escalating" on claims. Insurers are more aggressive in their claims-handling attitudes, asking for more information, have been less flexible, and are using outside coverage counsel more frequently. The report added that business interruption claims are "facing the most scrutiny" and overall claims volume is hitting all-time highs.

A "fluid" situation on COVID claims adds to the complexity, according to Aon.

"COVID-19 has also resulted in claims activity in 20 other lines of coverage, with numbers and costs likely to increase," said Neil Harrison, Aon's global chief claims officer. "Consideration of insurer claims performance and understanding of the obligations of all parties in a claim situation are key issues for our clients."

The broker has also encouraged buyers to consider alternatives in the hard market, such as captives and alternative program structures, and to be ready to differentiate their risk to insurers, according to the report.

Editor Erin Ayers can be reached at erin.ayers@zywave.com

Advisen

'Broker struggles continued' even as Q4 price increases slowed down: CIAB

By Erin Ayers

Commercial insurance price increases rose at a "slightly slower" pace in the fourth quarter of 2020, up an average 10.7%, with umbrella liability still showing the highest premium hikes at 21.3%, according to The Council of Insurance Agents & Brokers' Q4 Commercial P/C Market Survey.

For the third consecutive quarter, prices rose in every line of coverage, including workers compensation. After umbrella, directors and officer liability premiums showed the most upward movement at 14.7%, followed by commercial property at 12.9%.

Large accounts bore the brunt of the hard market in the fourth quarter at an average 13.7% premium increase, CIAB said in the report, down from an average 15.3% in Q3.

"The worst of the pandemic may have passed, but broker struggles continued into Q4 2020," said Ken A. Crerar, CIAB president and CEO. "Umbrella and D&O liability posed continued challenges due to a reluctance from carriers to write those risks, and new trouble for cyber emerged following an uptick in costly ransomware attacks in 2020. Brokers should stand ready to help their clients understand and navigate these challenging market conditions and identify new and emerging risks."

Notably, cyber insurance premium increase hit double digits for the first time since CIAB began tracking it, reaching 11.1%. Respondents attributed the changes to underwriters "getting very nervous" about rising frequency and severity of ransomware attack. According to CIAB, cyber was the only line of business where average increases in Q4 outstripped those in Q3 and 50% of brokers reported decreased capacity in the cyber market.

A significant number (88%) of broker respondents mentioned reduced capacity in umbrella liability to go along with rate increases, citing nuclear verdicts and difficulty securing reinsurance as reasons for the cutbacks. Others pointed to the extended soft market and umbrella being an "underpriced line for decades."

Decreases in capacity were also detected in the other "troubled lines" of commercial property, auto, and D&O.

Insurers continue to toughen up on underwriting in Q4, requesting much more information from brokers and businesses than in the past.

"Underwriters were really drilling down more into what the companies do and how they operate," said one respondent from a midsized Southeastern firm. "Managers were increasingly having to sign off on terms, conditions, and pricing. As a result, taking much longer to get renewals or options from carriers."

Large accounts experienced the most stringent underwriting changes, with "massive increases in retention and premiums," but medium-sized accounts weren't too far behind. The strain for brokers increased, with one commenting, "I feel like every account was being re-underwritten and it was very time consuming."

For smaller accounts, brokers reported insurers being somewhat cautious about underwriting small businesses due to 'going out of business' statistics amid the COVID-19 pandemic. That fear may not be unfounded – data showed demand for business interruption coverage dropped from 61% in Q2 to 55% in Q3 and 39% in Q4. One respondent commented, "Many small businesses are closed. They are not buying insurance."

During a challenging time, brokers remain focused on boosting organic growth, according to the survey, as well as recruiting new talent and enhancing their customers' experiences in a virtual environment.

Respondents highlighted a focus on providing customers with "value-added services that are of real value to them."

"We don't want buying insurance to be a commodity and want the customer to feel we are their trusted advisor, so they don't engage another agent," said one respondent. "We do this by being proactive with pre-renewal meeting, claims review, stewardship, and being responsive to their needs."

Editor Erin Ayers can be reached at erin.ayers@zywave.com

Resolution No. 431-21

Introduced in Council: Adopted by Council:

March 1, 2021

Introduced by: Referred to:

Joseph Jenkins Finance Committee

Resolution No. 431-21 - Authorizing the Mayor or City Manager to enter into a construction agreement with the Kanawha Valley Regional Transportation Authority (“KRT”) to provide KRT with a right of entry onto real property owned or controlled by the City of Charleston during the course of construction of new streetscaping and a building on Laidley Street as part of a larger City Center project, where the terms of the construction agreement are attached hereto as Exhibit A.

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor or City Manager is authorized to enter into a construction agreement with the Kanawha Valley Regional Transportation Authority (“KRT”) to provide KRT with a right of entry onto real property owned or controlled by the City of Charleston during the course of construction of new streetscaping and a building on Laidley Street as part of a larger City Center project, where the terms of the construction agreement are attached hereto as Exhibit A.

KRT KANAWHA VALLEY REGIONAL TRANSPORTATION AUTHORITY

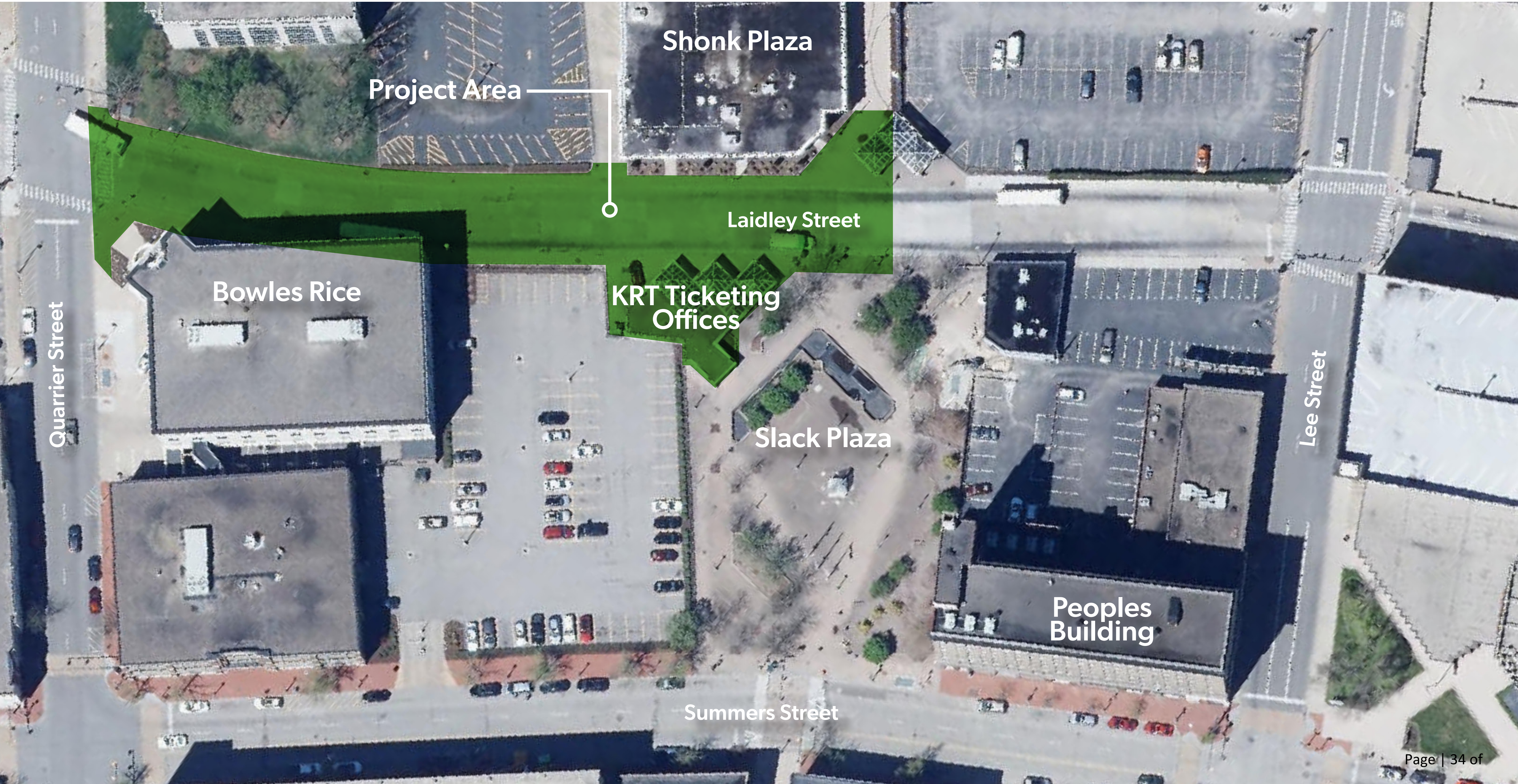
Development Meeting | January 21, 2021

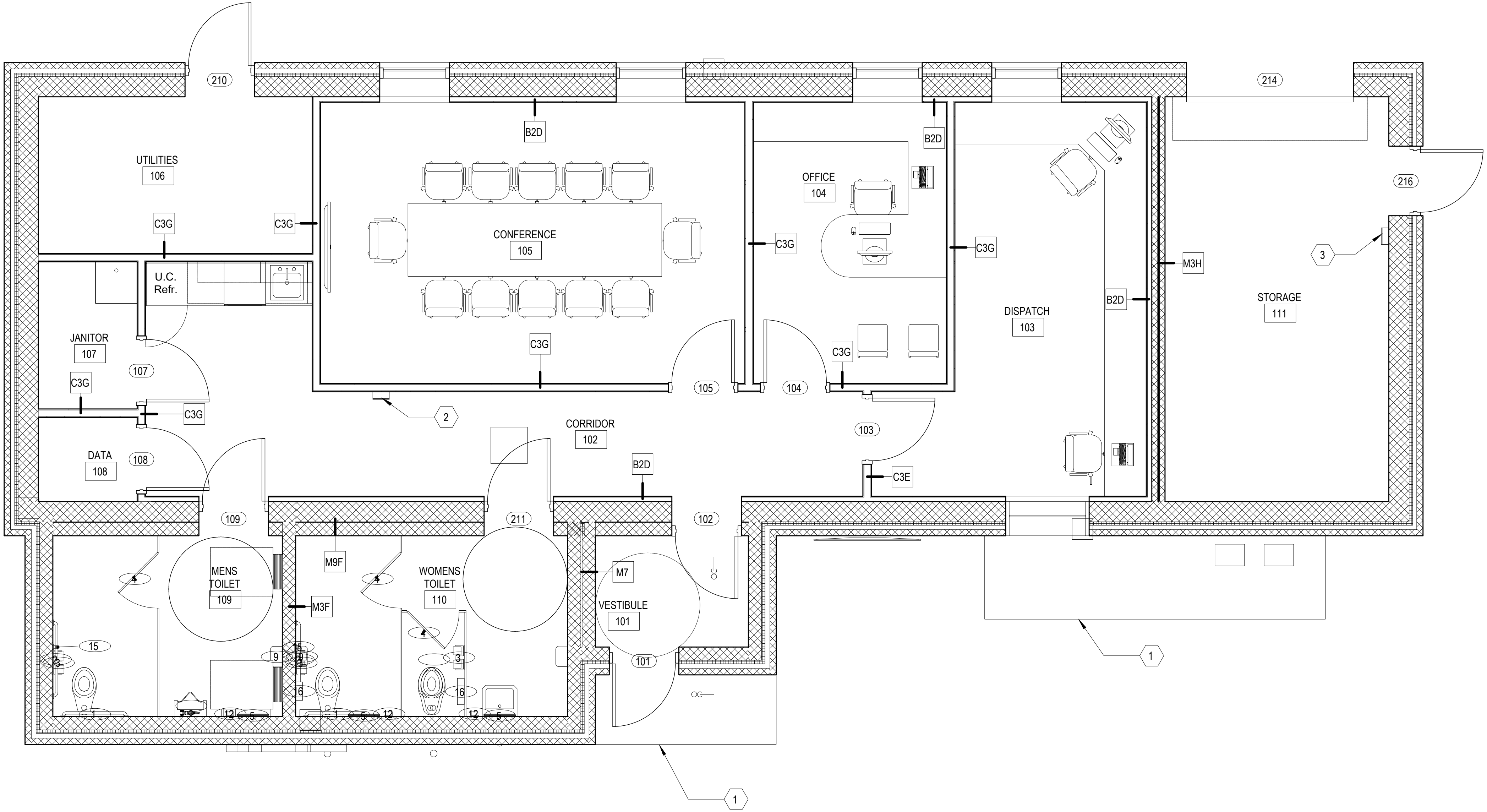
ZMM ARCHITECTS ENGINEERS

gai consultants

COMMUNITY SOLUTIONS GROUP

Project Area




UTILITIES
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CONFERENCE
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OFFICE
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DISPATCH
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STORAGE
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U.C. Refr.
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DATA
108
CORRIDOR
102
MENS TOILET
109
WOMENS TOILET
110
VESTIBULE
101
B2D
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M9F
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M7
210
214
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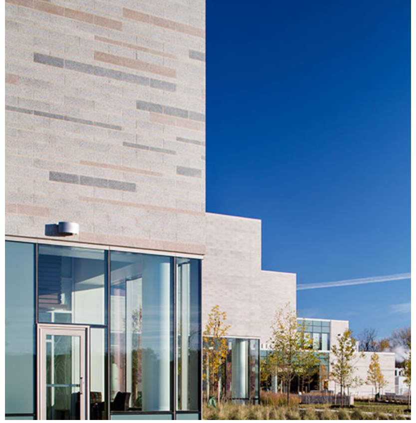
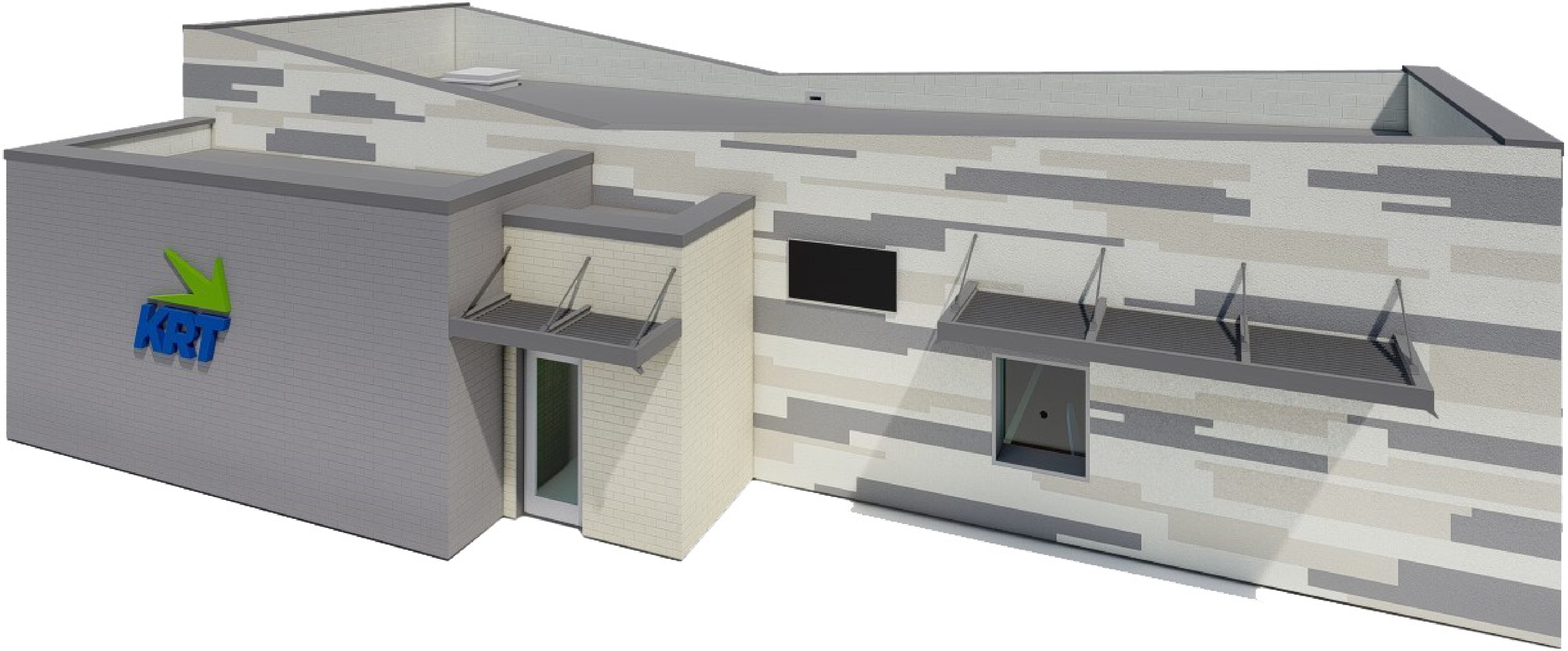
211

Floor Plan

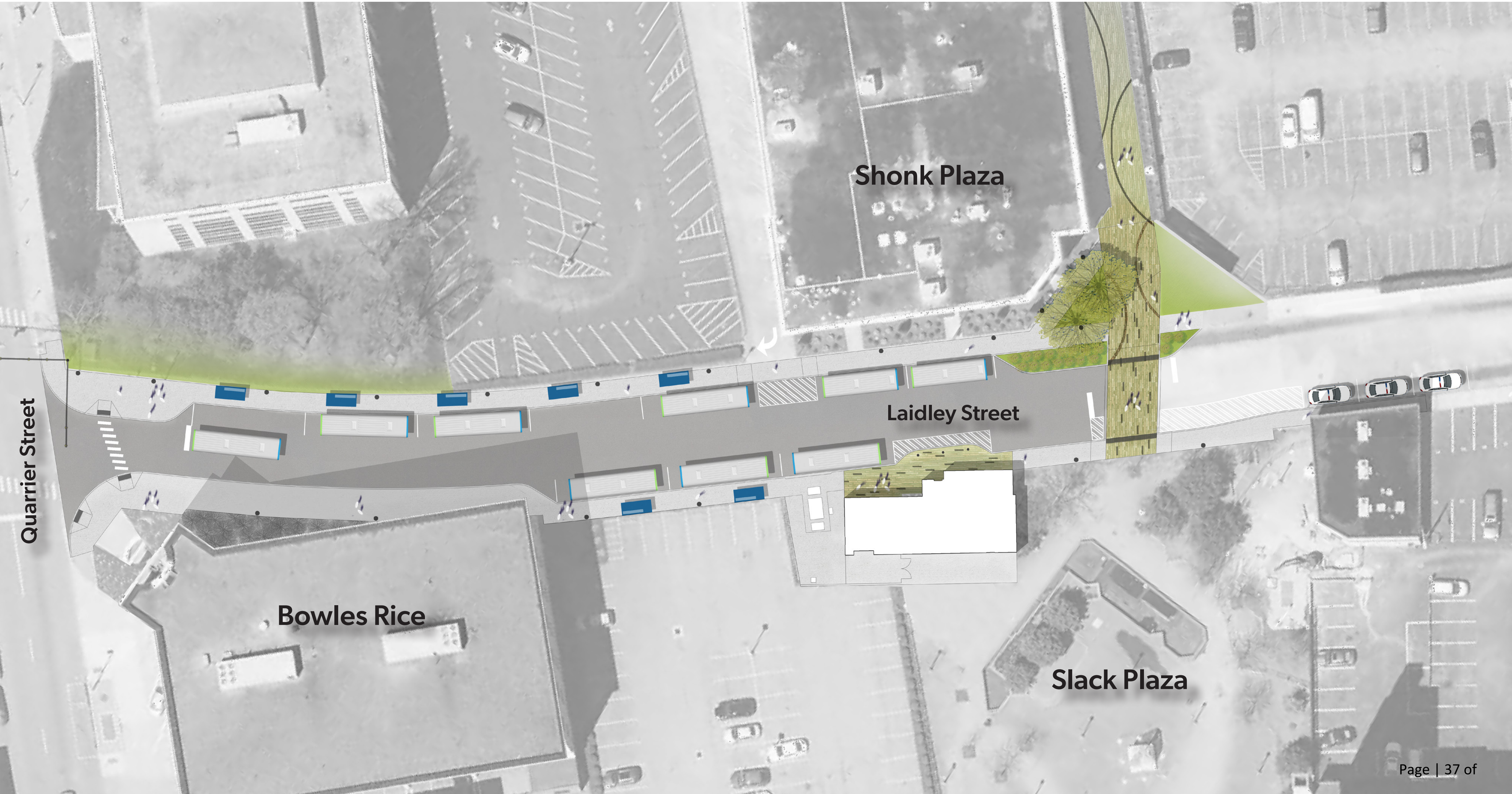
Ticket Office Building





North Perspective

Master Plan



Shonk Plaza
Laidley Street
Quarrier Street
Bowles Rice
Slack Plaza

Site Plan

EXISTING CONDITIONS LEGEND:

- 4" STEEL POST
- LIGHT POLE
- SEWER MANHOLE
- PARKING METER
- ELECTRIC MANHOLE
- TREE / SHRUB
- FIRE HYDRANT
- SIGN
- ELECTRIC BOX
- GAS VALVE
- WATER VALVE
- GAS METER
- WATER METER
- CLEAN OUT
- TRAFFIC SIGNAL
- GEOTECHNICAL BORING LOCATIONS (FOR REFERENCE)
- STORM SEWER PIPE
- SANITARY SEWER PIPE
- FENCE
- WATER LINE
- AEP EASEMENT

SITE LEGEND:

- CONCRETE
- PAVERS ON CONCRETE
- LANDSCAPED AREA
- REUSED BRICK PAVER
- BUS SHELTER

SITE PLAN KEY:

- (A) KRT BUILDING (REFER TO ARCHITECTURAL DRAWINGS)
- (B) HEAVY DUTY CONCRETE PAVEMENT X/XXX
- (C) CONCRETE PAVEMENT (SIDEWALK) X/XXX
- (D) FULL DEPTH CONCRETE CURB X/XXX
- (E) CONCRETE HEADER X/XXX
- (F) VEHICULAR PAVERS ON CONCRETE X/XXX
- (G) PEDESTRIAN PAVERS ON CONCRETE X/XXX
- (H) TYPE XX ADA RAMP X/XXX
- (I) TYPE XX ADA RAMP X/XXX
- (J) CROSSWALK STRIPING X/XXX
- (K) STOP BAR X/XXX
- (L) TRANSIT SHELTER (5'X8' & 5X16') X/XXX
- (M) TRANSIT RAIL X/XXX
- (N) AREA LIGHT AS SPECIFIED
- (O) PEDESTRIAN LIGHT AS SPECIFIED
- (P) LIGHT BOLLARD AS SPECIFIED
- (Q) LANDSCAPE AREA
- (R) MOUNTABLE CURB
- (S) DETECTABLE WARNING SURFACE
- (T) EXISTING AEP VAULT (DO NOT DISTURB)
- (U) BRICK PAVERS (REUSE EXISTING BRICK PAVERS TO FILL AREA)

SITE PLAN NOTES:

1. CONTRACTOR SHALL BE PROVIDED WITH ELECTRONIC DRAWINGS FILES TO FACILITATE LAYOUT OF SITE ELEMENTS.
2. REUSE EXISTING BRICK PAVERS TO FILL NEW CURB LINE AT THE INTERSECTION OF LAIDLEY STREET AND QUARRIER STREET. REPEAT EXISTING PAVER PATTERN TO FILL AREA. ADA RAMPS TO BE TYPICAL CONCRETE TYPE XX ADA RAMP AS SPECIFIED.

PUBLIC UTILITIES:

THE FOLLOWING PUBLIC UTILITIES MAY HAVE LINES IN THE VICINITY OF THIS PROJECT:

- AMERICAN ELECTRIC POWER COMPANY (dba APPALACHAIN POWER COMPANY)
- FRONTIER COMMUNICATIONS (FORMERLY VERIZON)
- MOUNTAINEER GAS
- SUDDENLINKS COMMUNICATIONS
- CITY OF CHARLESTON UTILITIES

CALL BEFORE YOU DIG, DRILL OR BLAST!
WEST VIRGINIA LAW REQUIRES 48 HOURS NOTICE FOR CONSTRUCTION PHASE AND 10 DAYS IN DESIGN STAGE
MISS UTILITY OF WEST VIRGINIA, INC.
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811 Know what's below. Call before you dig.

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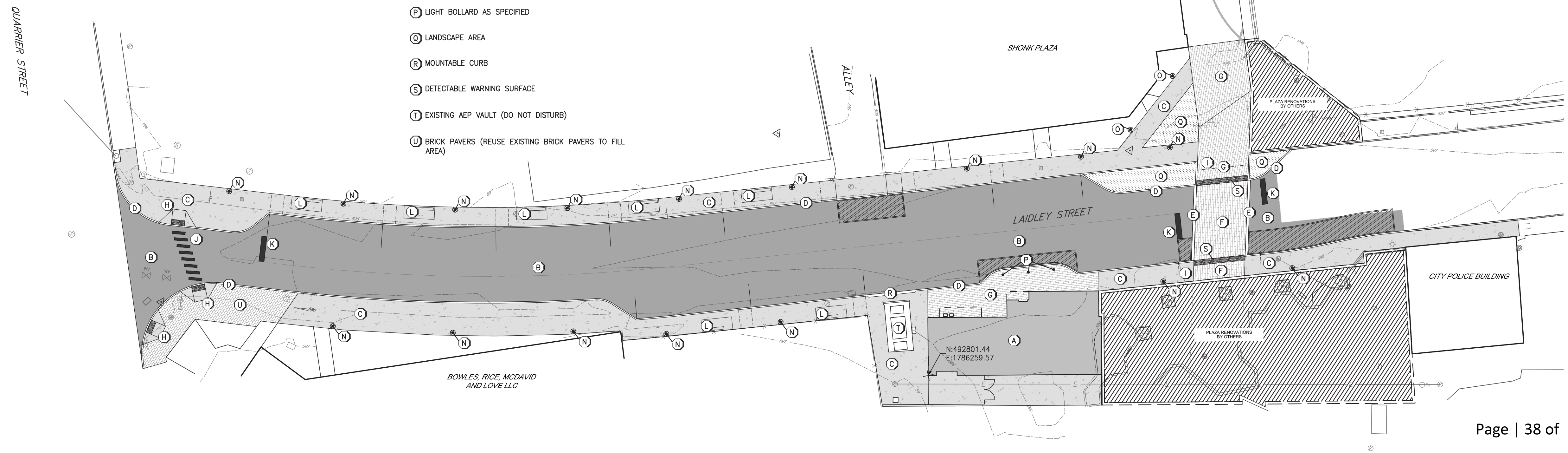
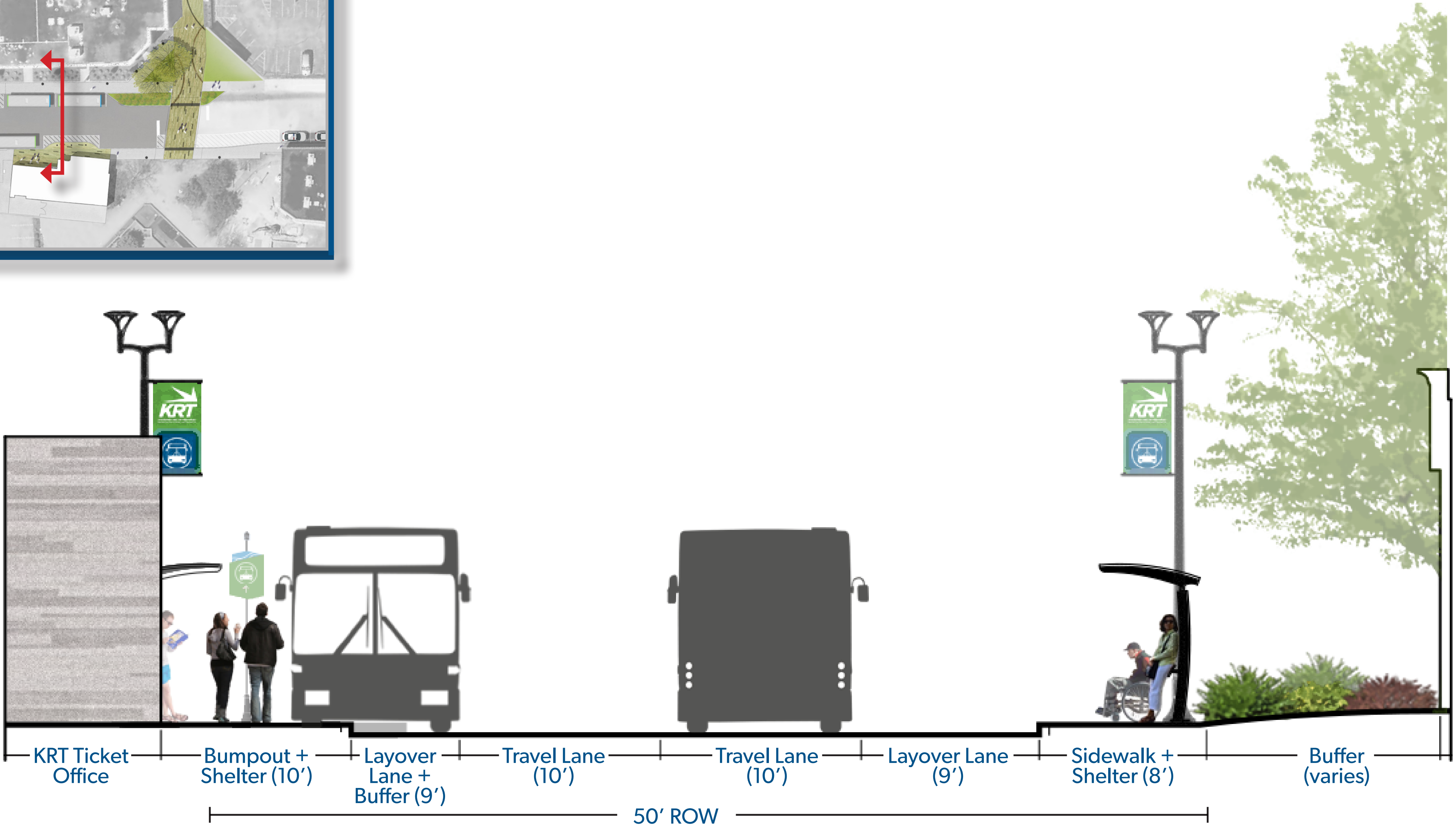
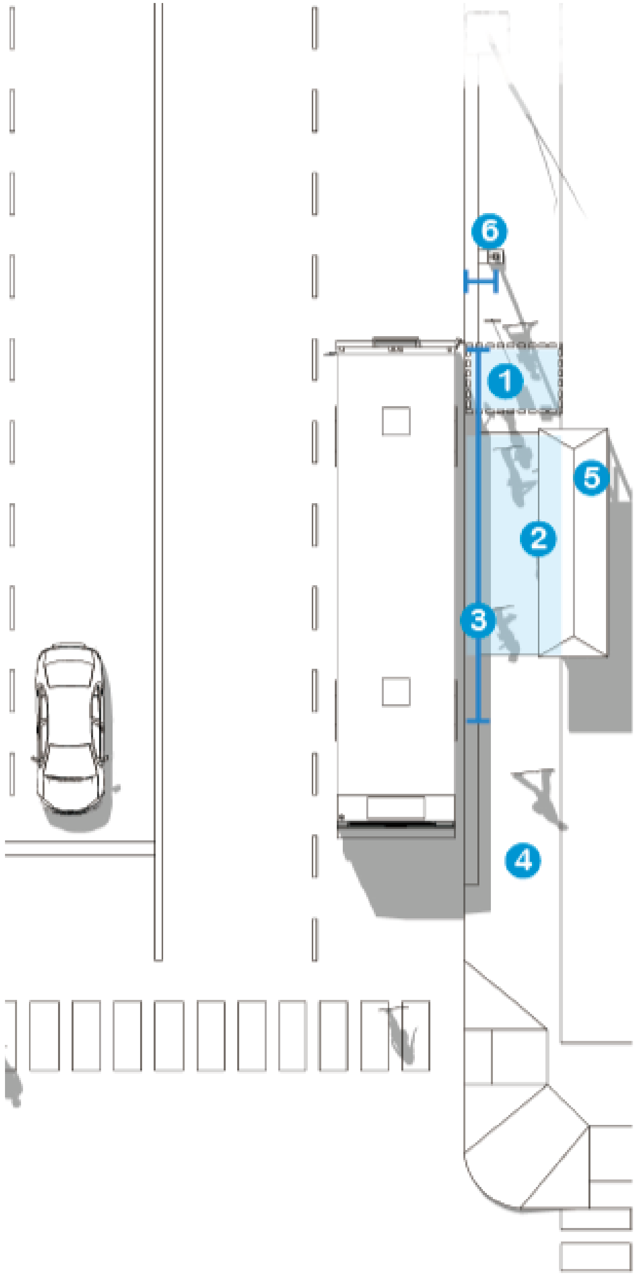


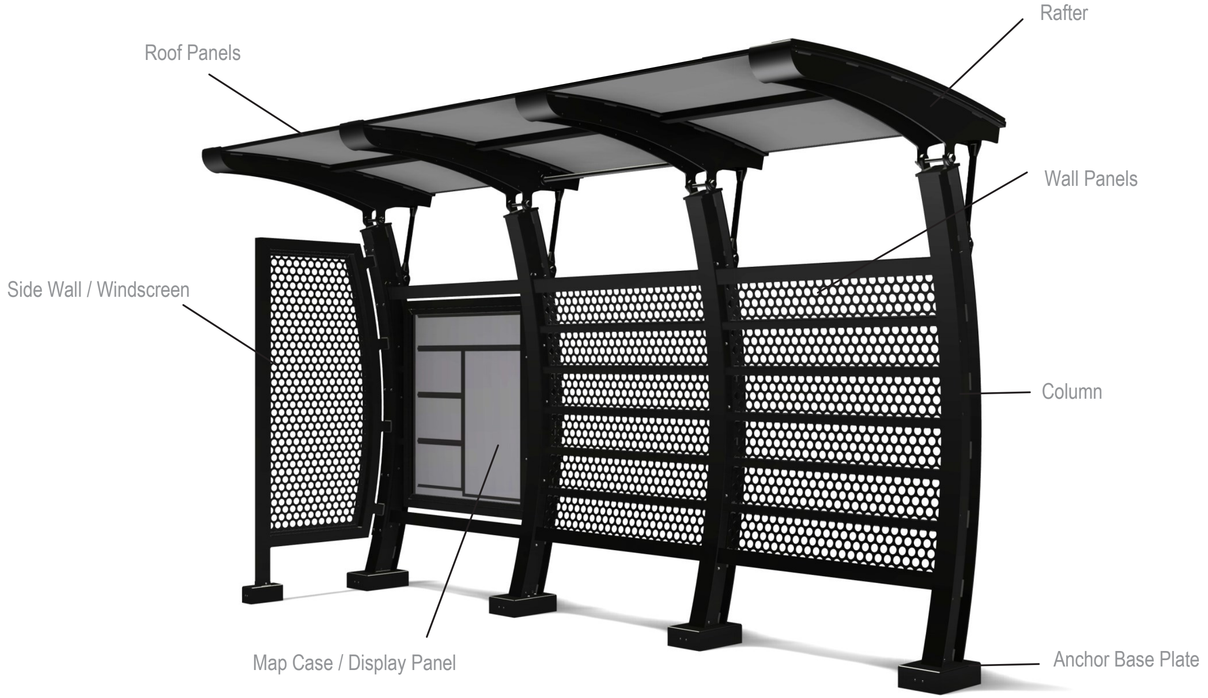


Proposed Laidley Street Section

Shelter Stop Elements

1. Loading Pad
   - 5ft long x 8ft deep; per ADA requirement. Provides a 5ft diameter clear turning radius.
2. Waiting Area
   - Waiting area can be partially accommodated in the pedestrian path.
3. Stop Area
   - 26ft long area should be kept free from obstructions along curb edge.
4. Pedestrian Clearway Zone
   - Minimum 4ft deep pedestrian path, or wider. Keep 3ft. clear around all furniture.
5. Furniture
   - 16ft x 5ft or 8ft x 5ft shelter accommodates 10-5 passengers respectively.
6. Clear Area
   - An area 2ft from the curb edge and 11ft minimum height to provide clearance.





KRT KANAWHA VALLEY REGIONAL TRANSPORTATION AUTHORITY

Development Meeting | January 21, 2021

ZMM ARCHITECTS ENGINEERS | gai consultants | COMMUNITY SOLUTIONS GROUP

Questions?

CONSTRUCTION AGREEMENT

THIS CONSTRUCTION AGREEMENT (this "**Agreement**") is made and entered into on the ___ day of March, 2021 (the "**Execution Date**"), by and between the CITY OF CHARLESTON, WEST VIRGINIA, a municipal corporation existing under the laws of the State of West Virginia (the "**City**"), and the KANAWHA VALLEY REGIONAL TRANSPORTATION AUTHORITY, a public corporation existing under the laws of the State of West Virginia ("**KVRTA**").

RECITALS

A. Whereas, the City and KVRTA are taking all necessary steps to undertake construction of a new KVRTA transportation boarding center and ticketing office (the "**Building**"), a reimagined City Center in the park previously known as Slack Plaza, and other joint efforts to continue to improve the social and economic climate in the Kanawha Valley; and

B. Whereas, the City and KVRTA are concurrently entering into a lease agreement (the "**Lease**") for the KVRTA to lease the Building and Land (defined below) from the City; and

C. Whereas, the City and KVRTA desire to enter into this Agreement to provide KVRTA a right of entry onto the real property described in <u>Exhibit A-1</u> and depicted on <u>Exhibit A-2</u>, both attached hereto and by this reference made a part hereof (the "**Land**"), for the purposes of construction of the Building, to set forth the general construction plans of KVRTA, to detail the temporary operations of KVRTA during construction, and to highlight the agreement of the City and KVRTA to work in good faith to coordinate and synchronize construction activity in the area to mitigate contractor access issues, delay, and expense.

I – ADDITIONAL DEFINITIONS

In addition to the definitions of the terms above and below, shown in quotation marks with bold lettering, the following terms have the following meanings when used herein, unless their context clearly shows that the term was intended to be used differently.

1.1 <u>Period of Construction</u> begins on the Execution Date and continues until all construction detailed in the Lease and this Agreement is complete. In no event shall the Period of Construction extend beyond the date that is twelve (12) months after the Execution Date (such date being the "**Outside Completion Date**"). Notwithstanding the foregoing, the Outside Completion Date shall be extended automatically day-for-day as to any construction delays attributable to force majeure.

1.2 <u>Plans and Specifications</u> means those Plans and Specifications that KVRTA covenants to deliver to the City on or before the Execution Date, which are entitled "The New Laidley Street Transit Center and Ticket Office" Bidding Documents.

1.3 <u>Property</u> includes the Land and all adjacent public rights of way necessary for entry upon to complete all of the construction detailed in the Lease and this Agreement.

II – CONSTRUCTION AND RIGHT OF ENTRY

2.1 Improvements on the Land. KVRTA and KVRTA's architect and general contractor shall be responsible for the construction of the Building and all improvements on the Land in substantial accordance with the Plans and Specifications, as detailed in the Lease and the exhibits attached to the Lease (the "**Improvements on the Land**"). The Improvements on the Land include all improvements related to the Building and a maintenance garage therein (the "**Maintenance Garage**"), and any other construction undertaken by KVRTA that is outside of the public right-of-way. Prior to the commencement of construction, and until such time as construction is completed, KVRTA shall obtain and maintain all certificates, permits, licenses and other authorizations of governmental bodies or authorities which are necessary to permit the construction of the Improvements on the Land and shall keep the same in full force and effect at KVRTA's cost. Upon completion of construction, KVRTA shall, at its cost, obtain an occupancy permit and all other permits or licenses necessary for the occupancy of the improvements and the operation of the same as set out herein and shall keep the same in force. KVRTA shall negotiate, let and supervise all contracts for the furnishing of services, labor, and materials for the construction of the Improvements on the Land at its cost. The City shall execute and deliver upon the request of the KVRTA such instrument or instruments embodying the approval of the City which may be required for the purpose of obtaining all such certificates, permits, licenses and other authorizations to permit the construction of the improvements.

2.2 Modification to Plans and Specifications. The parties acknowledge and agree that change orders and modifications to Plans and Specifications (collectively, "**Modifications**") are inherent construction projects. KVRTA shall be freely permitted to facilitate and approve any such Modifications without prior notice to or the consent of the City, provided that such Modifications do not (x) result in a substantial modification to the façade of the Building, the character of the Building or the Land, or (y) change the design or construction of the Maintenance Garage (each being a "**Covered Modification**"). After the Execution Date, any Covered Modification request(s) shall be made in writing to the City by KVRTA and shall be subject to the written approval (or deemed approval) of such Covered Modification by the City in accordance with the terms hereof. KVRTA shall include with any such request information reasonably necessary for the City to consider the request, including drawings and schematics. If the City fails to respond to a written Covered Modification request within fifteen (15) business days of receipt of such request, the failure of the City to timely respond shall constitute acceptance of the Covered Modification request. If the City disapproves of a Covered Modification request, the City will specifically identify its objections. KVRTA may revise the Plans and Specifications to address such objections and re-submit the same for approval as soon as reasonably practical thereafter. Such Covered Modifications as are approved (or deemed approved) by the City shall become part of the Plans and Specifications.

2.3 Right of Way Improvements. In connection with KVRTA's completion of the Improvements on the Land, KVRTA shall also undertake certain improvements to the public right-of-way. KVRTA shall negotiate, let and supervise all contracts for the furnishing of services, labor, and materials for the construction of the improvements on the public right-of-way at its sole cost and expense. These improvements include streetscapes, landscaping, roadway construction on, along, and abut Laidley Street, and certain work in the Parking Area and the public right-of-way abutting the Land, such work collectively being more particularly described and depicted on Exhibit B, attached hereto and by reference made a part hereof (the "**Right of Way Improvements**").

2.4 Right of Entry. Effective as of the Execution Date, the City hereby grants KVRTA and KVRTA's employees, agents, contractors, and invitees (collectively "**Agents**") the right to enter the Property at any time for performing the Improvements on the Land and the Right of Way Improvements during the Period of Construction. KVRTA shall act in a commercially reasonable manner to complete the Improvements on the Land and the Right of Way Improvements. If the City believes that KVRTA has acted in a commercially unreasonable manner, the City shall notify KVRTA and the parties shall negotiate in good faith to put in place additional restrictions necessary to assure commercially reasonable activity that meets the satisfaction of the parties.

2.5 Equipment on the Property. Effective as of the Execution Date, KVRTA and its Agents may store equipment on the Property, but KVRTA and its Agents shall be solely responsible for securing such equipment stored on the Property. At the expiration or termination of the Right of Entry, KVRTA shall remove all equipment from the Property, except as otherwise authorized under the Lease.

2.6 Security. KVRTA shall provide and adequately maintain any barricades, fences, signs, lanterns and other suitable devices as deemed necessary by KVRTA for employee and public safety with respect to the Improvements on the Land and the Right of Way Improvements performed hereunder. KVRTA shall maintain the security of each of its work sites on the Property to the commercially reasonable satisfaction of the City during the entire Period of Construction under this Agreement. In the conduct of work undertaken herein, KVRTA and its Agents shall exercise reasonable care, exercise all normal and reasonable safety precautions, and shall maintain all work areas on the Property in a clean and presentable manner. KVRTA shall use commercially reasonable efforts to secure the Property at all times during the Period of Construction. KVRTA shall be solely responsible for ensuring that only KVRTA and its Agents have access to the Property while KVRTA is constructing the Improvements on the Land and the Right of Way Improvements. The City shall be solely responsible for ensuring that only the City and its Agents have access to any construction undertaken by the City during the term of this Agreement. Nevertheless, the City and KVRTA shall work in good faith to coordinate any limitations on access to the Property during the time periods when construction is occurring.

2.7 No Liens. In the event any mechanic's lien shall at any time be filed against the Property, by reason of work, labor, services or materials performed or furnished to KVRTA related in any way to the Improvements on the Land, the Right of Way Improvements, or the general maintenance and repair of the Property, KVRTA shall forthwith cause the same to be discharged of record or adequately bonded over. If KVRTA shall fail to cause such lien forthwith to be discharged or bonded within five (5) days after being notified of the filing thereof, then, in addition to any other right or remedy of the City, the City may, but shall not be obligated to, discharge the same by paying the amount claimed to be due, or by bonding, and the amount so paid by the City and all costs and expenses, including reasonable attorney's fees incurred by the City in procuring the discharge of such lien, shall be due and payable in full by KVRTA to the City on demand.

2.8 Notice of Completion and City Approval; Future Maintenance. Upon completion of the KVRTA's Improvements on the Land and the Right of Way Improvements, KVRTA shall provide the City with notice of completion and the City shall have thirty (30) days to review the Right of Way Improvements to determine if they meet the requirements of the WVDOH Right of Way Manual. If the City does not approve, KVRTA shall take all actions detailed by the City to correct the Right of Way Improvements within a reasonable time as set forth at the sole discretion of the City. Once the City approves the Right of Way Improvements undertaken by KVRTA, the City shall be responsible for the maintenance and upkeep of the Right of Way Improvements in a manner consistent with the City's responsibility for all public rights of way.

III – TEMPORARY BOARDING AREA

3.1 Grant of License. Effective as of the Execution Date and continuing thereafter until thirty (30) days after issuance of the use and occupancy permit for the Building, City grants unto KVRTA a temporary, exclusive license for the purpose of relocating KVRTA's bus stop locations and accommodating the loading and unloading of bus passenger traffic over the south end of the block of Court Street between Quarrier Street and Lee Street, the area more particularly identified on Exhibit C, attached hereto and by reference made a part hereof (the "**Temporary License**", and the area subject to the Temporary License being the "**Temporary License Area**"). On or prior to the Execution Date and continuing throughout the duration of the Temporary License, as to the Temporary License Area, the City covenants that (a) it shall prohibit public parking and post signage to this effect in the Temporary License Area; (b) cause public safety personnel to enforce vehicle ticketing and towing in the Temporary License Area as part of their general job responsibilities; and (c) permit KVRTA to erect temporary signage, after approval of the content and placement by the City, such approval not to be unreasonably withheld, conditioned or delayed, identifying bus routes and passenger loading areas within the Temporary License Area. In exchange for the foregoing, KVRTA agrees to reimburse the City for all City expenses related to creating, installing, and removing signage in the Temporary License Area.

3.2 Conditions of Use Covenants. KVRTA covenants and agrees as follows:

(a) KVRTA shall not use the Temporary License Area for any purpose other than the loading and unloading of bus passengers.

(b) KVRTA shall keep the Temporary License Area free of rubbish and debris.

(c) Upon termination of the Temporary License, KVRTA shall remove all temporary signage identifying bus routes and passenger loading areas within the Temporary License Area.

3.3 Dominion and Control. The City acknowledges and agrees that KVRTA has the right, but not the obligation, to monitor and actively patrol the Temporary License Area and remove and exclude trespassers therefrom, provided that all such undertakings of KVRTA shall comport with applicable law.

IV – COORDINATION OF CONSTRUCTION ACTIVITY

4.1 Good Faith Coordination. Notwithstanding any other provision of this Agreement or any provision of the Lease, the City and KVRTA hereby explicitly agree to work in good faith to coordinate and synchronize all construction activity set forth in the Plans and Specifications in order to mitigate any access issues, delay, and expense that may fall upon KVRTA and its Agents or the City and any of its employees, agents, contractors, and invitees.

4.2 Duty of Good Faith and Cooperation. Each party owes a duty of good faith to the party to which it has granted rights hereunder and shall cooperate to the extent reasonably necessary to assist each other, provided that such cooperation shall not require the other party to incur expense or unnecessary liability.

V – MISCELLANEOUS

5.1 Notice. All of the notice requirements contained in the Lease are applicable to this Agreement.

5.2 Licenses/Permits/Utilities. KVRTA is solely responsible for obtaining and necessary licenses and permits for the work permitted under this Agreement, including transportation and disposal of material. This responsibility extends to KVRTA and all of its Agents. KVRTA is solely responsible for coordinating with all utility companies and for any costs incurred in connection with any activities performed by KVRTA or its Agents on the Property, including but not limited to any containment or removal of utility lines as necessary for construction.

5.3 Maintenance and Repairs; Insurance; Indemnification. The parties acknowledge and agree that terms of conditions relating to maintenance and repairs in Article VI of the Lease, and indemnification in Article VII of the Lease, insurance in Article IX of the Lease, shall apply to this Agreement and by this reference are incorporated herein. In addition, prior to and throughout any period(s) of construction by the City on property adjacent to the Land, the City will provide a copy of the builder's risk policy and/or certificate from the City's contractor, with such endorsements obtained by such party. All such policies shall include KVRTA as an additional insured and shall contain a clause that the insurer will not cancel or change the insurance without first giving KVRTA thirty (30) days' prior written notice. The insurance shall be issued by companies with an A.M. Best rating of A/VII or better and a copy of the policy or certificate of insurance shall be delivered to KVRTA.

5.4 Invalidity of Particular Provision. If any term or provision of this Agreement or the application hereof to any person or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

5.5 Captions and Relationship of Parties. The captions of the sections of this Agreement are for convenience only and are not a part of this Agreement and do not in any way limit or amplify the terms and provisions of this Agreement. Nothing contained herein shall be deemed or construed by the parties hereto nor by any third party as creating the relationship of principal and agent or of partnership or of a joint venture between the parties hereto, it being understood and agreed that neither any provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than as stated in this Agreement and the Lease.

5.6 Binding Upon Successors. Except as otherwise provided in the Lease or this Agreement, the terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

5.7 Entire Agreement. This Agreement and the Lease contain the entire and only agreements between the parties, and no oral statements or representations or prior written matter not contained in this Agreement or the Lease shall have any force and effect. This Agreement is the only agreement between the parties relating to the right of entry and temporary boarding area, and it shall not be modified in any way except by a writing executed by both parties. This Agreement supersedes and revokes all previous negotiations, whether oral or in writing, between the parties or their respective representatives, agents, or any other person purporting to represent the parties—excluding the Lease—also entered into between the parties.

5.8 Governing Law. All matters pertaining to this Agreement (including its interpretation, application, validity, performance and breach) in whatever jurisdiction action may be brought, shall be governed by, construed and enforced in accordance with the laws of the State of West Virginia. The parties agree to submit to the personal jurisdiction and venue of a court of subject matter jurisdiction located in Kanawha County, State of West Virginia. KVRTA further agrees to comply with all applicable federal, state, and local laws.

5.9 Force Majeure. In the event that the City or KVRTA shall be delayed or hindered in or prevented from the performance of the terms of this Agreement as required hereunder, by reason of pandemic, strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the act, failure to act, or default of the other party, war or other reason beyond its control, then performance of such act shall be excused for the period of the delay and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. In the event of such delay, such party shall give written notice describing such event to the other party within ten (10) days after the occurrence of same. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond control of either party.

5.10 Extraordinary Remedies. To the extent cognizable at law, the parties hereto, in the event of breach and in addition to any and all other remedies available thereto, may obtain injunctive relief, regardless of whether the injured party can demonstrate that no adequate remedy exists at law.

[SIGNATURE PAGES FOLLOW.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written or have caused this Agreement to be executed by their respective officers thereunto duly authorized.

CITY: CITY OF CHARLESTON, WEST VIRGINIA

____
Name: _______________________________
Title: _______________________________

STATE OF ______________________,

COUNTY OF _____________________, to-wit:

The foregoing instrument was acknowledged before me this ____day of _____________ _______, 202__, by ______________________, the ____________________________, of the City of Charleston, West Virginia, a municipal corporation existing under the laws of the State of West Virginia, on behalf of said City.

My commission expires: _________________________.

____
Notary Public

[Notary seal]

KVRTA: KANAWHA VALLEY REGIONAL TRANSPORTATION AUTHORITY

____
Name: _______________________________
Title: ________________________________

STATE OF _____________________,

COUNTY OF ____________________, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____________ _______, 202__, by_____________________________, the ______________________ of the Kanawha Valley Regional Transportation Authority, a public corporation existing under the laws of the State of West Virginia.

My commission expires: _________________________.

____
Notary Public

EXHIBIT A-1

DESCRIPTION OF LEASED PREMISES

[To be attached.]

EXHIBIT A-1

LEGAL DESCRIPTION OF LEASED PREMISES

Being a tract or parcel of land situate on Laidley Street in the city of Charleston, Kanawha County, West Virginia and being more particularly described as follows:

Beginning at a MAG nail set in concrete at the northeast corner of the Embros Realty Company and being on the southern right of way line of Laidley Street; thence with said southern right of way for one line

N 50°37' E 94.76 feet to a MAG nail set in concrete; thence through the city of Charleston Property for one line

S 34°33' E 36.90 feet to a MAG nail set in concrete wall being on the northern right of way line of a 12 foot Alley also being a corner to the city of Charleston; thence with said southern right of way line for one line

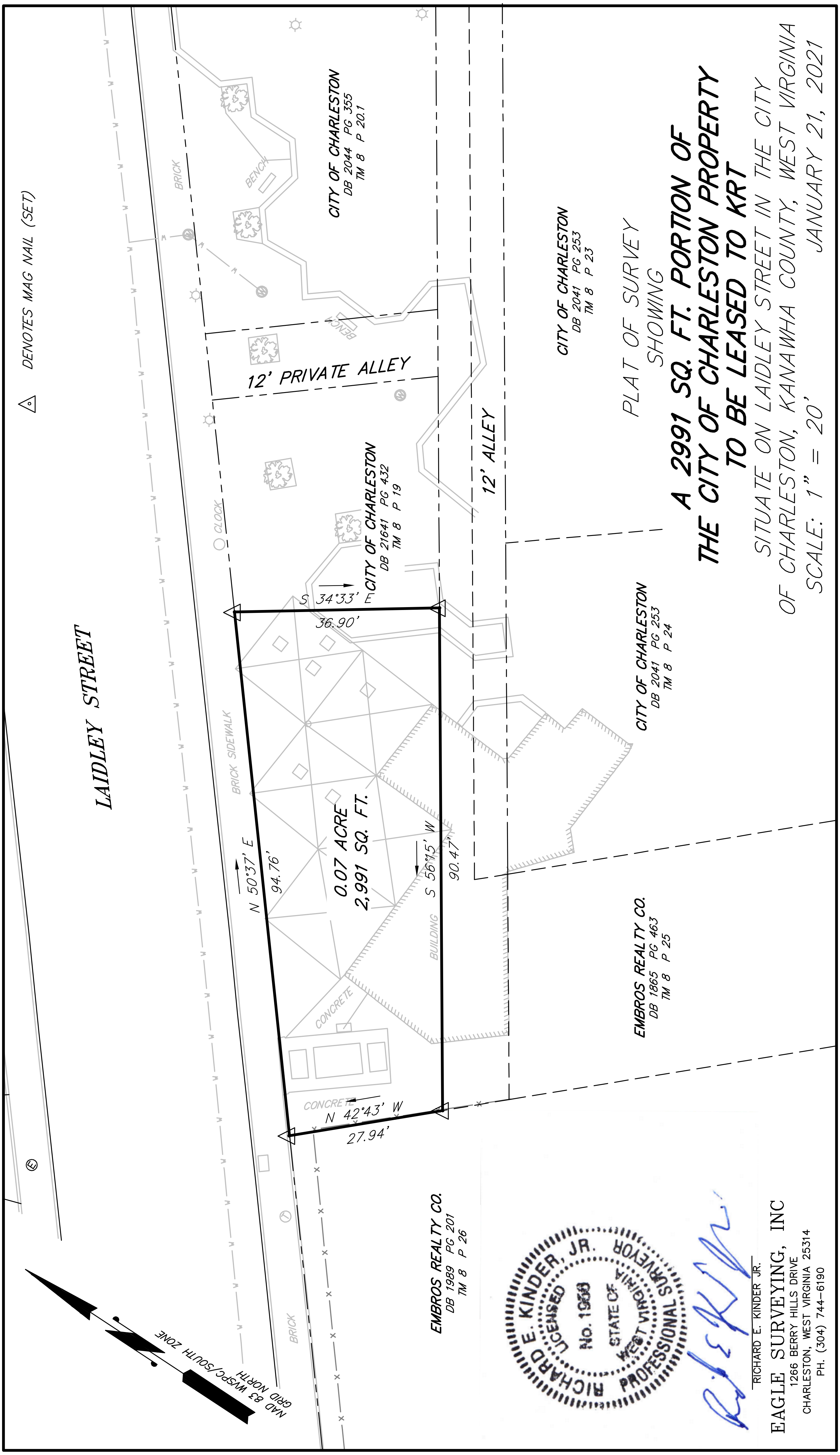
S 56°15' W 90.47 feet to a MAG nail set in concrete in the eastern line of Embros Realty Company; thence with said Embros Realty for one line

N 42°43' W 27.94 feet to the place of beginning and containing 0.07 Acre more or less as surveyed by Richard E. Kinder Jr. of Eagle Surveying Inc., Charleston WV and as shown on a plat entitled "PLAT OF SURVEY SHOWING A 2991 SQ. FT. PORTION OF THE CITY OF CHARLESTON PROPERTY TO BE LEASED TO KRT" dated January 21, 2021.

EXHIBIT A-2

DEPICTION OF LEASED PREMISES

[To be attached.]



DENOTES MAG NAIL (SET)
LAIDLEY STREET
CITY OF CHARLESTON
DB 2044 PG 355
TM 8 P 20.1
BENCH
BRICK
12' PRIVATE ALLEY
CITY OF CHARLESTON
DB 2041 PG 253
TM 8 P 23
12' ALLEY
CITY OF CHARLESTON
DB 2641 PG 432
TM 8 P 19
CLOCK
S 34°33' E
36.90'
BRICK SIDEWALK
N 50°37' E
94.76'
0.07 ACRE
2,991 SQ. FT.
S 56°15' W
90.47'
BUILDING
CONCRETE
N 42°43' W
27.94'
CITY OF CHARLESTON
DB 2041 PG 253
TM 8 P 24
EMBROS REALTY CO.
DB 1865 PG 463
TM 8 P 25
EMBROS REALTY CO.
DB 1989 PG 201
TM 8 P 26
GRID NORTH
NAD 83 WVSPC/SOUTH ZONE
PLAT OF SURVEY
SHOWING
A 2991 SQ. FT. PORTION OF
THE CITY OF CHARLESTON PROPERTY
TO BE LEASED TO KRT
SITUATE ON LAIDLEY STREET IN THE CITY
OF CHARLESTON, KANAWHA COUNTY, WEST VIRGINIA
SCALE: 1" = 20'
JANUARY 21, 2021
RICHARD E. KINDER, JR.
LICENSED
No. 1930
STATE OF WEST VIRGINIA
PROFESSIONAL SURVEYOR
RICHARD E. KINDER JR.
EAGLE SURVEYING, INC
1266 BERRY HILLS DRIVE
CHARLESTON, WEST VIRGINIA 25314
PH. (304) 744-6190

EXHIBIT B

RIGHT OF WAY IMPROVEMENTS

[To be attached.]

4828-2247-4966

EXISTING CONDITIONS LEGEND:

- 4" STEEL POST
- LIGHT POLE
- SEWER MANHOLE
- PARKING METER
- ELECTRIC MANHOLE
- TREE / SHRUB
- FIRE HYDRANT
- SIGN
- ELECTRIC BOX
- GAS VALVE
- WATER VALVE
- GAS METER
- WATER METER
- CLEAN OUT
- TRAFFIC SIGNAL
- GEOTECHNICAL BORING LOCATIONS (FOR REFERENCE)
- STORM SEWER PIPE
- SANITARY SEWER PIPE
- FENCE

SITE LEGEND:

- CONCRETE
- PAVERS ON CONCRETE
- LANDSCAPED AREA
- BUS SHELTER

LANDSCAPE NOTES:

1. CONTRACTOR RESPONSIBLE FOR REPLACING ANY PLANTS DAMAGED DURING CONSTRUCTION BETWEEN THE PROJECT LIMITS OF DISTURBANCE AND THE SHONK PLAZA BUILDING.
2. CONTRACTOR RESPONSIBLE FOR REPLACING ANY PLANTS DAMAGED DURING CONSTRUCTION BETWEEN THE PROJECT LIMITS OF DISTURBANCE AND THE FEDERAL BUILDING PARKING LOT.
3. CONTRACTOR RESPONSIBLE FOR REPLACING ANY PLANTS DAMAGED DURING CONSTRUCTION BETWEEN THE PROJECT LIMITS OF DISTURBANCE AND THE BOWLES RICE BUILDING.

PUBLIC UTILITIES:

THE FOLLOWING PUBLIC UTILITIES MAY HAVE LINES IN THE VICINITY OF THIS PROJECT:

- AMERICAN ELECTRIC POWER COMPANY (dba APPALACHAIN POWER COMPANY)
- FRONTIER COMMUNICATIONS (FORMERLY VERIZON)
- MOUNTAINEER GAS
- SUDDENLINKS COMMUNICATIONS
- CITY OF CHARLESTON UTILITIES

CALL BEFORE YOU DIG, DRILL OR BLAST! WEST VIRGINIA LAW REQUIRES 48 HOURS NOTICE FOR CONSTRUCTION PHASE AND 10 DAYS IN DESIGN STAGE MISS UTILITY OF WEST VIRGINIA, INC. 1-800-245-4848

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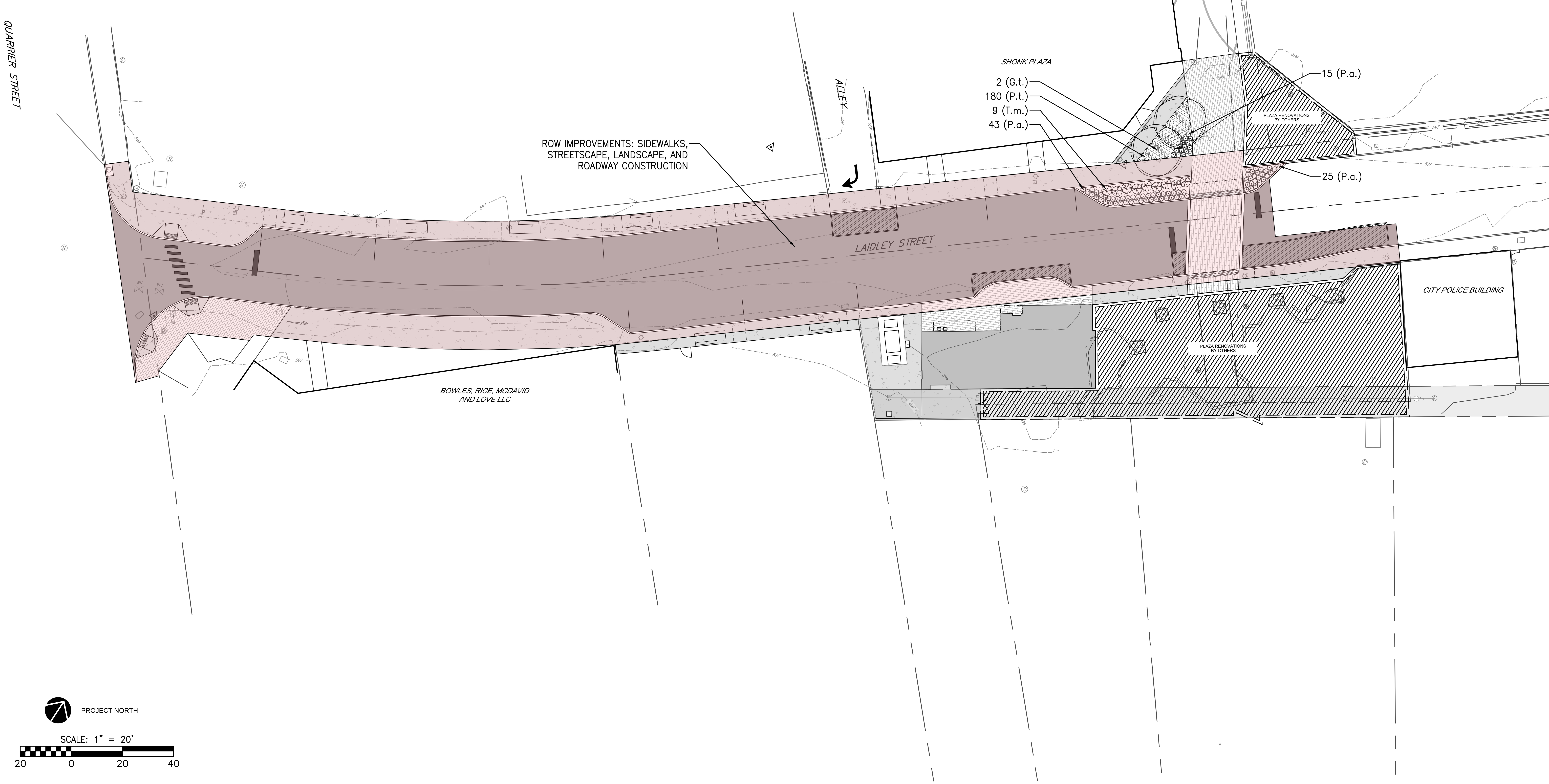


ZMM ARCHITECTS ENGINEERS
222 Lee Street, West
Charleston, West Virginia 25302
Phone: 304.342.0159
Fax: 304.345.8144
www.zmm.com

gai consultants
500 Lee Street, Suite 700
Charleston, WV 25301
Phone: 304.926.8100 FAX: 304.926.8180

REVISIONS

NO.	DESCRIPTION	DATE
1	REVISION	02.26.2021

THE NEW LAIDLEY STREET TRANSIT CENTER AND TICKET OFFICE

Kanawha Valley Regional Transportation Authority
Charleston, West Virginia

BIDDING DOCUMENTS

EXHIBIT B CONSTRUCTION AGREEMENT

DRAWN	CHECKED
YOSTJC	GILMOD
	DATE FEB 12, 2021
	COMM. NO. 20054

C700

<u>EXHIBIT C</u>

TEMPORARY LICENSE AREA

[To be attached.]

Temporary License Area

During Construction of the New Transit Center KVRTA will temporarily use Court Street to board passengers. Easier for passengers transferring to other buses. This option involves less rerouting due to the mirrored position of the current set up at the current transit mall.

Resolution No. 432-21

Introduced in Council: Adopted by Council:

March 1, 2021

Introduced by: Referred to:

Joseph Jenkins Finance Committee

Resolution No. 432-21 - Authorizing the Mayor or City Manager to enter into a lease agreement with the Kanawha Valley Regional Transportation Authority (“KRT”) to provide KRT with rights of tenancy relating to certain real property owned or controlled by the City of Charleston along Laidley Street, including a new mass transportation boarding and ticket building being constructed at KRT expense, where the terms of the lease agreement are attached hereto as Exhibit A.

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor or City Manager is authorized to enter into a lease agreement with the Kanawha Valley Regional Transportation Authority (“KRT”) to provide KRT with rights of tenancy relating to certain real property owned or controlled by the City of Charleston along Laidley Street, including a new mass transportation boarding and ticket building being constructed at KRT expense, where the terms of the lease agreement are attached hereto as Exhibit A.

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "**Lease**") is made and entered into on the ___ day of March, 2021 (the "**Execution Date**"), by and between the CITY OF CHARLESTON, WEST VIRGINIA, a municipal corporation existing under the laws of the State of West Virginia ("**Landlord**"), and the KANAWHA VALLEY REGIONAL TRANSPORTATION AUTHORITY, a public corporation existing under the laws of the State of West Virginia ("**Tenant**").

RECITALS

A. Whereas, Tenant was formed on October 25, 1971, pursuant to Article 27, Chapter 8 of the Code of West Virginia, 1931, as amended, known as the "Urban Mass Transportation Authority Act" (the "**Act**") and is a public corporation formed for the purpose of creating, establishing and maintaining an urban mass transportation system; and

B. Whereas, Landlord is the county seat of Kanawha County and the capital city of the State of West Virginia, thus serving as the center of government, commerce, and industry for the region; and

C. Whereas, Tenant operates a network of twenty (20) fixed routes oriented around the commercial center of Charleston, West Virginia, and serves Kanawha County and portions of Fayette and Putnam Counties; and

D. Whereas, the Board of Members of Tenant is vested with the management and control of Tenant, including its operations, business and affairs and, pursuant to the Act, is authorized and empowered to "acquire by … lease and to hold, use, sell, lease or otherwise dispose of real and personal property whatsoever…", and to "enter into contracts and agreements which are necessary, convenient or useful to carry out the purposes of [the Act] with any person, public corporation, state or any agency or political subdivision thereof…"; and

E. Whereas, Landlord is authorized pursuant to state code and municipal ordinance to enter into agreements with public corporations by resolution duly adopted by the City Council of the City of Charleston; and

F. Whereas, Landlord desires for Tenant to continue to provide mass transportation services to the community and increase the quality of life throughout the Kanawha Valley; and

G. Whereas, due to this successful relationship with Landlord and the greater Kanawha Valley, Tenant desires to build a mass transportation boarding center in downtown Charleston on certain real property owned by Landlord that will benefit the citizens of Charleston and the wider community.

I – GRANT OF LEASE AND TERM

1.1 Grant of Lease.

(a) Land; Building. In consideration of rents to be paid and the covenants and agreements to be performed and observed by Tenant, Landlord does hereby lease to Tenant and Tenant does hereby lease and take from Landlord, the real property described in Exhibit A-1 and depicted on Exhibit A-2, both attached hereto and by reference made a part hereof (the "**Land**"), upon which Tenant will build an approximately 1,873 square-foot mass transportation boarding center and ticketing office (the "**Building**") and passenger plaza in accordance with the terms and conditions of this Lease and those certain Plans and Specifications (defined below).

(b) Transit Shelters. Appurtenant to the Land and Building, Landlord does hereby lease to Tenant and Tenant does lease and take from Landlord the real property underlying those certain seven (7) transit shelters identified on Exhibit B as "Transit Shelter," attached hereto and by reference made a part hereof (the "**Transit Shelters**").

(c) Parking. Appurtenant to the Land and the Building, Landlord does hereby lease to Tenant and Tenant does hereby lease and take from Landlord three (3) parking spaces on Laidley Street, as more fully described and depicted on Exhibit C, attached hereto and by reference made a part hereof (the "**Parking Area**"). While use of the Parking Area will not be exclusive to Tenant, Tenant shall have at all times availability of three (3) parking spaces in the Parking Area.

The Land and all of the other improvements thereon, the Building upon its completion by Tenant, the Transit Shelters, and the Parking Area shall be deemed to comprise and are referred to collectively herein as the "**Leased Premises**."

1.2 Initial Term. The term of this Lease (the "**Initial Term**") shall commence on the Execution Date (the "**Commencement Date**") and shall terminate at the end of one (1) year thereafter.

1.3 Renewals. The Initial Term of this Lease shall automatically be extended for up to twenty-four (24) successive one (1) year renewal terms (each a "**Primary Renewal Term**") without any notice or further action by either party unless (a) Tenant provides written notice of non-renewal to Landlord at least one hundred eighty (180) days in advance of the last day of the Initial Term or the then-current Primary Renewal Term, or (b) this Lease is terminated sooner pursuant to the terms and conditions set forth herein. Upon the expiration of the final Primary Renewal Term, this Lease shall automatically be extended for up to fifteen (15) successive one (1) year renewal terms (each a "**Secondary Renewal Term**" and together with the Initial Term and each Primary Renewal Term, the "**Term**") without any notice or further action by either party unless (a) Tenant provides written notice to Landlord of non-renewal at least one hundred eighty (180) days in advance of the last day of the then-current Secondary Renewal Term, (b) Landlord provides written notice to Tenant of non-renewal at least one hundred eighty (180) days in advance of the last day of the fifth (5^{th}) Secondary Renewal Term or tenth (10^{th}) Secondary Renewal Term, or (c) this Lease is terminated sooner pursuant to the terms and conditions set forth herein.

1.4 Holding Over. In the event that Tenant or anyone claiming under Tenant shall continue occupancy of the Leased Premises after the expiration of the Term without any agreement in writing between Landlord and Tenant with respect thereto, such occupancy shall not be deemed to extend or renew the Term of the Lease, but such occupancy shall continue as a tenancy at will, from month to month, upon the covenants, provisions and conditions herein contained.

II – RENT

Tenant shall pay Landlord rent in the amount of One Dollar ($1.00) per annum, payable in advance in a single installment on the Execution Date. The annual rent for any Primary Renewal Term or Secondary Renewal Term shall be One Dollar ($1.00) per annum payable in advance in a single installment upon the first day of such renewal term.

III – CONSTRUCTION

3.1 Improvements by Tenant - Generally. Tenant and Tenant's architect and general contractor shall be responsible for the construction of the Building and all improvements on the Land in substantial accordance with the Plans and Specifications (the "**Plans and Specifications**") delivered to Landlord as a covenant to that certain Construction Agreement dated of even date herewith by and between Landlord and Tenant (the "**Construction Agreement**").

3.2 No Liens. In the event any mechanic's lien shall at any time be filed against the Leased Premises or any part of the Building by reason of work, labor, services or materials performed or furnished to Tenant, Tenant shall forthwith cause the same to be discharged of record or adequately bonded over. If Tenant shall fail to cause such lien forthwith to be discharged or bonded within five (5) days after being notified of the filing thereof, then, in addition to any other right or remedy of Landlord, Landlord may, but shall not be obligated to, discharge the same by paying the amount claimed to be due, or by bonding, and the amount so paid by Landlord and all costs and expenses, including reasonable attorney's fees incurred by Landlord in procuring the discharge of such lien, shall be due and payable in full by Tenant to Landlord on demand.

IV – SUBLEASE OF MAINTENANCE GARAGE

4.1 Exclusion from Leasehold Estate; Sublease to Landlord. Upon substantial completion of the construction of the Building, Tenant does hereby sublease to Landlord, and Landlord does hereby sublease and take from Tenant, the maintenance garage within the Building further described in Section 4.6 (the "**Maintenance Garage**", sometimes also referred to herein as the "**Subleased Premises**"). Throughout the Term, Landlord shall have exclusive control over the Subleased Premises, and, except as set forth in Sections 4.10 (Utilities) and 6.1(b) (Building Repairs and Maintenance), use of the Subleased Premises shall be at Landlord's sole risk and expense. The sublease of the Maintenance Garage descried herein this Article IV shall be referred to as the "**Sublease**."

4.2 Term. The term of the Sublease shall commence upon substantial completion of the Building and shall thereafter run concurrent with and be governed by that of the Leased Premises, such that any renewal (automatic or otherwise) of the Lease shall operate as a renewal of the Sublease, and any expiration or termination of the Lease shall operate as the expiration or termination of the Sublease.

4.3 Rent. Landlord shall pay Tenant rent in the amount of One Dollar ($1.00) per annum, payable in advance in a single installment on the Execution Date. The annual rent for any Primary Renewal Term or Secondary Renewal Term shall be One Dollar ($1.00) per annum payable in advance in a single installment upon the first date of such renewal term.

4.4 Surrender. Upon any surrender of the Leased Premises by Tenant in accordance with the terms of the Lease, the subleasehold interest of Landlord in and to the Subleased Premises shall merge with title in and to the Building as conveyed by Tenant pursuant to the Bill of Sale (defined below).

4.5 As-Is. The parties acknowledge and agree that taking possession of the Subleased Premises is acceptance of same in its "as is" condition and shall be a representation and warranty by Landlord to Tenant that the Subleased Premises are in satisfactory condition. Landlord agrees and acknowledges that it has, or prior to taking possession will have, fully investigated and inspected the Subleased Premises (or waived its right to do so) and is, or will be, familiar with the physical condition of the Subleased Premises and every part thereof. Landlord acknowledges that no representations or inducements respecting the Subleased Premises have been made by Tenant and Tenant expressly disclaims any representations and warranties made by any agent(s) of Tenant. Landlord waives any and all warranties regarding the Subleased Premises to the fullest extent permitted by law.

4.6 Boundaries. Any reference to the Maintenance Garage herein shall be deemed to refer to those areas of the Building identified as "Maintenance Garage" on the Plans and Specifications (referred to herein in Sections 4.6 and 4.7, an "**Area**"), the boundaries of which are more particularly described as follows:

(a) Horizontal Boundaries. The upper boundary shall be the planes of the underside of the finished, if drywalled, or unfinished, if acoustic tiled or otherwise, and undecorated ceilings of an Area, extended to meet the perimeter boundaries. The lower boundary shall be the planes of the upper side of the unfinished and undecorated surface of the floor of an Area, extended to meet the perimeter boundaries.

(b) Perimeter Boundaries. The perimeter boundaries will be both the finished and undecorated interior surfaces of the perimeter walls of an Area, and the planes of the interior surfaces of an Area's windows (if any), doors, and other openings that abut the exterior of the Building.

4.7 Maintenance and Repair. Landlord shall be responsible, at its sole cost and expense, for all maintenance, repairs and replacements of the Maintenance Garage. Landlord's responsibilities include, without limitation: (i) maintenance, repair and replacement of screens, windows, window glass, and doors (interior and exterior surfaces); (ii) all interior doors and walls within an Area; (iii) the electrical, mechanical, and plumbing lines, pipes, fixtures, switches, valves, drains and outlets (including connections) located partially or entirely within an Area or serving only an Area; (iv) the circuit breaker panel and all electrical wiring going into an Area from the panel; (v) appliances, water heaters, faucets, toilets, smoke alarms and vent fans; (vi) any air conditioning and heating equipment, installations and ducts, and thermostats, within an Area or otherwise exclusively serving an Area; (vii) floor coverings; (viii) door (interior and exterior) and window hardware and locks; and (ix) other facilities or fixtures which are located or contained entirely within an Area and serve only an Area.

4.8 No Alternations. Landlord shall have no right to make alterations, additions, or improvements to the Subleased Premises without the written consent of Tenant. All additions to and improvements, upgrades and updates of the Subleased Premises of any kind, that are made by mutual agreement of the parties, shall immediately become a part of the Subleased Premises as the case may be and shall be subject to the terms of this Section.

4.9 Use Restrictions. As to the Subleased Premises, Landlord covenants and agrees that: (a) it shall not store, keep or use in or upon such area any article or material nor conduct any activity in a manner that may be prohibited by Tenant's insurance; (b) no activity will be conducted therein that will produce or cause the release of any Hazardous Substances; (c) it will not be used in any manner for the storage of any Hazardous Substances other than for the storage of petroleum products in de minimis amounts as is usual and customary for a vehicular garage; and (d) no Hazardous Substances shall be brought therein, and if so brought or found located thereon, the same shall be immediately removed, and all required cleanup and disposal procedures shall be diligently undertaken in accordance with all Environmental Laws. As used herein, the term "**Hazardous Substances**" shall mean pollutants, petroleum, contaminants, infectious waste, asbestos, radioactive materials, poly chlorinated biphenyls (PCBs), toxic or hazardous wastes or any other substances, the removal of which is required or the use of which is restricted, prohibited or penalized by any "**Environmental Laws**", which term shall mean any federal, state or local law, rule, regulation or ordinance relating to pollution or protection of the environment.

4.10 Utilities. Tenant, at Tenant's sole cost and expense, will furnish or cause to be furnished water to the Maintenance Garage exclusively for Landlord's use in and about the Maintenance Garage. Notwithstanding the foregoing, in the event that Tenant determines that said utility is expended for purposes other than that set forth herein or exceeds usual and customary standards for such purpose, Tenant shall notify Landlord, and Landlord hereby convents and agrees to reach a mutually agreeable solution to reduce the usage to usual and customary standards moving forward and to negotiate in good faith for a fair and reasonable proportionate payment to Tenant, for any such excessive use. After an agreement is reached, Tenant shall deliver an invoice to Landlord for the cost of any such excessive use, and Landlord shall pay the same within thirty (30) days after receipt thereof. The parties acknowledge and agree that electricity service to the Maintenance Garage is separately metered and that Landlord shall timely pay the utility provider(s) for such electricity service. Tenant shall not be liable for any failure to furnish, or for any loss, injury or damage caused by or resulting from any variation, interruption or failure of utility services to the Maintenance Garage.

4.11 No Assignment. Landlord shall not assign, sub-sublet or transfer its interest in and to the Maintenance Garage under this Sublease without the prior written consent of Tenant.

V – USE AND ENJOYMENT OF LEASED PREMISES BY TENANT

5.1 Use. The Leased Premises (other than the Subleased Premises) shall be occupied and used by Tenant exclusively as a mass transportation boarding center and ticketing office ("**Tenant's Use**"). Nothing herein shall give either party the right to use the property for any purpose other than public mass transportation purposes, or to sublease, assign, or license the use of the Land to any sublessee, assignee, or licensee, which or who shall use the property for any other use.

5.2 Covenant of Quiet Enjoyment. Landlord covenants that upon Tenant paying rent and all other charges payable by Tenant hereunder and the performance of all the other terms, covenants, and conditions contained in this Lease on Tenant's part to be performed, Tenant shall peaceable and quietly enjoy the Leased Premises, to the extent its conduct is lawful, without hinderance, ejection or molestation by Landlord or any persons lawfully claiming under Landlord, subject to the other terms, covenants and conditions of this Lease.

5.3 Closure of Laidley Street. As of the Execution Date, Laidley Street is closed to public vehicular traffic between Quarrier Street and Lee Street (the "**Laidley Street Closure**"). The parties acknowledge and agree that (i) Tenant's development of the Plans and Specifications and Tenant's Use are predicated upon the Laidley Street Closure; (ii) the use of Laidley Street by the general public constitutes an acute hazard to Tenant's employees and passengers; and (iii) the Laidley Street Closure throughout the Term is a material inducement for Tenant to enter into this Lease and construct the Building. Accordingly, Landlord covenants and agrees that it shall cause Laidley Street to remain closed to public vehicular traffic throughout the Term, except as set forth in the next succeeding sentence. Further, as part of the Laidley Street Closure, Landlord covenants and agrees that it shall cause to be installed on or before the Commencement Date traffic control signage to require vehicular traffic exiting the unnamed alley situated between Court Street and Laidley Street to turn right (in a southerly direction) onto Laidley Street.

5.4 Dominion and Control. The parties acknowledge and agree that Tenant has the right, but not the obligation, to monitor and actively patrol the Leased Premises and remove and exclude trespassers therefrom is a condition precedent to Tenant's quiet enjoyment of the Leased Premises. To this end, Landlord covenants that it shall cooperate with Tenant in Tenant's efforts to remove and exclude trespassers from the Leased Premises as determined necessary or beneficial in Tenant's discretion, provided that all such undertakings of Tenant shall comport with applicable law.

5.5 Signage. Tenant shall have the right, at its sole risk and expense and in conformity with applicable laws and ordinances, to erect and thereafter, to repair, remove or replace, if it shall so elect, signs on any portion of the Leased Premises, providing that Tenant shall remove any such signs upon termination of this Lease, and repair all damage occasioned thereby to the Leased Premises.

5.6 Tenant's Alterations. Tenant shall have the right, at its sole expense, from time to time, to renovate and redecorate the Leased Premises (other than the Subleased Premises) and to make such structural and non-structural alterations, additions and changes in such parts thereof as Tenant shall deem useful or necessary for its purposes; provided, however, that such alterations and changes shall not impair the structural soundness of the Leased Premises. Landlord shall execute and deliver upon the request of the Tenant such instrument or instruments embodying the approval of the Landlord which may be required by the governmental bodies or authorities for the purpose of obtaining any licenses or permits for the making of such alterations, changes and/or installations in, to or upon the Leased Premises and the Tenant agrees to obtain and pay for such licenses or permits.

VI – MAINTENANCE AND REPAIRS

6.1 Tenant's Maintenance and Repairs.

(a) Generally. Tenant shall repair and maintain the Leased Premises (other than the Subleased Premises) identified on the Site Plan attached hereto as Exhibit D as "Maintenance Area" ("**Tenant Maintenance Area**") in good order and condition, except for replacement necessitated as the result of the act or omission or negligence of Landlord, its employees, agents, invitees, or contractors. In completing all such repairs, Tenant agrees that it will procure all necessary permits for making any repairs, alterations, or other improvements for installations, when applicable, and all such repairs shall be undertaken in compliance with all applicable federal, state and municipal laws.

(b) Building Repairs and Maintenance. Tenant shall be responsible for the maintenance of and repairs and replacements to the Building that benefit or otherwise serve the Building in general (including the Maintenance Garage) and which include, by way of illustration and not in limitation, capital expenditures (i.e., expenditures which, in the customary course of maintenance practice for commercial buildings similar in type and location do not recur annually), such as the costs of replacing, repairing, or restoring (1) the heating and air conditioning unit(s) (excluding the Maintenance Garage, which has separate units serving only that Area), (2) the roof surface and underlying membrane, (3) exterior walls, and (4) the foundation and floor slab.

6.2 Landlord’s Maintenance and Repairs.

(a) Generally. In addition to Landlord’s obligations set forth in Section 4.7, above, Landlord, at Landlord’s sole cost and expense, shall repair and maintain the Leased Premises identified on Exhibit D as “Landlord Maintenance Area” (“**Landlord Maintenance Area**”), and have complete responsibility for any and all liability arising from, in connection with or related to use of such areas.

(b) Right of Way. In connection with the Laidley Street Closure, Landlord, at Landlord’s sole cost and expense, shall be responsible for the installation and maintenance of traffic control devices so as to prohibit public vehicular traffic upon Laidley Street between Quarrier Street and Lee Street. Further, Landlord, at Landlord’s sole cost and expense, shall be responsible for the maintenance and upkeep of the Right of Way Improvements (as defined in the Construction Agreement) upon their completion by Tenant consistent with the normal course of City Right of Way maintenance. Tenant may notify Landlord of any repair to the Right of Way that Tenant believes is needed and Landlord shall review and provide an evaluation of the need for the repair and likely time when the repair will be made (if needed) within a reasonable time after notification.

VII – SERVICES TO LEASED PREMISES

7.1 Tenant’s Responsibility. Tenant shall be responsible for contracting and the payment for (i) all water, sewer, electricity, light, heat, gas, and power for the Building (subject to the terms of Section 4.10, above), (ii) janitorial services and refuse removal within the Tenant Maintenance Area, and (iii) other services incident to Tenant's use of the Tenant Maintenance Area, in each case whether or not the cost thereof be a charge or imposition against the Leased Premises.

7.2 Landlord’s Responsibility. Landlord shall be responsible for (i) janitorial services and refuse removal for the Maintenance Garage and the Landlord Maintenance Area, (ii) snow removal and landscaping within the Leased Premises (other than any area adjacent to the Subleased Premises), and (iii) all electricity and light in the Landlord Maintenance Area.

VIII – INDEMNIFICATION

8.1 Tenant’s Indemnification. Tenant hereby agrees to defend, indemnify, protect and hold harmless Landlord from and against any and all liabilities, claims, costs, fees, damages, losses, fines, penalties, demands, causes of action (whether in tort or contract, in law or at equity, or otherwise), suits, proceedings, judgments, disbursements, charges, assessments, and expenses (including reasonable attorneys’ and experts’ fees and expenses) incurred in investigating, defending, or prosecuting any litigation, claim, proceeding, or cause of action (whether in tort or contract, in law or at equity, or otherwise) (“**Claims**”) arising out of or resulting from or in connection with loss of life, personal injury, property damage, or any other Claims asserted against Landlord and/or that Landlord may pay or become obligated to pay (collectively, “**Landlord Claims and Costs**”), arising from or out of, directly or indirectly, wholly or in part, (a) Tenant’s construction activity during the period(s) of Tenant’s construction; (b)Tenant’s use or occupancy of the Leased Premises, (c) any occurrence in, upon or at the Tenant Maintenance Area, (d) any act or omission of Tenant, its agents, contractors, employees, servants, invitees, lessees, concessionaires, or bus passengers in, upon or at the Leased Premises, or (e) any default or breach in the performance of any obligation of Tenant under this Lease, provided such Landlord Claims and Costs are not caused by the negligence or willful misconduct of Landlord, its agents, contractors, employees, servants, invitees, lessees, concessionaires or general public who are not bus passengers, except to the extent Tenant has waived a Claim against Tenant pursuant to Section

9.3. Notwithstanding the foregoing, Tenant's obligations under this Section 8.1 shall in no event exceed the greater of an amount equal to (i) the coverage limits under insurance policies carried by Tenant, or (ii) the minimum insurance limits required to be carried by Tenant pursuant to the provisions of this Lease. This Section 8.1 shall survive the expiration or earlier termination of this Lease.

8.2 Landlord's Indemnification. Landlord hereby agrees to defend, indemnify, protect and hold harmless Tenant from and against any and all Claims arising out of or resulting from or in connection with loss of life, personal injury, property damage, or any other Claims asserted against Tenant and/or that Tenant may pay or become obligated to pay (collectively, "**Tenant Claims and Costs**"), arising from or out of, directly or indirectly, wholly or in part, (a) Landlord's construction activity during the period(s) of Landlord's construction, (b) Landlord's use or occupancy of the Subleased Premises, (c) any occurrence in, upon or at the Landlord Maintenance Area and/or Maintenance Garage, (d) any act or omission of Landlord, its agents, contractors, employees, servants, invitees, lessees (other than Tenant), concessionaires or general public who are not bus passengers in upon or at the Leased Premises, or (e) any default or breach in the performance of any obligation of Landlord under this Lease, provided such Tenant Claims and Costs are not caused by the negligence or willful misconduct of Tenant, its agents, contractors, employees, servants, invitees, lessees, concessionaires or bus passengers, except to the extent Landlord has waived a Claim against Landlord pursuant to Section 9.3. Notwithstanding the foregoing, Landlord's obligations under this Section 8.2 shall in no event exceed the greater of an amount equal to (i) the coverage limits under insurance policies carried by Landlord, or (ii) the minimum insurance limits required to be carried by Landlord pursuant to the provisions of this Lease. This Section 8.2 shall survive the expiration or earlier termination of this Lease.

IX – INSURANCE

9.1 Tenant's Insurance. Tenant agrees to obtain and keep in force, at Tenant's cost and expense, the following insurance coverage: (i) upon the completion of its construction, broad form and extended coverage insurance on the Building (to include the Maintenance Garage), and all improvements from time-to-time constructed on the Land, in the full insurable amount thereof ("**Property Insurance**"); (ii) comprehensive general liability insurance coverage (either primary and/or umbrella policies), which shall include personal injury and bodily injury, operations hazard, owner's protective coverage, contractual liability and products and completed operations liability, in limits not less than One Million Dollars ($1,000,000.00); and (iii) worker's compensation and employer's liability insurance in a form and in an amount as required to comply with statutory requirements of the state of West Virginia and that shall contain a waiver of subrogation against Landlord. Prior to and throughout any period(s) of construction on the Land, Tenant will provide a copy of the builder's risk policy and/or certificate from Tenant's contractor, with such endorsements obtained by such party. All such policies shall include Landlord as an additional insured and shall contain a clause that the insurer will not cancel or change the insurance without first giving Landlord thirty (30) days prior written notice. The insurance shall be issued by companies with an A.M. Best rating of A/VII or better and a copy of the policy or certificate of insurance shall be delivered to Landlord. If Tenant refuses or neglects to secure and maintain insurance policies complying with the provisions of this Section, Landlord may, but shall not be required to, secure and maintain such insurance policies and Tenant shall pay the cost thereof to Landlord, as additional rent, upon demand. The insurance limits and coverages specified herein this Section 9.1 are minimum requirements and shall not be construed in any way to limit Tenant's liability hereunder.

9.2 Landlord Responsibility for Premium Increase. Landlord agrees to pay any increase in premiums for Tenant's insurance that may be charged during the Term resulting from (i) the storage of any articles or materials or manner of operation by Landlord in the Maintenance Garage, (ii) a casualty loss resulting from the negligence or willful misconduct of Landlord, its agents, contractors, employees, servants, invitees, lessees, concessionaires or general public who are not bus passengers in, on or about the Maintenance Garage, and/or (iii) the insurance rate for the Subleased Premises if rated higher than the other Leased Premises. In determining whether increased premiums are the result of Landlord's use of the Subleased Premises, a schedule, issued by the organization making the insurance rate on the Leased Premises, showing the various components of such rate, shall be conclusive evidence of the several items and charges that make up the insurance rate on the Leased Premises. Invoices for such additional premiums shall be tendered by Tenant to Landlord at such times as Tenant may elect, and shall be due from, and payable by, Landlord within thirty (30) days of receipt by Landlord.

9.3 Landlord's Insurance. Landlord agrees to obtain and keep in force, at Landlord's sole cost and expense, (i) comprehensive general liability insurance coverage (either primary and/or umbrella policies), which shall include personal injury and bodily injury, operations hazard, owner's protective coverage, contractual liability and products and completed operations liability, in limits not less than One Million Dollars ($1,000,000.00) and (ii) worker's compensation and employer's liability insurance in a form and in an amount as required to comply with statutory requirements of the state of West Virginia and that shall contain a waiver of subrogation against Tenant. All such policies shall include Tenant as an additional insured and shall contain a clause that the insurer will not cancel or change the insurance without first giving Tenant thirty (30) days prior written notice. The insurance shall be issued by companies with an A.M. Best rating of A/VII or better and a copy of the policy or certificate of insurance shall be delivered to Tenant. If Landlord refuses or neglects to secure and maintain insurance policies complying with the provisions of this Section, Tenant may, but shall not be required to, secure and maintain such insurance policies and Landlord shall pay the cost thereof to Tenant upon written demand therefor. The insurance limits and coverages specified herein this Section 9.3 are minimum requirements and shall not be construed in any way to limit Landlord's liability hereunder.

9.4 Waiver of Subrogation. Notwithstanding any provision of this Lease, neither party to this Lease or its officers, employees, agents or representatives shall be liable to the other for any Claims caused by a risk covered by insurance required to be carried under this Lease or any insurance policy in force at the time of such Claim and Tenant and Landlord each hereby waive any Claims and all rights of recovery against the other, or against the officers, employees, agents and representatives of the other, for loss of or damage caused by a risk covered by insurance required to be carried under this Lease or any insurance policy in force at the time of such loss or Claim. The insuring party shall, upon obtaining the policy of insurance required hereunder, give notice to the insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Lease. No insurance carrier shall have any right of subrogation against the other party or the other party's members, officers, employees, agents, invitees or representatives.

X – DAMAGE

From the Commencement Date until the termination or expiration of this Lease, if the Building (including the Maintenance Garage) or the Leased Premises affected by such damage is damaged or destroyed by a casualty event (the date of such occurrence being the "**Casualty Date**") insured against or that Tenant is obligated to insure against under this Lease, to the extent that restoration, rebuilding or repairs cannot reasonably be completed within one hundred twenty (120) days after the Casualty Date as determined by Tenant in its sole discretion (and Tenant shall deliver notice to Landlord of such determination within thirty (30) days after such Casualty Date), Tenant may, at its election, terminate this Lease as of the Casualty Date by notice to Landlord within ninety (90) days after the Casualty Date, whereupon Tenant shall either (x) make an assignment to Landlord of all insurance proceeds, or (y) retain any insurance proceeds and cause the Building or such other portion of the Leased Premises so affected (the "**Damaged Leased Premises**") to be restored, rebuilt and repaired to its condition immediately prior to the Casualty Date. If Tenant does not so terminate this Lease, then this Lease shall not terminate, and Tenant shall restore, rebuild and repair the Damaged Leased Premises to substantially the condition as existed immediately prior to the Casualty Date. In such event, Tenant shall adjust the loss and settle all claims with the insurance companies issuing such policies, and the parties hereto do irrevocably assign the proceeds from such insurance policies for the purposes hereinafter stated to Tenant. All proceeds of said insurance shall be paid to Tenant for repair, restoration, rebuilding or replacement, or any combination thereof, of the Damaged Leased Premises or of the improvements in the Leased Premises. Any insurance proceeds in excess of such proceeds as shall be necessary for such repair, restoration, rebuilding, replacement or any combination thereof shall be the sole property of Tenant, and if the proceeds necessary for such repair, restoration, rebuilding or replacement, or any combination thereof shall be inadequate to pay the cost thereof, Tenant shall suffer the deficiency.

XI – CONDEMNATION

11.1 Total Taking. If, after the Commencement Date and prior to the expiration or termination of this Lease, the whole of the Leased Premises shall be taken under power of eminent domain by any public or private authority, or conveyed by Landlord to said authority in lieu of such taking, then this Lease and the Term hereof shall cease and terminate as of the date when possession of the Leased Premises shall be taken by the taking authority and any unearned rent or other charges, if any, paid in advance, shall be refunded to Tenant.

11.2 Partial Taking. If, after the Commencement Date and prior to the expiration or termination of this Lease, any portion of the Leased Premises shall be taken under power of eminent domain by any public or private authority, or conveyed by Landlord to said authority in lieu of such taking, leaving the remainder of the Leased Premises in such location, or in such form, shape or reduced size, as to be not effectively and practicably usable for Tenant's Use determined in Tenant's sole discretion, this Lease and all of the right, title and interest thereunder shall cease, terminate and be of no further force or effect (without any liability or obligations to Landlord occurring or accruing after the date of such termination) on the date title to such land so taken or transferred vests in the condemning authority. If only a part of the Leased Premises is taken leaving the remainder of the Leased Premises in such location and in such form, shape or size as to be used effectively and practicably for the Tenant's Use determined in Tenant's sole discretion, this Lease shall terminate only as to the portion of the Leased Premises so taken as of the date title to such portion vests in the condemning authority, and shall continue in full force and effect (without any liability or obligations to Landlord occurring or accruing after the date of such termination with respect to the portion of the Leased Premises so taken) as to the portion of the Leased Premises not so taken or transferred. Tenant, at Tenant's sole cost and expense, shall restore the remaining portions of the Leased Premises, including any and all improvements made theretofore to an architectural whole in substantially the same condition that the same were in prior to such taking.

11.3 The Award. In recognition of the investment Tenant is making in the Leased Premises, all compensation awarded for any taking of the Building, whether for the whole or a portion, shall be the sole property of Tenant whether such compensation shall be awarded for or otherwise attributable to the diminution in the value of, or loss of, the Building itself, the leasehold or for diminution in the value of, or loss of, the fee in the Land upon which the Building is situated, or otherwise. Landlord hereby assigns to Tenant all of Landlord's right and title to and interest in any and all such compensation. The Landlord shall be entitled to all compensation awarded for any taking of the Land as unimproved, whether for the whole or portion thereof. If the condemning authority does not allocate a separate value to the Land and the Building in its award or the parties are unable to agree upon any such allocation having been made by the condemning authority (the date of such award being the "**Notification Date**"), the parties shall undertake to agree on a qualified commercial real estate appraiser who is experienced in commercial leasing matters to determine the fair market value of the property taken within ten (10) business days of the Notification Date ("**Mutually-Selected Appraiser**"). If the parties are unable to reach agreement to select a Mutually-Selected Appraiser (or the appraiser so selected is unable or unwilling to conduct such appraisal), Landlord and Tenant shall each select a qualified real estate appraiser on or before the date that is thirty (30) days after the Notification Date, and the appraisers so selected shall, within fifteen (15) days after the Notification Date, select a neutral appraiser (the "**Neutral Appraiser**") to determine the fair market value of the property taken. Each party shall pay the fees and expenses of the appraiser such party selects and shall split the fees and expenses of the Neutral Appraiser or Mutually-Selected Appraiser. The determination of the fair market value as determined by the Mutually-Selected Appraiser or Neutral Appraiser, as applicable, shall be final and binding on the parties. Nothing herein shall be construed to prohibit Tenant from making an independent claim for and retain any portion of any award made by the appropriating authority directly to Tenant for loss of its leasehold interest, loss of business, or damage to or depreciation of, and cost of removal of fixtures, personalty and improvements installed in the Leased Premises by, or at the expense of Tenant, and to any other award made by the appropriating authority directly to Tenant.

XII – TAXES

12.1 Personal Property Taxes. Tenant is exempt from the payment of personal property taxes. Notwithstanding the foregoing, if at any time during the Term Tenant or Landlord is required to pay personal property taxes, Tenant or Landlord, as applicable, shall be liable for all taxes levied against any personal property and trade fixtures owned or placed by such party in the Leased Premises and shall pay same prior to delinquency.

12.2 Real Estate Taxes. As of the Execution Date, the Leased Premises are exempt from the payment of real estate taxes. Notwithstanding the foregoing, Landlord and Tenant agree that if at any time during the Term the present method of taxation or assessment of real estate shall be changed so that the Leased Premises are subject to the assessment and payment of real property taxes ("**Taxes**"), any party assessed such Taxes shall pay the Taxes on or before the last day that such Taxes may be paid without penalty, commission, interest or other charge, or such earlier date as will secure the maximum discount, rebate or other reduction of Taxes as may be available. The party so assessed such Taxes shall be responsible for making any challenge or appeal to the assessment of Taxes on the Leased Premises.

XIII – TITLE

13.1 Landlord Subordination. Landlord hereby agrees not to subordinate this Lease to the lien of any present or future institutional mortgage upon the Leased Premises irrespective of the time of execution or the time of recording of any such mortgage without the prior written consent of Tenant. If Tenant consents, as a condition of such consent and subordination, the holder of any such mortgage shall enter first into a written agreement with Tenant in form suitable for recording to the effect that:

(a) in the event of foreclosure or other action taken under the mortgage by the holder thereof, this Lease and the rights of Tenant hereunder shall not be disturbed but shall continue in full force and effect so long as Tenant shall not be in default hereunder, and

(b) such holder shall permit insurance proceeds and condemnation proceeds to be used for any restoration and repair required by the provisions of this Lease. Tenant agrees that if the mortgagee or any person claiming under the mortgagee shall succeed to the interest of Landlord in this Lease, Tenant will recognize said mortgagee or person as its Landlord under the terms of this Lease, provided that said mortgagee or person for the period during which said mortgagee or person respectively shall be in possession of the Leased Premises and thereafter their respective successors in interest shall assume all of the obligations of Landlord hereunder. The word "**mortgage**," as used herein includes mortgages, deeds of trust or other similar instruments, and modifications, and extensions thereof. The term "**institutional mortgage**" as used herein means a mortgage securing a loan from a bank (commercial or savings) or trust company, insurance company or pension trust or any other lender institutional in nature and constituting a lien upon the Leased Premises.

13.2 Zoning and Good Title. To the best of its knowledge, Landlord is the owner of the Leased Premises, in fee simple absolute, free and clear of all encumbrances, except for the easements, covenants and restrictions of record as of the date of this Lease. Such exceptions shall not impede or interfere with the quiet use and enjoyment of the Leased Premises by Tenant. Landlord further warrants and covenants that this Lease is and shall be a first lien on the Leased Premises, subject only to any mortgage to which this Lease is subordinate or may become subordinate pursuant to an agreement executed by Tenant, and to such encumbrances as shall be caused by the acts or omissions of Tenant; that Landlord has full right and lawful authority to execute this Lease for the Term, in the manner, and upon the conditions and provisions herein contained; that there is no legal impediment to the use of the Leased Premises as set out herein; that the Leased Premises are not subject to any easements, restrictions, zoning ordinances or similar governmental regulations which prevent their use as set out herein; that the Leased Premises presently are zoned for the use contemplated herein and throughout the Term may continue to be so used therefor by virtue of said zoning, under the doctrine of "non-conforming use", or valid and binding decision of appropriate authority, except, however, that said representation and warranty by Landlord shall not be applicable in the event that Tenant's act or omission shall invalidate the application of said zoning, the doctrine of "non-conforming use" or the valid and binding decision of the appropriate authority.

13.3 Title Report or Policy. Landlord shall fully cooperate, within thirty (30) days after written request therefor by Tenant, in Tenant’s obtainment (at Tenant’s sole cost and expense) of a title report or policy covering the Leased Premises showing the condition of title as of the date of such report or policy.

XIV – DEFAULT

14.1 Landlord’s Remedies. In the event that Tenant shall commit a material default in the observance or performance of any of the covenants and agreements required to be performed and observed by Tenant hereunder for a period of sixty (60) days after notice to Tenant in writing of such default (or if such default shall reasonably take more than sixty (60) days to cure, Tenant shall not have commenced the same within the sixty (60) days and diligently prosecuted the same to completion), then Landlord shall be entitled to its election (unless Tenant shall cure, or commence cure (as permitted by this Section), such default prior to such election), to exercise concurrently or successively, any one or more of the following rights: (i) terminate this Lease by giving Tenant notice of termination, in which event this Lease shall expire and terminate on the date specified in such notice of termination, with the same force and effect as though the date so specified were the date herein originally fixed as the termination date of the Term of this Lease, and all rights of Tenant under this Lease and in and to the Leased Premises shall expire and terminate, and Tenant and Landlord shall remain liable for all obligations under this Lease arising up to the date of such termination, and Tenant shall surrender the Leased Premises to Landlord on the date specified in such notice; or (ii) without terminating this Lease, suspend or discontinue furnishing or rendering to Tenant any property, material, labor, utilities or other service, whether Landlord is obligated to furnish or render the same, so long as Tenant is in default under this Lease. Provided, however, that any termination, and the forfeiture of Tenant's leasehold estate pursuant to this Lease, shall be subject to Landlord establishing that Tenant has defaulted under this Lease by a final, non-appealable order from a court of competent jurisdiction. Notwithstanding anything to the contrary herein, to the extent a breach of this Lease is asserted by the Landlord, the Parties shall work in good faith to resolve the asserted breach and negotiate for the payment of moneys due or indemnification payments as a remedy for a breach as the sole and exclusive remedy of Landlord for any breach (and the Landlord shall not be permitted to terminate this Lease for any such breach during such negotiations), and Landlord shall only be able to terminate this Lease for any breach that can be reduced to monetary damages after damages for such breach are reduced to an amount to be paid, as finally determined by a final, non-appealable court order or agreement of the parties, and such amount is not paid by Tenant within sixty (60) days after the date of final determination of the amount due.

14.2 Tenant's Right to Cure Landlord's Default. In the event that Landlord shall fail, refuse or neglect to pay any mortgages, liens or encumbrances, the judicial sale of which might affect the interest of Tenant hereunder, shall fail, refuse or neglect to pay any interest due or payable on any such mortgage, lien or encumbrance, or otherwise fail to make any payment or perform any other act required to be performed hereunder, then and in each such case, Tenant may, but is not obligated to, pay said mortgages, liens or encumbrances, or interest or perform said conditions and charge to Landlord the amount so paid and withhold and deduct from any rents herein reserved such amounts so paid, and any excess over and above the amounts of said rents shall be paid by Landlord to Tenant upon demand.

14.3 Landlord's Failure to Pay. In the event that Landlord fails to timely pay any sum due Tenant hereunder, Tenant shall be entitled to pursue all remedies available at law and in equity for its collection from the time such payment was due through such time of Landlord's payment or final entry of judgment in favor of Tenant by a court of competent jurisdiction.

XV – ASSIGNMENT AND SUBLETTING

Tenant shall not assign, sublet or mortgage the Leased Premises, whether in full or in part, without the prior written consent of Landlord. Notwithstanding the foregoing, Landlord will not unreasonably withhold its consent where the Tenant seeks to assign or sublet the Leased Premises (other than the Subleased Premises) to an organization that will (a) use the Leased Premises (other than the Subleased Premises) for mass transportation services that are substantially similar to those provided by Tenant and (b) otherwise agree to comply with the other terms and conditions of this Lease; provided, however, such assignment will not trigger a repayment obligation to the United States or the State of West Virginia because the Land would no longer be used as required by the United States Department of Transportation and the West Virginia Department of Transportation grants that funded the development of the Land, unless Tenant assumes responsibility for making such payment.

Upon a permitted assignment hereunder, Tenant will be released from any liability under the Lease arising after such assignment.

XVI – TENANT'S RIGHT TO TERMINATE

Notwithstanding any provision to the contrary contained in this Lease, Tenant shall have the right to terminate and cancel this Lease in its entirety in the event that Tenant determines, in its sole discretion, to no longer utilize the Building for Tenant's Use (such date being the "**Termination Date**") upon Tenant's delivery of written notice to Landlord (the "**Termination Notice**"), which notice shall be delivered to Landlord on or before the date which is one hundred eighty (180) days in advance prior to the subject Termination Date. Subject to Landlord's timely receipt of the Termination Notice, this Lease shall automatically terminate and be of no further force or effect as of the Termination Date, whereupon possession of and all interest and title in and to the Leased Premises shall fully vest in Landlord and Landlord and Tenant shall be relieved of their respective obligations under this Lease, as of the Termination Date, except with respect to those obligations set forth in this Lease, which specifically survive the expiration or earlier termination of this Lease, including, without limitation, the payment by the parties of all amounts owed by such party to the other under this Lease, up to and including the Termination Date.

XVII – SURRENDER OF LEASED PREMISES

Upon the expiration or earlier termination of this Lease, Tenant shall surrender the Leased Premises to Landlord in its then as-is condition (herein this Article XVIII, the "**Surrender Date**"), and Landlord covenants and agrees to accept same; provided, however, that as a condition precedent to Landlord's aforementioned obligation, Tenant shall have complied with its maintenance and repair obligations set forth in Article VI, above. On the Surrender Date, Tenant shall surrender the Building in accordance with the terms of a Bill of Sale in the form as that attached hereto and incorporated herein as <u>Exhibit F</u> (the "**Bill of Sale**"). For the avoidance of doubt, the parties acknowledge and agree that the only maintenance, repair and replacement obligations incumbent upon Tenant regarding the Leased Premises are as explicitly set forth in this Lease, and Tenant, nor its assignee, shall be subject to any further requirements relating to the surrender of the Leased Premises. As of the Surrender Date, without limiting such maintenance and repair obligations, Tenant makes no (and expressly disclaims any) representation or warranty as to (i) the nature and condition of the Leased Premises and the suitability thereof for any and all activities and uses that Landlord elects to conduct thereon; (ii) the manner, construction, condition and state of repair or lack of repair of the Leased Premises or any portion thereof; and/or (iii) the compliance of the Leased Premises or its operation with any laws, rules, ordinances or regulations of any government or other body.

XIII – NOTICE

Any notices, requests, elections or other communications required or permitted to be given hereunder shall be in writing and shall be (a) delivered by courier (including Federal Express or other such courier services), (b) deposited with the United States Postal Service for delivery by registered or certified mail, return receipt requested, postage fully prepaid and properly addressed to the party to whom the communication is directed at its address set forth below, or (c) sent by email, provided that the other party confirms receipt by reply e-mail or a confirmation copy is delivered within one (1) business day by the method set forth in clause (a) or (b) herein.

LANDLORD: City of Charleston
Attn: City Manager
501 Virginia Street, East
Charleston, West Virginia 25301
Email: ____________________

TENANT: Kanawha Valley Regional
Transportation Authority
Attn: Executive Director
1550 Fourth Avenue, Charleston, West Virginia 25387
P.O. Box 1188, Charleston, West Virginia 25322
Email: ____________________

Any such notice, request, election or other communication shall be considered given on the date of such hand or courier delivery, transmission by email, or deposit with the United States Postal Service, and shall be considered received on the date of hand or courier delivery, date of email transmission, or on the third (3rd) day following deposit with the United States Postal Service in the manner provided above. Rejection or other refusal to accept or inability to deliver because of a changed address as to which no notice was given shall nevertheless be deemed to have been received by the addressee. Any party may by like notice at any time, and from time to time, designate a different address to which communications shall be sent.

XIX – MISCELLANEOUS

19.1 Duty of Good Faith and Cooperation. Each party owes a duty of good faith to the party to which it has granted rights hereunder and shall cooperate to the extent reasonably necessary to assist each other, provided that such cooperation shall not require the other party to incur expense or unnecessary liability.

19.2 Waivers. Failure of either party to complain of any act or omission on the part of the other party, no matter how long the same may continue, shall not be deemed to be a waiver by said party of any of its rights hereunder. No waiver by either party at any time, express or implied, of any breach of any provision of this Lease shall be deemed a waiver of a breach of any other provision of this Lease or a consent to any subsequent breach of the same or any other provision. If any action by either party shall require the consent or approval of the other party, the other party's consent to or approval of such action on any one occasion shall not be deemed a consent to or approval of said action on any subsequent occasion or a consent to or approval of any other action on the same or any subsequent occasion. Any and all rights and remedies which either party may have under this Lease or by operation of law, either at law or in equity, upon any breach, shall be distinct, separate and cumulative and shall not be deemed inconsistent with each other, and no one of them, whether exercised by said party or not, shall be deemed to be an exclusion of any other; and any two or more or all of such rights and remedies may be exercised at the same time.

19.3 Fixtures. All personal property, furnishings, equipment, passenger amenities and all other trade fixtures installed in or hereafter by or at the expense of Tenant and all additions and/or improvements, exclusive of structural, mechanical, electrical, and plumbing, affixed to the Leased Premises and used in the operation of the Tenant's business made to, in or on the Leased Premises by and at the expense of Tenant (all the foregoing being "**Tenant's Fixtures and Equipment**"), shall remain the property of Tenant and Tenant may, but shall not be obligated to, remove the same or any part thereof at any time or times during the Term hereof, provided that Tenant, at its sole cost and expense, shall make any repairs occasioned by such removal.

Notwithstanding the foregoing, Tenant covenants and agrees to remove Tenant's Fixtures and Equipment upon the expiration of the Term if required to do so by Landlord.

19.4 Estoppel Certificates. At any time and from time to time, Landlord and Tenant each agree, within ten (10) days' written notice from the other, to execute, acknowledge and deliver to the other or to any person designated by the other a statement in writing certifying that the Lease is unmodified and is in full force and effect, or if there have been modifications, that the same is in full force and effect as modified (stating the modifications), that the other party is not in default in the performance of its covenants hereunder, or if there have been such defaults, specifying the same, and the dates to which the rent and other charges have been paid.

19.5 Invalidity of Particular Provision. If any term or provision of this Lease or the application hereof to any person or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

19.6 Captions and Definitions of Parties. The captions of the sections of this Lease are for convenience only and are not a part of this Lease and do not in any way limit or amplify the terms and provisions of this Lease. The word "**Landlord**" and the pronouns referring thereto, shall mean, where the context so admits or requires, the persons, governing agency, firm or corporation named herein as Landlord or the mortgagee in possession at any time, of the Land. If at any time there is more than one Landlord, the covenants of Landlord shall be the joint and several obligations of each of them, and if Landlord is a partnership, the covenants of Landlord shall be the joint and several obligations of each of the partners and the obligations of the firm. The word "**Tenant**" and the pronouns referring thereto, shall mean, where the context so admits or requires, the persons, firm, or corporation named herein as Tenant. Any pronoun shall be read in the singular or plural and in such gender as the context may require. Nothing contained herein shall be deemed or construed by the parties hereto nor by any third party as creating the relationship of principal and agent or of partnership or of a joint venture between the parties hereto, it being understood and agreed that neither any provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of Landlord and Tenant.

19.7 Binding Upon Successors. Except as in this Lease otherwise provided, the terms and provisions of this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

19.8 Entire Agreement. This instrument contains the entire and only agreement between the parties, and no oral statements or representations or prior written matter not contained in this instrument shall have any force and effect. This Lease shall not be modified in any way except by a writing executed by both parties. This Lease supersedes and revokes all previous negotiations, whether oral or in writing, between the parties or their respective representatives, agents, or any other person purporting to represent Landlord or Tenant.

19.9 Governing Law. All matters pertaining to this agreement (including its interpretation, application, validity, performance and breach) in whatever jurisdiction action may be brought, shall be governed by, construed and enforced in accordance with the laws of the State of West Virginia. The parties agree to submit to the personal jurisdiction and venue of a court of subject matter jurisdiction located in Kanawha County, State of West Virginia, in the event that litigation results from or arises out of this Agreement or the performance thereof.

19.10 Brokerage. No party has acted as, by or through a broker in the effectuation of this Lease.

19.11 Force Majeure. In the event that Landlord or Tenant shall be delayed or hindered in or prevented from the performance of any act other than the obligation to make payments of rent and other charges or amounts required hereunder, by reason of pandemic, strikes, lockouts, unavailability of materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, the act, failure to act, or default of the other party, war or other reason beyond its control, then performance of such act shall be excused for the period of the delay and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. In the event of such delay, such party shall give written notice describing such event to the other party within ten (10) days after the occurrence of same. Notwithstanding the foregoing, lack of funds shall not be deemed to be a cause beyond control of either party.

19.12 Extraordinary Remedies. To the extent cognizable at law, the parties hereto, in the event of breach and in addition to any and all other remedies available thereto, may obtain injunctive relief, regardless of whether the injured party can demonstrate that no adequate remedy exists at law.

19.13 Recording. The parties hereto, concurrent with the execution and delivery of this Lease, shall enter into a memorandum of this Lease, in substantially the form as that set forth on Exhibit E, attached hereto and incorporated herein, setting forth the Lease Commencement Date and Term.

19.14 Subject to Approval and Ratification. By their respective execution and delivery of this Lease, each of Landlord and Tenant represent and warrant that this Lease has been approved by their respective City Council and Board of Members, and that the party executing and delivering this Lease on behalf of Landlord and Tenant has been delegated all requisite power and authority.

19.15 Immunity. No covenant or agreement contained in this Lease shall be deemed to be the covenant or agreement of any member of council, officer, attorney, agent, or employee of either party in an individual capacity. No recourse shall be had for any payment hereunder or any claim based thereon against any officer, member, agent, attorney, or employee of either party past, present, or future, or its successors or assigns, as such, either directly or through such party, or any such successor corporation, whether by virtue of any constitutional provision, statute, or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability of such members, officers, agents, attorneys, or employees being hereby released as a condition of and as a consideration for the execution and delivery of this Lease by each of the parties.

19.16 Duty to Enforce Rights. Landlord hereby grants to Tenant all of Landlord's rights in and to the real property comprising the Transit Shelters and the Parking Area, the parties acknowledging and agreeing that the Transit Shelters and Parking Area are situated within the public right of way (the "**Public Right of Way**"). Upon request by Tenant, Landlord will use commercially reasonable efforts, at the direction, cost and expense of Tenant, to cause any third parties to observe and/or perform such services or other obligations as may be incumbent upon such third parties in relation to and as concerns the Public Right of Way. Landlord shall not object to Tenant directly making demands in good faith upon such third parties to enforce Tenant's rights hereunder this Lease on Landlord's behalf with respect to the Public Right of Way and does hereby assign to Tenant the rights necessary to proceed against such third parties in the enforcement of Landlord's rights with respect to the Public Right of Way. Furthermore, Landlord agrees to provide Tenant with a copy of all notices that Landlord receives from any such third parties within two (2) business days of Landlord's receipt of the same.

[SIGNATURE PAGES FOLLOW.]

IN WITNESS WHEREOF, the parties hereto have executed this Lease Agreement the day and year first above written or have caused this Lease Agreement to be executed by their respective officers thereunto duly authorized.

LANDLORD: CITY OF CHARLESTON, WEST VIRGINIA

____
Name: ________________________________
Title: _________________________________

STATE OF ______________________,

COUNTY OF ______________________, to-wit:

The foregoing instrument was acknowledged before me this ____day of ______________ _______, 2021, by ________________________, the _____________________________, of the City of Charleston, West Virginia, a municipal corporation existing under the laws of the State of West Virginia, on behalf of said City.

My commission expires: __________________________.

____
Notary Public

[Notary seal]

TENANT: KANAWHA VALLEY REGIONAL TRANSPORTATION AUTHORITY

____
Name: ________________________________
Title: ________________________________

STATE OF ______________________,

COUNTY OF _____________________, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____________ _______, 2021, by______________________________, the ______________________ of the Kanawha Valley Regional Transportation Authority, a public corporation existing under the laws of the State of West Virginia.

My commission expires: _________________________.

____
Notary Public

EXHIBIT A-1

LEGAL DESCRIPTION OF LEASED PREMISES

Being a tract or parcel of land situate on Laidley Street in the city of Charleston, Kanawha County, West Virginia and being more particularly described as follows:

Beginning at a MAG nail set in concrete at the northeast corner of the Embros Realty Company and being on the southern right of way line of Laidley Street; thence with said southern right of way for one line

N 50°37' E 94.76 feet to a MAG nail set in concrete; thence through the city of Charleston Property for one line

S 34°33' E 36.90 feet to a MAG nail set in concrete wall being on the northern right of way line of a 12 foot Alley also being a corner to the city of Charleston; thence with said southern right of way line for one line

S 56°15' W 90.47 feet to a MAG nail set in concrete in the eastern line of Embros Realty Company; thence with said Embros Realty for one line

N 42°43' W 27.94 feet to the place of beginning and containing 0.07 Acre more or less as surveyed by Richard E. Kinder Jr. of Eagle Surveying Inc., Charleston WV and as shown on a plat entitled “PLAT OF SURVEY SHOWING A 2991 SQ. FT. PORTION OF THE CITY OF CHARLESTON PROPERTY TO BE LEASED TO KRT” dated January 21, 2021.

<u>EXHIBIT A-2</u>

DEPICTION OF LEASED PREMISES

[To be attached.]

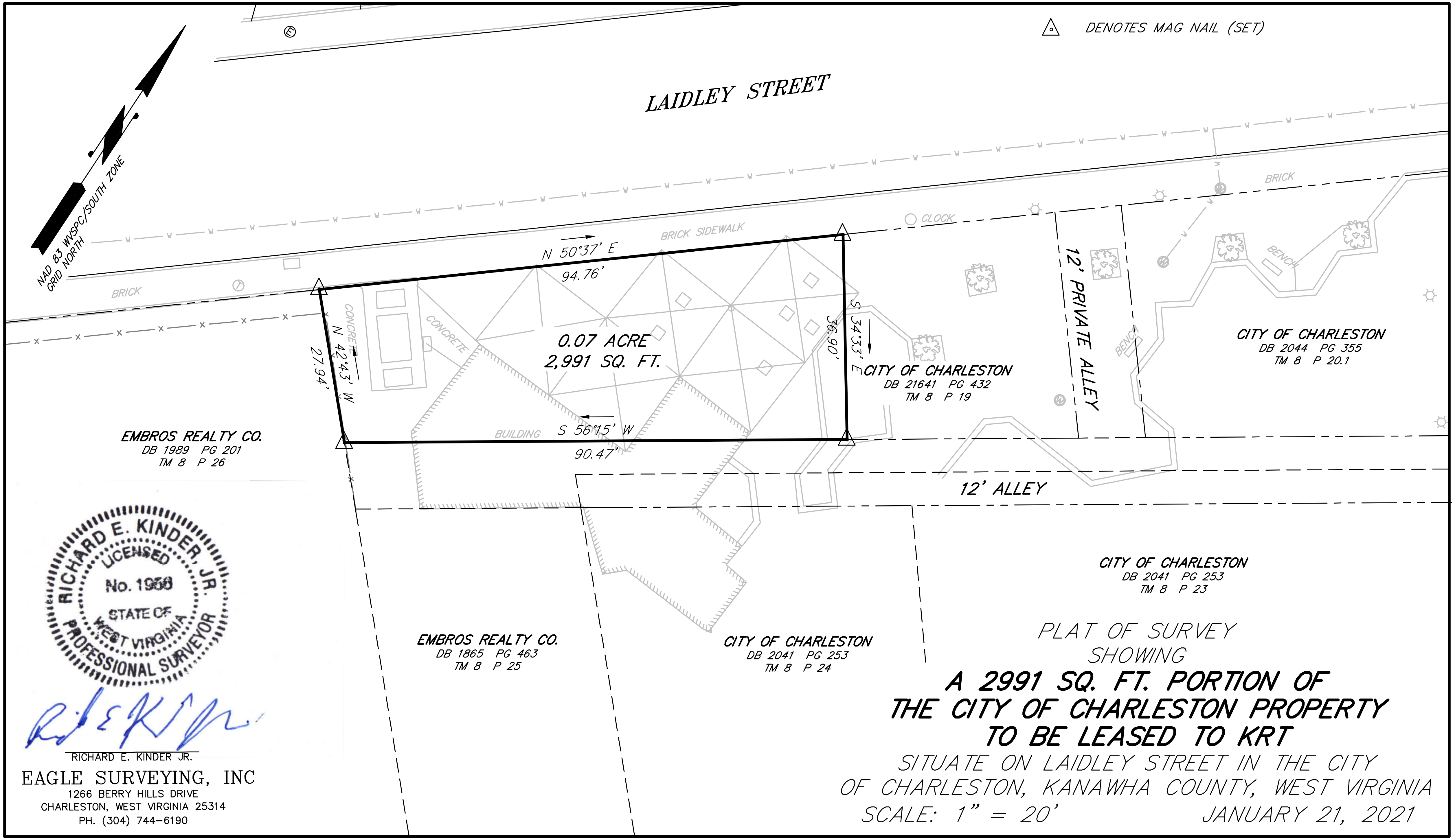

DENOTES MAG NAIL (SET)
LAIDLEY STREET
NAD 83 WVSPC/SOUTH ZONE
GRID NORTH
BRICK
BRICK SIDEWALK
CLOCK
BRICK
BENCH
BENCH
N 50°37' E
94.76'
S 34°33' E
36.90'
S 56°15' W
90.47'
N 42°43' W
27.94'
0.07 ACRE
2,991 SQ. FT.
CONCRETE
CONCRETE
BUILDING
12' PRIVATE ALLEY
12' ALLEY
CITY OF CHARLESTON
DB 2044 PG 355
TM 8 P 20.1
CITY OF CHARLESTON
DB 21641 PG 432
TM 8 P 19
CITY OF CHARLESTON
DB 2041 PG 253
TM 8 P 23
CITY OF CHARLESTON
DB 2041 PG 253
TM 8 P 24
EMBROS REALTY CO.
DB 1989 PG 201
TM 8 P 26
EMBROS REALTY CO.
DB 1865 PG 463
TM 8 P 25
RICHARD E. KINDER, JR.
LICENSED
No. 1958
STATE OF
WEST VIRGINIA
PROFESSIONAL SURVEYOR
RICHARD E. KINDER JR.
EAGLE SURVEYING, INC
1266 BERRY HILLS DRIVE
CHARLESTON, WEST VIRGINIA 25314
PH. (304) 744-6190
PLAT OF SURVEY
SHOWING
A 2991 SQ. FT. PORTION OF
THE CITY OF CHARLESTON PROPERTY
TO BE LEASED TO KRT
SITUATE ON LAIDLEY STREET IN THE CITY
OF CHARLESTON, KANAWHA COUNTY, WEST VIRGINIA
SCALE: 1" = 20'
JANUARY 21, 2021

EXHIBIT B

TRANSIT SHELTERS

[To be attached.]

EXISTING CONDITIONS LEGEND:

- 4" STEEL POST
- LIGHT POLE
- SEWER MANHOLE
- PARKING METER
- ELECTRIC MANHOLE
- TREE / SHRUB
- FIRE HYDRANT
- SIGN
- ELECTRIC BOX
- GAS VALVE
- WATER VALVE
- GAS METER
- WATER METER
- CLEAN OUT
- TRAFFIC SIGNAL
- GEOTECHNICAL BORING LOCATIONS (FOR REFERENCE)
- STORM SEWER PIPE
- SANITARY SEWER PIPE
- FENCE
- WATER LINE
- AEP EASEMENT

SITE LEGEND:

- CONCRETE
- PAVERS ON CONCRETE
- LANDSCAPED AREA
- REUSED BRICK PAVER
- BUS SHELTER

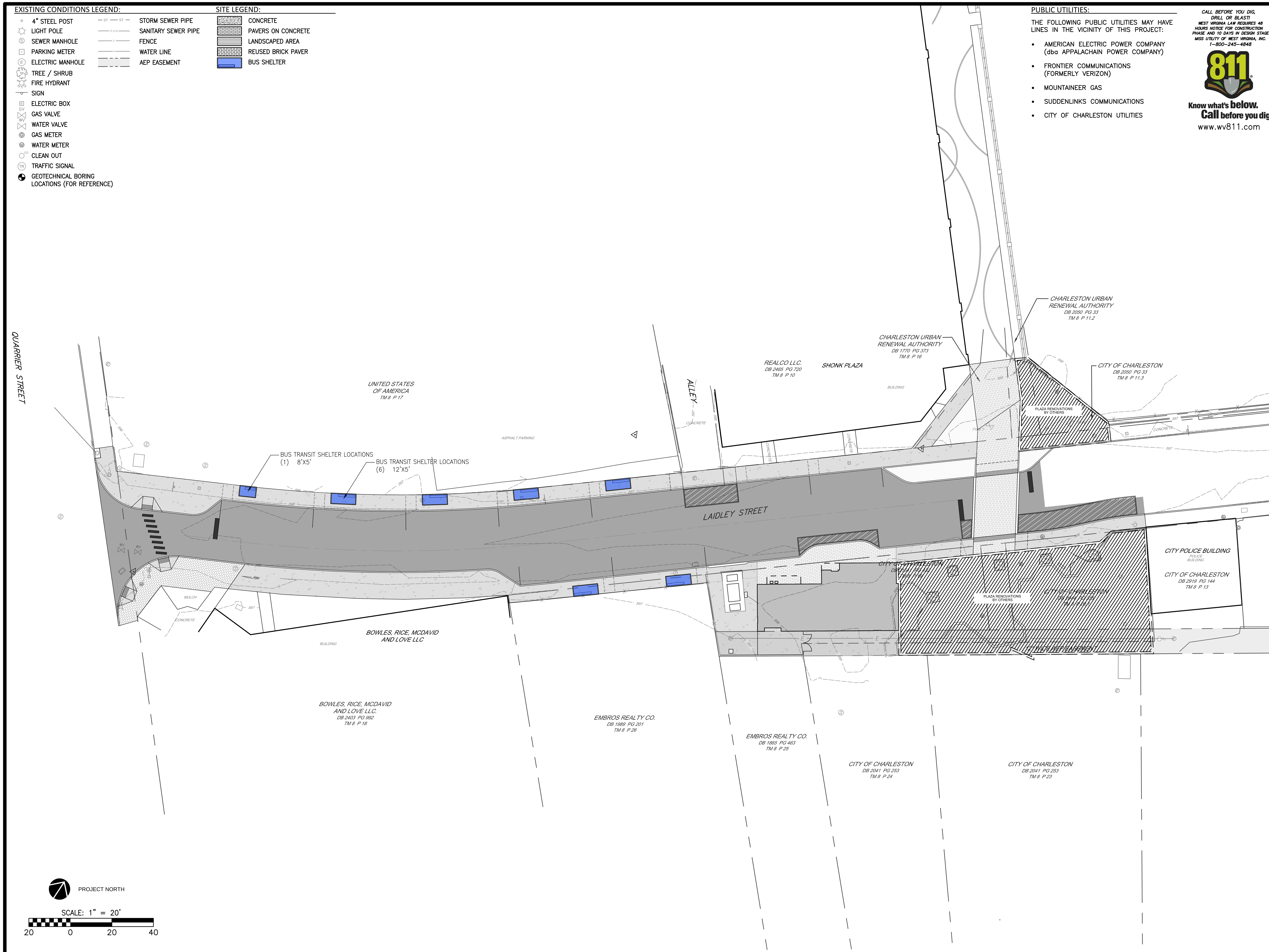
PUBLIC UTILITIES:

THE FOLLOWING PUBLIC UTILITIES MAY HAVE LINES IN THE VICINITY OF THIS PROJECT:

- AMERICAN ELECTRIC POWER COMPANY (dba APPALACHAIN POWER COMPANY)
- FRONTIER COMMUNICATIONS (FORMERLY VERIZON)
- MOUNTAINEER GAS
- SUDDENLINKS COMMUNICATIONS
- CITY OF CHARLESTON UTILITIES

CALL BEFORE YOU DIG, DRILL OR BLAST! WEST VIRGINIA LAW REQUIRES 48 HOURS NOTICE FOR CONSTRUCTION PHASE AND 10 DAYS IN DESIGN STAGE MISS UTILITY OF WEST VIRGINIA, INC. 1-800-245-4848

811 Know what's below. Call before you dig. www.wv811.com



ZMM ARCHITECTS ENGINEERS
222 Lee Street, West
Charleston, West Virginia 25302
Phone: 304.342.0159
Fax: 304.345.8144
www.zmm.com

gai consultants
500 Lee Street, Suite 700
Charleston, WV 25301
Phone: 304.926.8100 FAX: 304.926.8180

REVISIONS

NO.	DESCRIPTION	DATE

THE NEW LAIDLEY STREET TRANSIT CENTER AND TICKET OFFICE

Kanawha Valley Regional Transportation Authority
Charleston, West Virginia

100% CONSTRUCTION DOCUMENTS

EXHIBIT B

DRAWN	CHECKED
YOSTJC	GILMOD
	DATE FEB 12, 2021
	COMM. NO. 20054

EX-B

<u>EXHIBIT C</u>

PARKING AREA

[To be attached.]

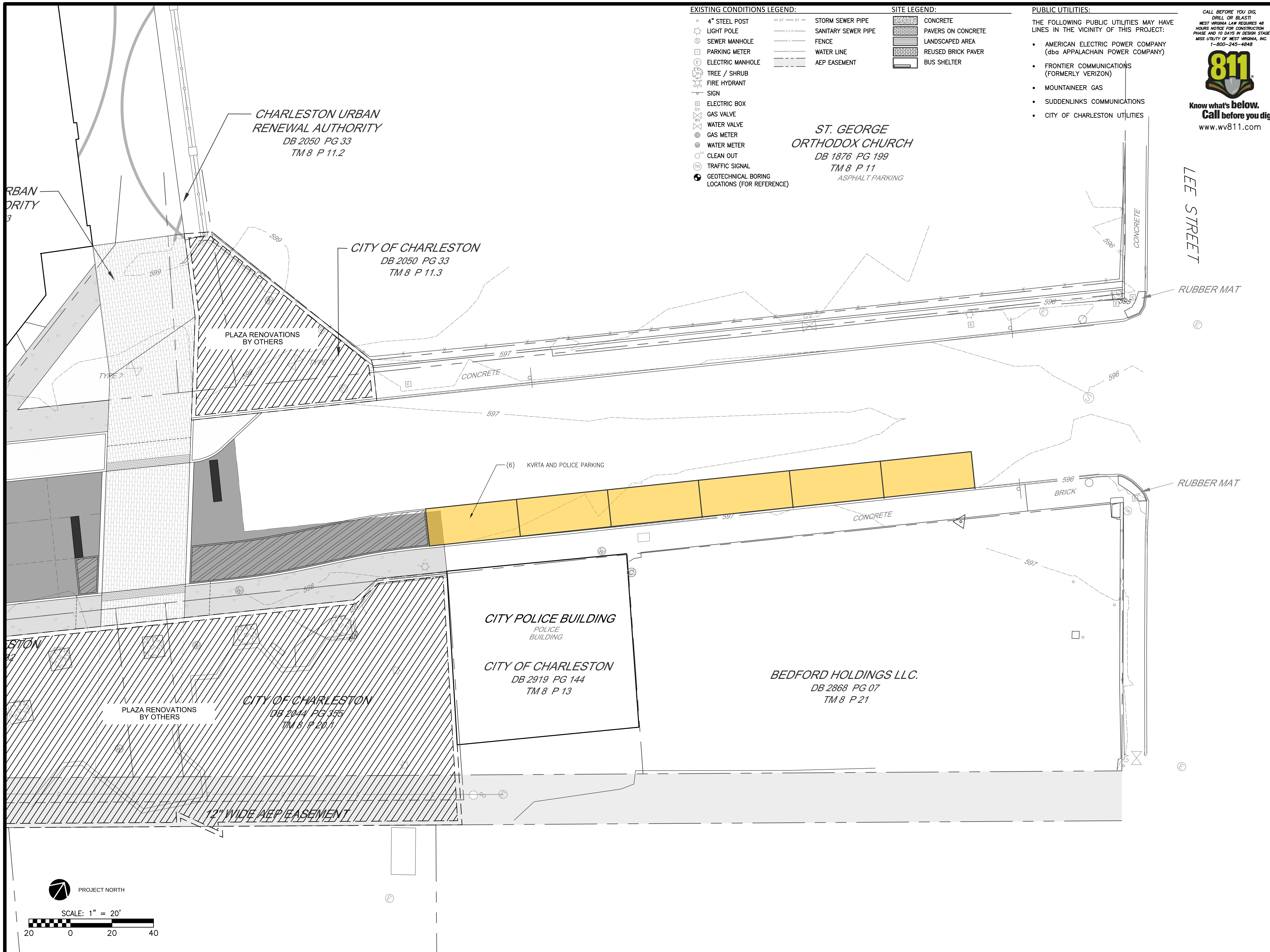


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EXHIBIT C

DRAWN	CHECKED
YOSTJC	GILMOD
	DATE FEB 12, 2021
	COMM. NO. 20054

EX-C

EXHIBIT D

SITE PLAN

[To be attached.]

EXISTING CONDITIONS LEGEND:

- 4" STEEL POST
- LIGHT POLE
- SEWER MANHOLE
- PARKING METER
- ELECTRIC MANHOLE
- TREE / SHRUB
- FIRE HYDRANT
- SIGN
- ELECTRIC BOX
- GAS VALVE
- WATER VALVE
- GAS METER
- WATER METER
- CLEAN OUT
- TRAFFIC SIGNAL
- GEOTECHNICAL BORING LOCATIONS (FOR REFERENCE)
- STORM SEWER PIPE
- SANITARY SEWER PIPE
- FENCE
- WATER LINE
- AEP EASEMENT

SITE LEGEND:

- CONCRETE
- PAVERS ON CONCRETE
- LANDSCAPED AREA
- REUSED BRICK PAVER
- BUS SHELTER

SITE PLAN KEY:

- A KRT BUILDING (REFER TO ARCHITECTURAL DRAWINGS)
- B HEAVY DUTY CONCRETE PAVEMENT 5/C802
- C CONCRETE PAVEMENT (SIDEWALK) 6/C802
- D FULL DEPTH CONCRETE CURB 2/C802
- E CONCRETE HEADER
- F VEHICULAR PAVERS ON CONCRETE 10/C802
- G PEDESTRIAN PAVERS ON CONCRETE 9/C802
- H TYPE I ADA RAMP 3/C803
- I CROSSWALK TRANSITION (REFER TO GRADING PLAN)
- J CROSSWALK STRIPING 2/C803
- K THERMOPLASTIC PAVEMENT MARKINGS 1/C803
- L TRANSIT SHELTER (5'X8' & 5X16') (OWNER PURCHASED, CONTRACTOR INSTALLED)
- M 7' FENCE AND GATE AS SPECIFIED
- N AREA LIGHT AS SPECIFIED
- O PEDESTRIAN LIGHT AS SPECIFIED
- P LIGHT BOLLARD AS SPECIFIED
- Q 7' PRIVACY FENCE AND GATE AS SPECIFIED
- R MOUNTABLE CURB 3/C802
- S DETECTABLE WARNING SURFACE 4/C803
- T EXISTING AEP VAULT (DO NOT DISTURB)
- U BRICK PAVERS (REUSE EXISTING BRICK PAVERS TO FILL AREA, MATCH EXISTING PATTERN) 8/C802
- V PAVEMENT STRIPING AS SPECIFIED
- X PASSENGER INFORMATION SIGNS

SITE PLAN NOTES:

1. CONTRACTOR SHALL BE PROVIDED WITH ELECTRONIC DRAWINGS FILES TO FACILITATE LAYOUT OF SITE ELEMENTS.
2. REUSE EXISTING BRICK PAVERS TO FILL NEW CURB LINE AT THE INTERSECTION OF LAIDLEY STREET AND QUARRIER STREET. REPEAT EXISTING PAVER PATTERN TO FILL AREA. ADA RAMPS TO BE TYPICAL CONCRETE TYPE 1 ADA RAMP AS SPECIFIED.

PUBLIC UTILITIES:

THE FOLLOWING PUBLIC UTILITIES MAY HAVE LINES IN THE VICINITY OF THIS PROJECT:

- AMERICAN ELECTRIC POWER COMPANY (dba APPALACHAIN POWER COMPANY)
- FRONTIER COMMUNICATIONS (FORMERLY VERIZON)
- MOUNTAINEER GAS
- SUDDENLINKS COMMUNICATIONS
- CITY OF CHARLESTON UTILITIES

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811 Know what's below. Call before you dig. www.wv811.com

PROJECT NORTH

SCALE: 1" = 20'

20 0 20 40

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Phone: 304.926.8100 FAX: 304.926.8180

REVISIONS

NO.	DESCRIPTION	DATE
1	REVISION	02.26.2021

THE NEW LAIDLEY STREET TRANSIT CENTER AND TICKET OFFICE

Kanawha Valley Regional Transportation Authority
Charleston, West Virginia

BIDDING DOCUMENTS

EXHIBIT D PLAN

DRAWN	CHECKED
YOSTJC	GILMOD
	DATE FEB 12, 2021
	COMM. NO. 20054

C200R1

EXHIBIT E

FORM OF MEMORANDUM OF LEASE

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE is made and entered into as of the __ day of________, 2021, by and between the CITY OF CHARLESTON, WEST VIRGINIA, a municipal corporation existing under the laws of the State of West Virginia ("**Landlord**"), and the KANAWHA VALLEY REGIONAL TRANSPORTATION AUTHORITY, a public corporation existing under the laws of the State of West Virginia ("**Tenant**.")

WITNESSETH:

On ________________, 2021, Landlord made, executed and entered into a Lease (the "**Lease**") whereby Landlord leased unto Tenant the real property lying and being situated in Kanawha County, West Virginia, described upon Exhibit A attached hereto and incorporated herein by reference (the "**Property**").

The term of the Lease is for a period of one (1) year, commencing on the Commencement Date, which is ___________________, 2021, and expiring on ____________________, 2022, which term shall be automatically extended for up to thirty-nine (39) successive one (1) year terms, subject, however, to the terms and conditions more particularly set forth in the Lease.

This instrument shall be recorded in the office of the County Clerk of Kanawha County, West Virginia, for the purpose of effecting and affording record and constructive notice of the leasehold estate of Tenant in and to the Property.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, Landlord and Tenant hereto have caused this Memorandum of Lease to be duly executed as of the day and year first above written.

LANDLORD: CITY OF CHARLESTON, WEST VIRGINIA

____
Name: _________________________________
Title: _________________________________

STATE OF _______________________,

COUNTY OF ______________________, to-wit:

The foregoing instrument was acknowledged before me this ____day of ______________ _______, 2021, by ________________________, the _____________________________, of the City of Charleston, West Virginia, a municipal corporation existing under the laws of the State of West Virginia, on behalf of said City.

My commission expires: __________________________.

____
Notary Public

[Notary seal]

TENANT: KANAWHA VALLEY REGIONAL TRANSPORTATION AUTHORITY

____
Name: _________________________________
Title: __________________________________

STATE OF ______________________,

COUNTY OF _____________________, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____________ _______, 2021, by________________________, the ______________________ of the Kanawha Valley Regional Transportation Authority, a public corporation existing under the laws of the State of West Virginia.

My commission expires: _________________________.

____
Notary Public

[Notary seal]

THIS INSTRUMENT PREPARED BY: Christina T. Brumley, Jackson Kelly PLLC, 500 Lee Street East, Suite 1600, Charleston, West Virginia 25301

EXHIBIT A
(To Memorandum of Lease)

EXHIBIT F

FORM OF QUITCLAIM BILL OF SALE

QUITCLAIM BILL OF SALE

FOR VALUE RECEIVED, KANAWHA VALLEY REGIONAL TRANSPORTATION AUTHORITY, a public corporation existing under the laws of the State of West Virginia ("**Transferor**"), hereby quitclaims unto the CITY OF CHARLESTON, WEST VIRGINIA, a municipal corporation existing under the laws of the State of West Virginia ("**Transferee**"), all of Transferor's right, title and interest, if any, in and to the Building, excepting Tenant's Fixtures and Equipment, as both are defined in that certain Lease Agreement dated ______________, 2021, by and between Transferee, as landlord, and Transferor, as tenant. The Building is quitclaimed by Transferor to Transferee on an "AS IS," "WHERE IS," "WITH ALL FAULTS" basis, and without any warranties, representations or guarantees, either express or implied, of any kind, nature, or type whatsoever, including, but not limited to, any warranty as to the fitness for a particular purpose or use.

IN WITNESS WHEREOF, Transferor has executed this Bill of Sale as of _________ __, 20___.

KANAWHA VALLEY REGIONAL
TRANSPORTATION AUTHORITY

____
Name: _________________________________
Title: __________________________________

STATE OF ______________________,

COUNTY OF _____________________, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____________ _______, 202__, by_______________________________, the ______________________ of the Kanawha Valley Regional Transportation, a public corporation existing under the laws of the State of West Virginia.

My commission expires: _________________________.

____
Notary Public

Resolution No. 433-21

Introduced in Council: Adopted by Council:

March 1, 2021

Introduced by: Referred to:

Joseph Jenkins Finance Committee

Resolution No. 433-21 - Authorizing the Mayor or City Manager to enter into a direct purchase agreement with Stryker Medical for the purchase of four (4) power cots for the Charleston Fire Department at a cost not to exceed $69,524, where the purchase price matches the rates associated with a competitively-sourced federal General Services Administration (GSA) contract.

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor or City Manager is authorized to enter into a direct purchase agreement with Stryker Medical for the purchase of four (4) power cots for the Charleston Fire Department at a cost not to exceed $69,524, where the purchase price matches the rates associated with a competitively-sourced federal General Services Administration (GSA) contract.

stryker

CharlestonFD-4Cots-Feb21

Quote Number:	10327791	Remit to:	**Stryker Medical** P.O. Box 93308 Chicago, IL 60673-3308
Version:	1		
Prepared For:	CHARLESTON FIRE DEPT	Rep:	Austin Long
	Attn:	Email:	austin.long@stryker.com
		Phone Number:	(858) 774-0394

Quote Date: 02/22/2021
Expiration Date: 06/30/2021

Delivery Address		End User - Shipping - Billing		Bill To Account	
Name:	CHARLESTON FIRE DEPT	Name:	CHARLESTON FIRE DEPT	Name:	CHARLESTON FIRE DEPT
Account #:	1080876	Account #:	1080876	Account #:	1080876
Address:	808 VIRGINIA ST W	Address:	808 VIRGINIA ST W	Address:	808 VIRGINIA ST W
	CHARLESTON		CHARLESTON		CHARLESTON
	West Virginia 25302-1820		West Virginia 25302-1820		West Virginia 25302-1820

Equipment Products:

#	Product	Description	Qty	Sell Price	Total
1.0	650605550003	6506 MTS PWRPRO COT HIGH CNFIG	4	$19,881.00	$79,524.00
			Equipment Total:		$79,524.00

Trade In Credit:

Product	Description	Qty	Credit Ea.	Total Credit
TR-SPCOT-PPXT	TRADE-IN-STRYKER POWER COT TOWARDS PURCHASE OF POWERPRO XT	4	-$2,500.00	-$10,000.00

Price Totals:

Grand Total:	$69,524.00

Prices: In effect for 60 days.

Terms: Net 30 Days

Ask your Stryker Sales Rep about our flexible financing options.

Resolution No. 434-21

Introduced in Council: Adopted by Council:

March 1, 2021

Introduced by: Referred to:

Joseph Jenkins Finance Committee

Resolution No. 434-21 - Authorizing the Mayor or City Manager to purchase one (1) vehicle from Matheny Motor Truck Company in the amount of $27,445, where the vehicle will serve as a replacement vehicle to be used by the Metropolitan Drug Enforcement Network Team (MDENT) and titled to the Kanawha County Sheriff's Office. The purchase will be made through a competitively sourced state-wide contract.

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor or City Manager is authorized to purchase one (1) vehicle from Matheny Motor Truck Company in the amount of $27,445, where the vehicle will serve as a replacement vehicle to be used by the Metropolitan Drug Enforcement Network Team (MDENT) and titled to the Kanawha County Sheriff's Office. The purchase will be made through a competitively sourced state-wide contract.

Resolution No. 436-21

Introduced in Council: Adopted by Council:

March 1, 2021

Introduced by: Joseph Jenkins

Referred to: Finance Committee

Resolution No. 436-21 - Authorizing the Mayor or City Manager to enter into a Mutual Aid Agreement with the Kanawha-Charleston Health Department (“KCHD”) for the City’s provision of and reimbursement for mutual aid rendered to KCHD in responding to the COVID-19 public health crisis, where the terms of the Mutual Aid Agreement are attached hereto as Exhibit A.

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor or City Manager is authorized to enter into a Mutual Aid Agreement with the Kanawha-Charleston Health Department (“KCHD”) for the City’s provision of and reimbursement for mutual aid rendered to KCHD in responding to the COVID-19 public health crisis, where the terms of the Mutual Aid Agreement are attached hereto as Exhibit A.

Memorandum Agreement for COVID 19 MUTUAL AID
City of Charleston and Kanawha Charleston Health Department

This AGREEMENT made this ____ day of _______, 2021, between the City of Charleston, a municipal corporation of the State of West Virginia (the "City" or "Contractor") and the Kanawha Charleston Health Department, a local board of health, a public corporation created pursuant to W. Va. Code 16-2-1 et al., ("KCHD"). The City and KCHD are hereinafter collectively referred to as the "Parties."

RECITALS

WHEREAS, On March 16th, 2020, Governor Jim Justice issued a proclamation declaring a state of emergency for all 55 counties of the State of West Virginia in response to the growing public health threat posed by the COVID-19 Pandemic and in accordance with the President's declaration of a National Emergency; and

WHEREAS, on April 4th, 2020, the President of the United States issued a Major Disaster Declaration for the State of West Virginia; and

WHEREAS, on March 13th the City, the Kanawha County Commission, and KCHD activated the Kanawha County Emergency Operations Center, and activated Health Command, a joint agency operation charged with coordinating and administering a comprehensive local response to the COVID-19 Pandemic (the "Pandemic"); and

WHEREAS, the City has provided staffing and equipment support to KCHD throughout the COVID response. Beginning in December of 2020, the vaccination rollout resulted in a significant increase in duties and staffing needs for KCHD, and at KCHD's request, the City has and continues to render necessary labor and staffing assistance to support KCHD's vaccination program; and

WHEREAS, the City has provided conference room space in support to KCHD beginning in January of 2021. Due to the limited space available to KCHD at its own facility, at KCHD's request, the City has and continues to make available various facilities, including but not limited to conference room spaces within the Charleston Coliseum and Convention Center and community spaces within the North Charleston Recreation Center, in order to allow for a safe vaccination rollout in Kanawha County.

NOW, THEREFORE, the Parties agree that:

1. **Purpose.** The purpose of this agreement is to set forth the terms and conditions upon which the City will provide MUTUAL AID for the purpose of emergency response and necessary expenses incurred due to the COVID-19 public health crisis.

2. **Term.** This agreement is intended to be temporary in nature and, unless earlier terminated for convenience by the mutual written consent of the Parties, shall terminate on December 30, 2021 if not renewed prior by mutual consent of the Parties.

3. **Scope of Agreement:**

Per the Kanawha Putnam Emergency Plan, Section V. Concept of Operations, Paragraph I. Mutual-Aid, this Memorandum Agreement is prepared to recognize and memorialize the extraordinary public engagement workload experienced from the Pandemic's onset by KCHD.

Additional staffing resources were needed and continue to be necessary to perform specific event-related duties, including but not limited to 1) call intake activities, 2) COVID-19 testing, 3) scheduling of vaccination appointments, 4) logistics and staffing of vaccination clinics, and 5) various other emergency protective measures to aid KCHD. Furthermore, additional conference space was needed and continues to be necessary to perform specific events, including but not limited to 1) vaccination clinics, 2) COVID-19 testing events, and 3) various other large-scale events related to combatting the Pandemic as required.

The City has responded to the need by providing specific staff and other material support, including but not limited to the use of the Charleston Coliseum and Convention Center and the North Charleston Recreation Center. In doing-so, KCHD agrees to compensate the City for mutual-aid labor and other delineated support costs at the same rate(s) as currently paid by the City. Furthermore, KCHD agrees to compensate the City for the rental of the space used within the Charleston Coliseum and Convention Center, North Charleston Recreation Center, and any other City space used at the same rate(s) as currently approved by the City Council for rental of the space.

The City will provide supporting documentation for the billing process. Invoices are to be sent every 30-days, with a term of 30-days for payment.

This emergency mutual aid assistance is provided as a direct result of the Pandemic event. Accordingly, the types & quantities will be reviewed and evaluated weekly, or more often as appropriate, by the lead officers for each agency and their duly authorized representatives.

4. **Nondiscrimination and Equal Opportunity**: All parties are prohibited from discriminating on the basis of race, color, national origin, religion, sex, sexual orientation, gender identity, handicapped status or age in any program, activity or program funded by either party. The parties will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin.

5.1 **Contract Work Hours and Safety Standards Act.** To the extent applicable:

(1) *Overtime requirements.* No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she

is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) *Violation; liability for unpaid wages; liquidated damages.* In the event of any violation of the clause set forth in paragraph (b)(1) of this section the Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of $27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.

(3) *Withholding for unpaid wages and liquidated damages.* The KCHD shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor under any such contract or any other Federal contract with the same prime Contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime Contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.

(4) *Subcontracts.* The Contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime Contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (4) of this section.

5.2 **Suspension and Debarment**.

(1) This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the Contractor is required to verify that none of the Contractor's principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

(2) The Contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

(3) This certification is a material representation of fact relied upon by KCHD. If it is later determined that the Contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to KCHD, the Federal

Government may pursue available remedies, including but not limited to suspension and/or debarment.

(4) The bidder or proposer agrees to comply with the requirements of2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

5.3 **Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended)**

To the extent applicable, by executing the agreement the parties certify that they will not and have not used Federally appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352.

5.4 **Procurement Of Recovered Materials**

In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired: 1. Competitively within a timeframe providing for compliance with the contract performance schedule; 2. Meeting contract performance requirements; or 3., At a reasonable price.

5.5 **Records**

(1) All Parties agree to provide the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.

(2) The Parties agree to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

(3) The Parties agree to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.

(4) In compliance with the Disaster Recovery Act of 2018, the Parties acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.

5.6 **Use of Seal**. The Parties shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.

6. **Federal Government Not a Party**. The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, Contractor, or any other party pertaining to any matter resulting from the contract.

7. **Fraud.** The Parties acknowledge that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Parties actions pertaining to this contract.

8. **Purchasing**: In addition to all Federal Rules and Regulations, if the Contractor must obtain 3rd-party services & materials to accomplish the requested mission, the more stringent standard, as delineated in KCHD and Contractor enacted policies, shall be used to administer the purchase.

9. **Breach:** The obligations set forth herein shall end upon the material breach of either party and the non-breaching party may seek any and all remedies available under the law.

10. **Regulatory Compliance**. Each party shall comply with all Federal, state, and local laws and regulations and orders, regulations, executive orders, FEMA policies, procedures, and directives.

11. **Amendments.** Any amendment to the agreement shall be in writing and executed by the City and KCHD.

IN TESTIMONY WHEREOF, the Parties hereto have caused this Memorandum Agreement to be executed, and their corporate seals to be affixed by their duly authorized corporate officers, in duplicate originals, one of which is retained by each part, the day and year first above written.

City of Charleston	Kanawha Charleston Health Department
By_______________________________	By:______________________________
Mayor Amy Shuler Goodwin	KCHD, Authorized Representative

AssuredPartners

340 MacCorkle Ave. SE
Charleston, WV 25314
(304) 345-8000
(304) 345-8014 Fax

THE CITY OF CHARLESTON
PROPERTY AND CASUALTY RENEWAL
(Finance Committee presentation as of 3/1/21)

I. CONCEPTUAL OVERVIEW OF PROGRAM

II. MARKET UPDATE:

A. Property

B. Casualty/Excess Casualty/Auto

III. MARKETING ANALYSIS

IV. RENEWAL SUMMARY

V. HISTORICAL ACCOUNT ANALYSIS

VI. LOSS SUMMARY

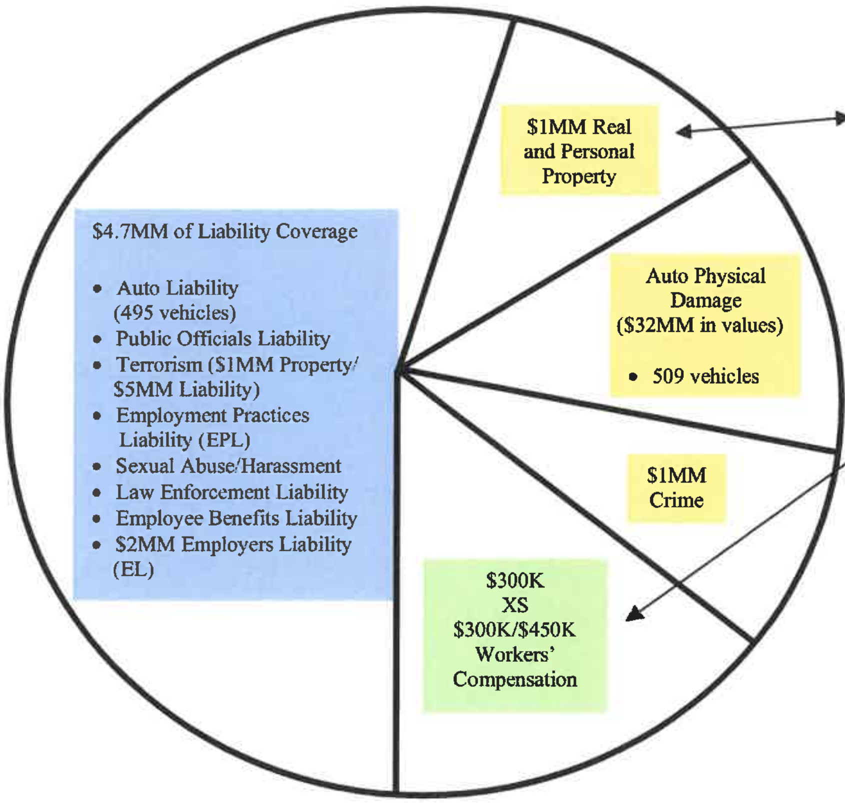
VII. CYBER INSURANCE REVIEW

VIII. INDUSTRY ARTICLES

Questions?

THE CITY OF CHARLESTON
P & C INSURANCE SUMMARY

I. ALA PACKAGE (BRIT/Lloyd's of London):



II. EXCESS PROPERTY COVERAGE (Hartford):

- $516,893,478 of insured values

III. BOILER AND MACHINERY COVERAGE (Hartford Steam Boiler):

- $50,000,000 limit

IV. EXCESS WORKERS' COMPENSATION COVERAGE (Safety National):

- Full statutory coverage excess of a $600K/$750K per claim retention
- July 1, 2021 renewal date

V. CYBER/DATA BREACH COVERAGE (Ascent):

- $5,000,000 limit

VI. TPA CLAIMS MANAGEMENT FOR ITEMS I, II, III AND IV ABOVE:

- Provided by RMSC

VII. RISK CONTROL AND SAFETY TRAINING SERVICES FOR COC AND CSB – Jeff Dixon of AssuredPartners of West Virginia, LLC (APWV):

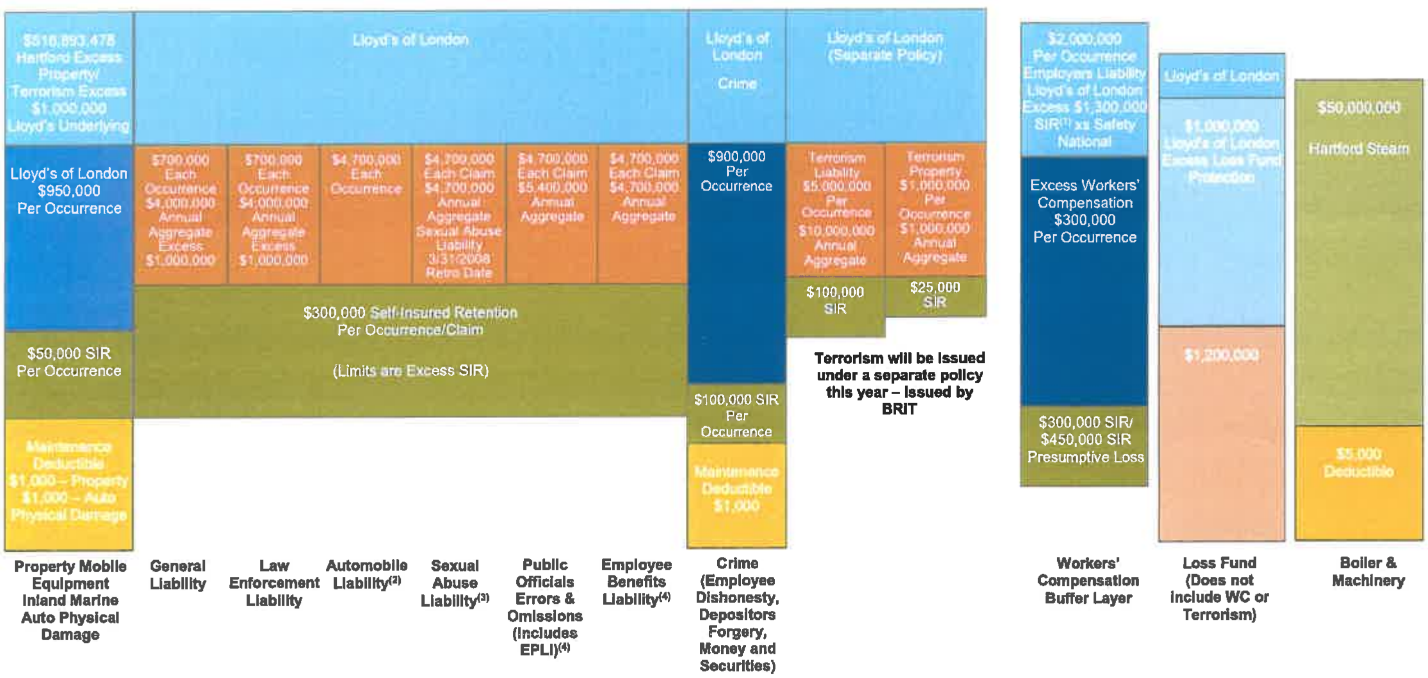
- $25,000 annual cost ($15,000 paid by BRIT Insurance; $0.00 by COC; and $10,000 by CSB)

VIII. AGENCY SERVICES (APWV):

Brokerage; Consultation; Oversight; Marketing; Claims Review; etc. (standard agency commissions payable on all lines).

Lloyd's (Brit)/Hartford Protected Self-Insurance Program Structure

March 31, 2021 to March 31, 2022



Note: The SIR is a per occurrence retention. Only one retention applies in the event of a multiple loss, and the higher retention shall apply. (Does not include Terrorism coverage.) See Multiple Lines Loss Protection for limits in the event of a multiple lines loss.

---

(1) Workers' Compensation, Coverage Part A, BRIT is primary (Buffer Layer). Employers Liability, Coverage Part B, BRIT is excess Safety National; U.S.L.& H. Act Coverage $2,000,000 excess $1,300,000.

(2) Uninsured Motorists: $25,000 Ground-Up BI Per Person; $50,000 Ground-Up Bodily Injury Per Accident; $25,000 Ground-Up Property Damage Per Accident.

(3) Retroactive date for Sexual Abuse claims under the POL is 3/31/2008 and Retroactive date under the GL/LEL is 3/31/2021.

(4) Public Officials Errors & Omissions and Employee Benefits Liability are on a Claims-Made basis, with an Annual Aggregate and a retro date of July 1, 1990, except Sexual Abuse under the Public Officials Liability retro date March 31, 2008. Sexual Harassment Aggregate Limit $4,700,000; Sexual Abuse Aggregate Limit $4,700,000 (these limits are part of the overall E&O limit and not in addition to).

Gallagher

Market Review – Declinations

DECLINATIONS

Berkley Group	Casualty Package	Declined	Could not provide APD nor be competitive
Old Republic	Casualty Package	Declined due to claim history and large auto loss	N/A
AIX	Casualty Package	Declined due to claim history and large auto loss	N/A
Safety National	Casualty Package	Indication Quoted	N/A
Euclid	Property	Declined due to claim history and large auto loss	N/A
Liberty Mutual	Property	Declined – could not be competitive	N/A
Chubb	Property	Looked at last year, but did not approach this year due to lack of sprinkler systems at the Conference Center	N/A
Old Republic	Property	Declined – could not be competitive	N/A
Travelers	Property	Indication Quoted	N/A

CITY OF CHARLESTON, WV - PROGRAM RENEWAL EFFECTIVE 3/31/2021		
	EXPIRING BRIT PACKAGE	RENEWAL BRIT PACKAGE
PROGRAM COMPARISONS	Lloyds of London (BRIT)	Lloyds of London (BRIT)
	2020 expiring (With Crime, Property, APD, Terrorism/WC/EL Buffer)	2021 (With Crime, Property, APD, WC/EL Buffer)
PREMIUMS (1)	$837,616	$955,000
	Non-Admitted (please add state taxes)	Non-Admitted (please add state taxes)
Annual Aggregate (Loss fund)	All lines Aggregate $1,200,000	All lines Aggregate $1,200,000
Excess Annual Aggregate	$1,000,000	$1,000,000
Property Self-Insured Retention (SIR)	$25,000	$50,000
Auto Physical Damage SIR	$25,000	$50,000
Crime Self-Insured Retention (SIR)	$100,000	$100,000
Property, APD, Crime Maintenance Deductible	$1,000	$1,000
Liability Self-Insured Retention (SIR)	$300,000	$300,000
WC/EL SIR (split SIR due to Presumptive claims)	$300,000 SIR WC/$1,300,000 SIR EL	$300,000 SIR/$450,000 WC/$1,300,000 SIR EL
Package Limits:		
Property Occurrence Limits	$975,000	$950,000
Auto Physical Damage Occurrence Limits (Comp and Collision)	$975,000	$950,000
Crime Limits	$900,000	$900,000
Full Liability Terrorism	$5,000,000	NA - Now in sepaerate policy - see below
Full Property Terrorism	$1,000,000	NA - Now in sepaerate policy - see below
WC Buffer Limit per Occurrence	$300,000	$300,000 / $450,000 (all presumptive Claims)
EL Buffer Limit Per Occurrence	$2,000,000	$2,000,000
General Liability Per Occurrence Limits	$700,000 Primary (No Annual Aggregate)	$700,000 Primary (No Annual Aggregate)
GL Aggregate Limits	$4,000,000 Excess and aggregate	$4,000,000 Excess and aggregate
Includes Sexual Harassment	Yes	Yes
Liquor Liability	Yes	Yes
Law Enforcement Liability Per Occurrence Limit	$700,000 Primary (no annual aggregate)	$700,000 Primary (no annual aggregate)
Law Enforcement Liability Aggregate Limit	$4,000,000 Excess and aggregate	$4,000,000 Excess and aggregate
Sexual Harassment	Yes	Yes
		Yes
Auto Liability Limit	$4,700,000	$4,700,000
Garagekeepers	$250,000 Ground UP	$250,000 Ground UP
UM/UIM	$50K Ground up	$50K Ground up
Med Pay	$50K Ground up	$50K Ground up
Errors and Omissions (POL)/EPLI Limit Each Claim	$4,700,000	$4,700,000
Aggregate Limit	$5,400,000	$5,400,000
Retro date	7/1/1990	7/1/1990
Sexual Harassment Retro Date	7/1/1990	7/1/1990
Employee Benefits Liability Limit Each Claim	$4,700,000	$4,700,000
EBL Aggregate limit	$5,400,000	$5,400,000
EBL Retro Date	7/1/1990	7/1/1990
Sexual Abuse	Included above	$4,700,000
Retro Date under the GL/LEL	NA	3/31/2021
Retro Date under the Public Officials	3/31/2008	3/31/2008
TOTAL LIABILITY LIMITS	$4,700,000	$4,700,000
CARRIER ADMITTED OR NON ADMITTED	NON-ADMITTED	NON-ADMITTED
LOSS CONTROL $ REIMBURSEMENT	$15,000 plus a multitude of on line programs	$15,000 plus a multitude of on line programs
CLASH COVERAGE	YES	YES
Other Policies:		
BRIT Terrorism - stand alone policy		
Terrorism Deductible	NA - INCLUDED IN PACKAGE	$100,000 DeductibleLiability/$25,000 Deductible Property
Property Limit per occurrence	NA - INCLUDED IN PACKAGE	$1,000,000
Liability Limit - annual aggregate	NA - INCLUDED IN PACKAGE	$5,000,000
TOTAL TERROR PREMIUM (DOES NOT INCLUDE POLICY SURCHARGE OR TAXES	NA - INCLUDED IN PACKAGE	**$10,000**
Excess Property - Premium (including policy surcharge/taxes and Terrorism) (1)	**$302,522.00**	**$363,666.00**
Carrier	**Hartford**	**Hartford**
Limits (including Vacant Macy's and 3 parking Garages)	**$499,389,864**	**$516,893,478**
Rate per $100 of Values	0.06030	0.07035
Auto Physical Damage Included - per vehicle	$1,000,000	$1,000,000
Over the Road Coverage for Auto	Not covered	Not covered
Policy margin clause	150%	150%
Total APD values included above	$30,272,348	32,175,594
Boiler and Machinery - Premium (including policy surcharge/taxes and Terrorism) (1)	**$27,286.00**	**$30,655.73**
Limits	$50,000,000	$50,000,000
Deductible	$5,000	$5,000
TPA Claims Service Fee - Est	**$103,720**	**$103,720**
Gallagher Broker Services Fee	**$40,000**	**$41,200**
TOTAL ESTIMATED PROGRAM COST	**$1,311,144**	**$1,504,242**
(1) expiring term includes vacant Macy's building or three parking Garages - annualized		
(2) various options for higher limits		
(3) Receipt, review and acceptance of 5 year crime loss runs		
	Lloyds (BRIT) package includes:	Lloyds (BRIT) package includes:
	Crime, APD, WC Buffer and	Crime, APD, WC Buffer and
	Liability/Property Terrorism	Liability/Property Terrorism
	$1,000,000 in over the road coverage	$1,000,000 in over the road coverage
	with this program	with this program

City of Charleston
Premium Comparison
BRIT Program

	2019-2020	**Expiring 2020-2021**	**Renewal 2021-2022**
Package	$747,505	$837,616	$955,000
Terrorism	Included	Included	$10,000 ($1MM Property) ($51MM Liability)
Hartford Excess Property	$127,072	$302,522	$361,825 ($516,893,478 Limit)
Boiler & Machinery	$21,913	$27,286	$30,488 ($50MM Limit)
RMSC-TPA Service	$103,720	$103,720	$103,720
AP Risk Management Service	$35,000*	$25,000*	$25,000*
Gallagher Broker Fee	$37,500	$40,000	$40,000
Cyber Liability	$20,356 (8/20/19-3/31/20) $33,153 Annual	$32,000	$55,565
Tax	$35,162.79	$39,717.61	$48,444.69
Total	$1,128,228.79	$1,407,861.61	$1,630,042.69

*BRIT is offering $15,000 loss control reimbursement (plus CSB pays $10,000 of the total). City of Charleston pay $0.

Notes:

- Auto PD and Property deductible increased from $25,000 to $50,000.
- Property Option – Option for $100K SIR for Property/APD $808,500 Premium and $1.4M Loss Fund WC TRIA $1,625 and Other Section TRIA $8,704.
- Safety National alternative casualty package quote indication - $700K+ premium; $500K casualty SIR; with a $50K auto PD deductible with NO (real or personal) property coverage.
- Alternative Travelers Property Deductible - $100,000 deductible; premium indication of $375K+.

City of Charleston
Historical Coverage and Pricing Summary

2021 / 2022 Cost Summary:

Subject	16/17	17/18	18/19	19/20	20/21 Expiring	21/22 Renewal
BRIT All Lines Aggregate (ALA) – Primary property and liability coverages	$740,000	$703,427	$703,427	$747,505	$837,616	$955,000
Terrorism (Property)	Included	Included	Included	Included	Included	$10,000
Terrorism (Liability)	Included	Included	Included	Included	Included	Included
Excess Property (Hartford)	$93,111	$93,038	$96,654	$127,072	$302,522	$361,825
Boiler and Machinery (Hartford Steam Boiler)	$15,366	$15,306	$15,797	$21,913	$27,286	$30,488
Premium Taxes (WVDOI)	$33,755	$32,091	$32,093	$40,347	$39,717.61	$48,444.69
Loss Control Consulting Fee (CIS)	$35,000*	$35,000*	$35,000*	$35,000*	$25,000*	$25,000*
AJG Placement Fee	$37,500	$37,500	$37,500	$37,500	$40,000	$40,000
Cyber Liability					$32,000	$55,565
Subtotal Cost	$954,732	$916,362	$920,471	$1,009,332	$1,304,141.61	$1,526,322.69
Loss Control Reimbursement (from BRIT)*	-$25,000	-$25,000	-$15,000	- $15,000	- $15,000	- $15,000
*Net Cost to The City of Charleston after reimbursement of Loss Control Fee	$929,732	$891,362	$905,471	$994,337	$1,289,141.61	$1,511,322.69

STANDALONE TPA FEES

TPA Workers' Compensation and Property/Casualty Claims Handling Contract Fee (RMSC)	16/17	17/18	18/19	19/20	20/21	21/22
	$97,140	$103,720	$103,720	$103,720	$103,720	$103,720

TOTAL (Including TPA Fees)	$1,026872	$995,082	$1,009,191	$1,098,057	$1,392,861.61	$1,615,042.69

DISCLAIMER: Coverage outlines used on this spreadsheet are only visuals to a basic understanding of coverages. If there is any conflict between the coverage statements and the actual insurance policy, the policy provisions will prevail.

Limits and Retention Summary:

Coverage	SIR	Total Insured Limit	Total Limits
General Liability	$300,000	$4,700,000	$5,000,000
Auto Liability	$300,000	$4,700,000	$5,000,000
Public Officials/Employment Practices Liability	$300,000	$4,700,000	$5,000,000
Sexual Harassment	$300,000	$4,700,000	$5,000,000
Sexual Abuse	$300,000	$4,700,000	$5,000,000
Employee Benefits Liability	$300,000	$4,700,000	$5,000,000
Law Enforcement	$300,000	$4,700,000	$5,000,000
Workers' Compensation "Buffer Layer"	$300,000 / $450,000	$300,000 / $450,000	$300,000 / $450,000
Property – Real and Personal Property	$50,000	$950,000	$1,000,000
Excess Property	$1,000,000	$516,893,478	$516,893,478
Terrorism (Property)	$25,000	$1,000,000	$1,000,000
Terrorism (Liability)	$100,000	$5,000,000 per Loss; $10,000,000 Maximum Limit	$5,000,000
Crime – Employee Dishonesty, Depositors' Forgery/Alterations, Money and Securities – In/Out	$100,000	$900,000	$1,000,000
Boiler and Machinery	$5,000	$50,000,000	$50,000,000

Historical Summary of the City of Charleston's Package Account with Lloyd's of London

Policy Year	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022
Package Premium	$750,000	$747,500	$765,000	$765,000	$740,000	$703,427	$703,427	$747,505	$837,616	$955,000
Loss Control Funds	$20,000	$20,000	$25,000	$25,000	$35,000	$35,000	$35,000*	$35,000*	$25,000*	$25,000*
Aggregate Loss Fund	$1,100,000	$1,100,000	$1,100,000	$1,100,000	$1,100,000	$1,100,000	$1,100,000	$1,100,000	$1,200,000	$1,200,000
General Liability, Auto Liability, Public Officials & Law Enforcement Limits	$4,700,000 Excess	$4,700,000 Excess	$4,700,000 Excess	$4,700,000 Excess	$4,700,000 Excess	$4,700,000 Excess	$4,700,000 Excess	$4,700,000 Excess	$4,700,000 Excess	$4,700,000 Excess
Self-Insured Retention Liability Lines Property/Auto Physical Damage	$300,000 SIR $25,000 SIR	$300,000 SIR $25,000 SIR	$300,000 SIR $25,000 SIR	$300,000 SIR $25,000 SIR	$300,000 SIR $25,000 SIR	$300,000 SIR $25,000 SIR	$300,000 SIR $25,000 SIR	$300,000 SIR $25,000 SIR	$300,000 SIR $25,000 SIR	$300,000 SIR $25,000 SIR $50,000 Property/Auto PD SIR
WC/EPL Buffer Layer	$200,000 Excess $300,000	$200,000 Excess $300,000	$300,000 Excess $300,000	$300,000 Excess $300,000	$300,000 Excess $300,000	$300,000 Excess $300,000	$300,000 Excess $300,000	$300,000 Excess $300,000	$300,000 Excess $300,000	$300,000 Excess $300,000
No. of Vehicles	431	441	442	448	461	489	466	495	495	509
Payroll	$36,163,961	$34,889,843	$41,902,422	$37,676,597	$36,553,202	$37,884,735	$39,132,254	$41,018,180	$41,018,180	$37,833,931
Total Insured Values	**$303,674,189**	**$310,835,228**	**$314,851,752**	**$322,702,934**	**$314,334,462**	**$320,703,079**	**$324,342,729**	**$425,416,893**	**$499,389,864**	**$516,893,478**

*** Includes $15,000 which is refunded to insured by the carrier.**

DISCLAIMER: Coverage outlines used on this spreadsheet are only visuals to a basic understanding of coverages. If there is any conflict between the coverage statements and the actual insurance policy, the policy provisions will prevail.

Historical Claims Summary:

Policy Year	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Total Incurred	$2,122,408	$1,285,141	$1,312,393	$773,712	$185,391	$1,376,881	$235,507	TBD
SIRs paid by The City of Charleston	$1,555,389	$815,423	$888,862	$657,543	$154,790	$211,785	$103,764	TBD
Specific Excess Recoveries	$567,019	$467,400	$384,598	$0	$52,500	$760,000	$0	TBD
Remaining Reserve	$0	$2,318	$38,934	$116,169	$30,601	$1,165,095	$131,743	TBD

AssuredPartners - Commercial Insurance
Risk Management Services Company

City of Charleston

Workers' Compensation Program
Self-Insured Program Results

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Claim Status	12/31/2020	12/31/2020	12/31/2020	12/31/2020	12/31/2020	12/31/2020
Open Claims	1	1	1	0	0	1
Closed Claims	79	93	120	132	140	107
Total Claims	80	94	121	132	140	108
Claim Type						
Med Only Claims	51	57	76	79	85	79
Lost Time Claims	29	37	45	53	55	29
Claim Financial						
Incurred	$ 2,076,631	$ 546,261	$ 677,401	$ 679,008	$ 652,876	$ 413,258
Paid	$ 758,595	$ 540,459	$ 677,401	$ 679,008	$ 652,876	$ 399,279
Reserve	$ 1,318,036	$ 5,801	$ -	$ -	$ -	$ 13,979
Average Claim	$ 25,958	$ 5,811	$ 5,598	$ 5,144	$ 4,663	$ 3,826
WC Payroll	$ 36,038,073	$ 35,757,832	$ 37,149,278	$ 35,628,920	$ 35,089,144	$ 34,669,658
Basic Loss Rate/$100 payroll	5.762	1.528	1.823	1.906	1.861	1.192
# Claims Over $300k	1	0	0	0	0	0

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Claim Status	12/31/2020	12/31/2020	12/31/2020	12/31/2020	12/31/2020	12/31/2020
Open Claims	1	1	2	4	16	24
Closed Claims	98	101	99	89	53	12
Total Claims	99	102	101	93	69	36
Claim Type						
Med Only Claims	77	80	78	76	54	32
Lost Time Claims	22	22	23	17	15	4
Claim Financial						
Incurred	$ 515,705	$ 254,998	$ 616,765	$ 290,323	$ 342,546	$ 201,219
Paid	$ 513,619	$ 234,660	$ 607,732	$ 234,029	$ 241,155	$ 42,599
Reserve	$ 2,086	$ 20,339	$ 9,032	$ 56,294	$ 101,391	$ 158,620
Average Claim	$ 5,209	$ 2,500	$ 6,107	$ 3,122	$ 4,964	$ 5,589
WC Payroll	$ 36,550,886	$ 37,732,516	$ 39,132,254	$ 39,500,000	$ 39,500,000	$ 39,500,000
Basic Loss Rate/$100 payroll	1.411	0.676	1.576	0.735	0.867	0.509
# Claims Over $300k	0	0	0	0	0	0

RMSC
Risk Management Services Co

AssuredPartners - Commercial Insurance
Risk Management Services Company

City of Charleston

P&C Summary Claim Summary

	2014	2015	2016	2017	2018	2019	2020
Claim Status	1/15/2020	1/15/2020	1/15/2020	1/15/2020	1/15/2020	1/15/2020	1/15/2020
Open Claims	1	2	5	5	4	9	14
Closed Claims	128	145	87	102	100	86	51
Total Claims	129	147	92	107	104	95	65
Claim Type							
Property	0	1	3	1	1	4	1
Automobile Liability	36	48	30	34	44	21	9
Automobile Physical Damage	2	9	5	7	7	5	5
General Liability	80	80	49	56	46	57	45
Professional	2	0	0	0	0	0	0
Law Enforcement	8	9	5	9	5	6	1
Other Liability	1	0	0	0	1	2	4
Claim Financial							
Incurred	$ 2,122,408	$ 1,285,141	$ 1,312,393	$ 773,712	$ 185,391	$ 1,376,881	$ 235,507
Paid	$ 2,122,408	$ 1,282,823	$ 1,273,460	$ 657,543	$ 154,790	$ 211,785	$ 103,764
Reserve	$ -	$ 2,318	$ 38,934	$ 116,169	$ 30,601	$ 1,165,095	$ 131,743
Recoveries	$ 6,130	$ 55,332	$ 28,994	$ 53,397	$ 4,725	$ 14,776	$ -
Specific Excess Recoveries	$ 567,019	$ 467,400	$ 384,598	$ -	$ -	$ 760,000	$ -
Net Paid	$ 1,549,259	$ 760,091	$ 859,868	$ 604,146	$ 150,065	$ 197,009	$ 103,764
Net Incurred	$ 1,549,259	$ 762,409	$ 898,801	$ 720,315	$ 180,666	$ 602,105	$ 235,507

RMSC
Risk Management Services Co.

CYBER INSURANCE REVIEW

City of Charleston:

Insurance Co./Coverage:	Beazley Insurance Company March 31, 2020 to 2021 Cyber Coverage:	Beazley Insurance Company March 31, 2021 to 2022 Cyber Coverage:	Ascent Syndicate March 31, 2021 to 2022 Cyber Coverage:
Annual or Policy Aggregate as Indicated:	There are three (3) annual aggregates:(1) aggregate for up to 250,000 Notifications; One (1) Aggregate for up to $1MM of Crisis Management Services; One (1) Policy Aggregate	There are three (3) annual aggregates:(1) aggregate for up to 250,000 Notifications; One (1) Aggregate for up to $1MM of Crisis Management Services; One (1) Policy Aggregate	There is one (1) policy aggregate
1st Party Liability Limits:			
Cyber Incident Response Fund: 1st Party Expenses Incurred as the result of a Privacy/Security breach including but not limited to forensic expenses, public relation expenses, notification & legal expenses.	One (1) Aggregate for up to 250,000 notifications; One (1) Aggregate for up to $1,000,000 for Crisis Management Services	One (1) Aggregate for up to 250,000 notifications; One (1) Aggregate for up to $1,000,000 for Crisis Management Services	$5,000,000 per claim/annual aggregate
Electronic Business Interruption & Extra Expense Loss Caused by a Network Security Breach: 1st party expenses for loss of income and extra expenses	$5,000,000 per claim/annual aggregate (Waiting Period = 10 Hours)	$250,000 per claim/annual aggregate (Waiting Period = 10 Hours)	$5,000,000 per claim/annual aggregate (Waiting Period = 8 Hours)
Electronic Business Interruption & Extra Expense Loss Caused by a Network System Failure: 1st party expenses for loss of income and extra expenses	$5,000,000 per claim/annual aggregate (Waiting Period = 10 Hours)	$250,000 per claim/annual aggregate (Waiting Period = 10 Hours)	$5,000,000 per claim/annual aggregate (Waiting Period = 8 Hours)
Bricking Coverage: This will provide coverage to replace or repair your hardware provided that such hardware cannot be restored to the original level of functionality and the cost of replacement is less than the cost to restore, recollect or replace your data.	$500,000 per claim/annual aggregate	$500,000 per claim/annual aggregate	$250,000 per claim/annual aggregate
Dependent Electronic Business Interruption & Extra Expense Loss Caused by a Network Security breach at a 3rd Party IT Vendor: 1st party expenses for loss of income and extra expenses.	$1,000,000 per claim/annual aggregate (Waiting Period =10 Hours)	$250,000 per claim/annual aggregate (Waiting Period = 10 Hours)	$250,000 per claim/annual aggregate (Waiting Period = 8 Hours)
Dependent Electronic Business Interruption & Extra Expense Caused by a Network Systems Failure at the 3rd Party IT Vendor: 1st party expenses for loss of income and extra expenses	$1,000,000 per claim/annual aggregate (Waiting Period = 10 Hours)	$250,000 per claim/annual aggregate (Waiting Period = 10 Hours)	$250,000 per claim/annual aggregate (Waiting Period = 8 Hours)
Digital Data Recovery: 1st Party Expenses associated with the recovery of damaged data on an insured computer system as the result of a cyber breach	$5,000,000 per claim/annual aggregate	$250,000 per claim/annual aggregate	$5,000,000 per claim/annual aggregate
Electronic Extortion: Payments to prevent or ameliorate a cyber breach or ransomware attack	$5,000,000 per claim/annual aggregate	$250,000 per claim/annual aggregate	$5,000,000 per claim/annual aggregate

Insurance Company/ Coverage:	Beazley Insurance Company 2020 to 2021	Beazley Insurance Company 2021 to 2022	Ascent Underwriting Syndicate 2021 to 2022
3rd Party Liability Limits:			
Cyber, Privacy and Network Security Liability: This provides liability coverage if an insured fails or their computer system fails to prevent a Privacy or Security Breach.	$5,000,000 per claim/annual aggregate	$2,000,000 per claim/annual aggregate	$5,000,000 per claim/annual aggregate
Internet Media Communications: Coverage is provided for those circumstances where an insured commits a personal injury peril including the theft of intellectual property.	$5,000,000 per claim/annual aggregate	$2,000,000 per claim/annual aggregate	$5,000,000 per claim/annual aggregate
Regulatory Defense, Fines & Penalties: Coverage is provided for the defense of any type of regulatory investigation or lawsuit including potential payment of fines & penalties.	$5,000,000 per claim/annual aggregate	$2,000,000 per claim/annual aggregate	$5,000,000 per claim/annual aggregate
Other Insurance Coverage:			
PCI Fines & Penalties:	$5,000,000 per claim/annual aggregate	$2,000,000 per claim/annual aggregate	$5,000,000 per claim/annual aggregate
HIPAA/HITECH Fines & Penalties:	$5,000,000 per claim/annual aggregate	$2,000,000 per claim/annual aggregate	$5,000,000 per claim/annual aggregate
GDPR Cyber Endorsement:	Yes for specific regulations within the act	Yes for specific regulations within the act	Yes up to full limits for the entire act
Post Breach Remedial Services Endorsement:	Yes provided for up to 100 Hours of risk management service	Yes provided for up to 100 Hours of risk management service	As described within the company marketing materials
Amendatory Endorsement for Utilities:	Yes provided per the endorsement wording	Yes provided per the endorsement wording	Not offered
Cryptojacking Endorsement:	Yes, $250,000 per claim/annual aggregate	Yes, $250,000 per claim/annual aggregate	Not Offered
State Consumer Privacy Statutes Endorsement:	Yes, provided to match policy limits	Yes, provided to match policy limits	This has been added specific to the California Consumer Privacy Protection Act at a sub-limit of $250,000
Amend Other Insurance Clause:	Primary with respect to Breach Response Services, Cyber Extortion and Data Loss Recovery	Primary with respect to Breach Response Services, Cyber Extortion and Data Loss Recovery	Not Offered
Voluntary Shutdown Coverage:	Yes, specific to a Business Interruption Loss at the limits offered	Yes, specific to a Business Interruption Loss at the limits offered	Yes, specific to a Business Interruption Loss at the limits offered
Reputation Loss:	Yes, up to $1,000,000 per claim/annul aggregate	Yes, up to $1,000,000 per claim/annul aggregate	Yes, up to $5,000,000 per claim/annual aggregate
Telecommunications Fraud:	$250,000 per claim/annual aggregate	$250,000 per claim/annual aggregate	Not Offered
Social Engineering/ Fraudulent Instruction:	$250,000 per claim/annual aggregate	$250,000 per claim/annual aggregate	Not Offered
Electronic Crime/Funds Transfer Fraud:	$250,000 per claim/annual aggregate	$250,000 per claim/annual aggregate	Not Offered
Criminal Reward Coverage	$50,000 per claim/annual aggregate	$50,000 per claim/annual aggregate	Not Offered
Retentions/ Agreement:	$25,000 per claim/Insuring Agreement; $10,000 for Forensic, Public Relations & Crisis Management Expenses; $5,000 for Legal Expenses	$250,000 per claim/insuring agreement; $60,000 for forensic, Public Relations, & Crisis Management Expenses; $20,000 for Legal Expenses	$50,000 per claim/incident
Pending or Prior Acts Date:	August 20, 2018	August 20, 2018	Inception
Retroactive Date:	Full Prior Acts	Full Prior Acts	Full Prior Acts
Annual Premium: (Does Not Include any Taxes or Fees)	$32,000	$102,390	$55,565

Insurance Company Responses to the City of Charleston Cyber Application:

Insurance Company:	Response:
American International Group A.M. Best Rating A + (Superior) XV ($2 Billion or More in Policyholder Surplus)	They indicated that they would need to hold a ninety (90) minute phone call between the underwriter and their cyber specialist with the management of the insured. If they provide a quote they will require at least a $500,000 retention and the premium will be in the 6 figures. The maximum limit they can provide is $5MM.
AXA/XL A.M. Best Rating A + (Superior) XV ($2 Billion or More in Policyholder Surplus)	They indicated that they would need to hold a ninety (90) minute phone call between the underwriter and their cyber specialist with the management of the insured. If they provide a quote they will require a minimum retention of $500,000 and the premium will be in the 6 figures. The maximum limit they can provide is $5MM.
Axis A.M. Best Rating A + (Superior) XV ($2 Billion or More in Policyholder Surplus)	The Axis underwriter indicated that for the remainder of 2021 they will not be providing any cyber quotes for municipal businesses
Beazley A.M. Best Rating A (Excellent) XV ($2 Billion or More in Policyholder Surplus)	Beazley provided a renewal quote lowering the limits offered to $2MM and increasing the retention and premium charge.
CNA A.M. Best Rating A (Excellent) XV ($2 Billion or More in Policyholder Surplus)	The CNA underwriter indicated that for the remainder of 2021 they will not be providing any cyber quotes for municipal businesses
Coalition (Argo & Swiss Re) A.M. Best Rating A (Excellent) XV ($2 Billion or more in policyholder surplus)	The Coalition underwriter indicated that for the remainder of 2021 this is not a class of business they have any interest in underwriting
Corvus (Hudson Insurance Group) A.M. Best Rating A + (Superior) XV ($2 Billion or More in Policyholder Surplus)	The Corvus underwriter indicated that for the remainder of 2021 this is not a class of business they have any interest in underwriting
Various Underwriters at Lloyds of London A.M. Best Rating A (Excellent) XV ($2 Billion or more in policyholder surplus)	They are still reviewing the risk.
SOMPO A.M. Best Rating A (Excellent) XV ($2 Billion or more in policyholder surplus)	The SOMPO underwriter indicated that for the remainder of 2021 this is not a class of business they have any interest in underwriting
Tokio Marine HCC A.M. Best Rating A+ (Superior) XV ($2 Billion or more in policyholder surplus)	The TMHCC underwriter indicated that for the remainder of 2021 this is not a class of business they have any interest in underwriting

Chubb Insurance Group A.M. Best Rating A ++ (Superior) XV ($2 Billion or more in policyholder surplus)	The Chubb underwriter indicated they were not currently interested in underwriting this class of business
Zurich Insurance Company A.M. Best Rating A+ (Superior) XV ($2 Billion or more in policyholder surplus)	The Zurich underwriter indicated that if the insured completed a satisfactory risk engineer conference call they could offer up to $5MM in limits with a minimum of a $150,000 retention and the premium would be in the range of $130,000

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Commercial insurance prices to keep rising 'well into 2021': Aon

By Erin Ayers

Commercial insurance prices will continue to rise across most lines of business "well into 2021," according to a recent report from Aon, but businesses are responding with a heightened focus on understanding their interconnected risks and boosting organizational resilience.

Pressure from litigation trends, more frequent and severe natural disasters, and COVID-19 effects prompted insurers to deepen their underwriting scrutiny and be more selective on risks, especially in North America. Pricing, limits, deductibles, coverage terms and claims performance have been "strained," Aon said in the report.

With rate increases ranging from an average 11% to 30% in North America and heading toward a previous high set in 2003, Aon said it expects pricing momentum to continue. New capital entering the market, mostly flowing into the property catastrophe reinsurance, casualty, and financial line sectors, could "temper" rate changes by the second half of 2021, the broker said.

"There is general optimism that the rollout of the COVID-19 vaccine will have a positive economic impact. Along with the introduction of additional capacity into the market, this may result in an easing in the second half of 2021 of some of the challenges experienced in the risk and insurance environment during 2020," said Cynthia Beveridge, Aon Broking president.

Insurers are still expected to keep a close watch on supply chain risks, COVID-19 and communicable disease safety measures and cyber threat resilience, and pricing will reflect that focus, she added.

On the buyer side, Aon conducted a global survey at the end of 2020 to assess the impact of the COVID-19 pandemic on risk management – 80% of respondents said they now take a more enterprise-wide view of incident management. For most (82%), pandemics or major health crises hadn't even registered on their Top 10 risks before 2020. The risk came in 60th on a list of 69 risks in 2019.

In charting insurer-client relationships, Aon reported that "friction is escalating" on claims. Insurers are more aggressive in their claims-handling attitudes, asking for more information, have been less flexible, and are using outside coverage counsel more frequently. The report added that business interruption claims are "facing the most scrutiny" and overall claims volume is hitting all-time highs.

A "fluid" situation on COVID claims adds to the complexity, according to Aon.

"COVID-19 has also resulted in claims activity in 20 other lines of coverage, with numbers and costs likely to increase," said Neil Harrison, Aon's global chief claims officer. "Consideration of insurer claims performance and understanding of the obligations of all parties in a claim situation are key issues for our clients."

The broker has also encouraged buyers to consider alternatives in the hard market, such as captives and alternative program structures, and to be ready to differentiate their risk to insurers, according to the report.

Editor Erin Ayers can be reached at erin.ayers@zywave.com

Advisen

'Broker struggles continued' even as Q4 price increases slowed down: CIAB

By Erin Ayers

Commercial insurance price increases rose at a "slightly slower" pace in the fourth quarter of 2020, up an average 10.7%, with umbrella liability still showing the highest premium hikes at 21.3%, according to The Council of Insurance Agents & Brokers' Q4 Commercial P/C Market Survey.

For the third consecutive quarter, prices rose in every line of coverage, including workers compensation. After umbrella, directors and officer liability premiums showed the most upward movement at 14.7%, followed by commercial property at 12.9%.

Large accounts bore the brunt of the hard market in the fourth quarter at an average 13.7% premium increase, CIAB said in the report, down from an average 15.3% in Q3.

"The worst of the pandemic may have passed, but broker struggles continued into Q4 2020," said Ken A. Crerar, CIAB president and CEO. "Umbrella and D&O liability posed continued challenges due to a reluctance from carriers to write those risks, and new trouble for cyber emerged following an uptick in costly ransomware attacks in 2020. Brokers should stand ready to help their clients understand and navigate these challenging market conditions and identify new and emerging risks."

Notably, cyber insurance premium increase hit double digits for the first time since CIAB began tracking it, reaching 11.1%. Respondents attributed the changes to underwriters "getting very nervous" about rising frequency and severity of ransomware attack. According to CIAB, cyber was the only line of business where average increases in Q4 outstripped those in Q3 and 50% of brokers reported decreased capacity in the cyber market.

A significant number (88%) of broker respondents mentioned reduced capacity in umbrella liability to go along with rate increases, citing nuclear verdicts and difficulty securing reinsurance as reasons for the cutbacks. Others pointed to the extended soft market and umbrella being an "underpriced line for decades."

Decreases in capacity were also detected in the other "troubled lines" of commercial property, auto, and D&O.

Insurers continue to toughen up on underwriting in Q4, requesting much more information from brokers and businesses than in the past.

"Underwriters were really drilling down more into what the companies do and how they operate," said one respondent from a midsized Southeastern firm. "Managers were increasingly having to sign off on terms, conditions, and pricing. As a result, taking much longer to get renewals or options from carriers."

Large accounts experienced the most stringent underwriting changes, with "massive increases in retention and premiums," but medium-sized accounts weren't too far behind. The strain for brokers increased, with one commenting, "I feel like every account was being re-underwritten and it was very time consuming."

For smaller accounts, brokers reported insurers being somewhat cautious about underwriting small businesses due to 'going out of business' statistics amid the COVID-19 pandemic. That fear may not be unfounded – data showed demand for business interruption coverage dropped from 61% in Q2 to 55% in Q3 and 39% in Q4. One respondent commented, "Many small businesses are closed. They are not buying insurance."

During a challenging time, brokers remain focused on boosting organic growth, according to the survey, as well as recruiting new talent and enhancing their customers' experiences in a virtual environment.

Respondents highlighted a focus on providing customers with "value-added services that are of real value to them."

"We don't want buying insurance to be a commodity and want the customer to feel we are their trusted advisor, so they don't engage another agent," said one respondent. "We do this by being proactive with pre-renewal meeting, claims review, stewardship, and being responsive to their needs."

Editor Erin Ayers can be reached at erin.ayers@zywave.com

Resolution No. 437-21

Introduced in Council: Adopted by Council:

March 1, 2021

Introduced by: Referred to:

Joseph Jenkins Finance Committee

Resolution No. 437-21 - Authorizing the Mayor or City Manager, subject to final review by the City Attorney, to enter into contracts through Assured Partners of WV and Arthur J. Gallagher Risk Management Services, Inc., at a price of $1,630,042.69, for the City's Risk Management and Property, Casualty, and Cyber Insurance coverage for the period March 31, 2021 through March 31, 2022, in accordance with the costs attached, and specifically by rejecting all underinsured motorists coverage and accepting uninsured motorists coverage with statutory minimum limits of $25,000/$50,000/$25,000 only; and Risk Management Services Co. (RMSC) for Third Party Administration of Workers Compensation and Property/Casualty Claims in accordance with the costs attached and a fee advance of $103,720.00; and further authorizing the Mayor or City Manager to sign the appropriate forms rejecting the underinsured motorists coverage and accepting the uninsured motorists coverage.

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor or City Manager is hereby authorized and directed, subject to final review by the City Attorney, to enter into contracts through Assured Partners of WV and Arthur J. Gallagher Risk Management Services, Inc., at a price of $1,630,042.69, for the City's Risk Management and Property, Casualty, and Cyber Insurance coverage for the period March 31, 2021 through March 31, 2022, in accordance with the costs attached, and specifically by rejecting all underinsured motorists coverage and accepting uninsured motorists coverage with statutory minimum limits of $25,000/$50,000/$25,000 only; and Risk Management Services Co. (RMSC) for Third Party Administration of Workers Compensation and Property/Casualty Claims in accordance with the costs attached and a fee advance of $103,720.00; and further authorizing the Mayor or City Manager to sign the appropriate forms rejecting the underinsured motorists coverage and accepting the uninsured motorists coverage.