

**RESOLUTION NO. 18-005**

**A RESOLUTION OF THE EAST LOOP COMMUNITY IMPROVEMENT DISTRICT AUTHORIZING THE PROCUREMENT OF PUBLIC OFFICIALS/DIRECTORS AND OFFICERS LIABILITY INSURANCE FROM AFFILIATED INSURANCE AGENCIES; AUTHORIZING THE CANCELLATION OF THE CURRENT POLICY; AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH**

**WHEREAS**, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the “*CID Act*”), the East Loop Community Improvement District (the “*District*”) was formed by Ordinance No. 70322, adopted June 30, 2016, (the “*Ordinance*”) of the City of St. Louis, Missouri (the “*City*”), for the purpose of undertaking certain public improvements and providing certain services within and adjacent to the boundaries of the District (the “*CID Project*”) and financing the CID Project through the imposition of a special assessment; and

**WHEREAS**, the District is authorized to obtain such insurance as it deems appropriate, considering its legal limits of liability, to protect itself, its officers and its employees from any potential liability; and

**WHEREAS**, the District sought quotes for property, commercial general liability and directors and officers liability insurance; and

**WHEREAS**, the Board of Directors of the District finds it is in the best interest of the District to authorize the procurement of property, commercial general liability and public officials/directors liability insurance coverage through Affiliated Insurance Agencies.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE EAST LOOP COMMUNITY IMPROVEMENT DISTRICT, AS FOLLOWS:**

**Section 1. Approval of Affiliated Insurance Agencies to Provide Insurance.** The Board of Directors of the District hereby authorizes the procurement of public officials/directors and officers liability insurance coverage from Affiliated Insurance Agencies and further authorizes the payment of the annual premium in the amount of \$944 to said provider as given in the quote set forth on **Exhibit A**, attached hereto and incorporated herein by reference.

**Section 2. Termination of Existing Policy.** The Board of Directors of the District hereby authorizes the Executive Director to terminate the District’s existing policy through Edward & Lee LLC and to pay any early termination fees.

**Section 3. Further Authority.** All actions heretofore taken by the authorized representatives, officials, agents and employees of the District in connection with the transaction contemplated by this Resolution are hereby ratified and confirmed, and the District shall, and the representatives, officials, agents and employees of the District are hereby authorized and directed to, take such further action, and execute and deliver such other documents and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

**Section 4. Severability.** The sections, paragraphs, sentences, clauses and phrases of this Resolution shall be severable. In the event that any such section, paragraph, sentence, clause or phrase of this Resolution is found by a court of competent jurisdiction to be invalid, the remaining portions of this Resolution are valid, unless the court finds the valid portions of this Resolution are so essential to and inseparably connected with and dependent upon the void portion that it cannot be presumed that the District has enacted the valid portions without the void ones, or unless the court finds that the valid portions, standing alone, are incomplete and are incapable of being executed in accordance with the legislative intent.

**Section 5. Governing Law.** This Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State of Missouri.

**Section 6. Effective Date.** This Resolution shall take effect and be in full force upon its passage by the District.

Passed this 16<sup>th</sup> day of August, 2018.

I, the undersigned, Chair of the East Loop Community Improvement District, hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of the District at a meeting held, after proper notice, on August 16, 2018.



**EAST LOOP COMMUNITY IMPROVEMENT DISTRICT**

Chair, Board of Directors

WITNESS my hand and official seal this 16<sup>th</sup> day of August, 2018.

ATTEST:

  
Secretary, Board of Directors

**EXHIBIT A**

**Property, Commercial General Liability and Public Officials/Directors Liability Insurance Quote**

(Attached hereto.)

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# Insurance Proposal

Prepared For:

## East Loop Community Improvement District

Presented By:

**Shawn P. McBride**



**Affiliated Insurance Agencies**

600 Emerson Road, Suite 107  
Saint Louis, MO 63141

**Policy Term: TBD**

**Proposal Date: August 8, 2018**

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# Introduction of the Agency

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We are an independent Insurance Agency. Established in 1962, Affiliated Insurance Agency has grown to be a full service insurance agency under the profound leadership of three generations of the McBride family. Currently, Affiliated serves the insurance needs of over 10,000 individuals and families and 1,600 businesses in St. Louis County and adjacent areas.

We strive to anticipate and fulfill our client's needs. We provide our clients with piece of mind through carefully planned protection. We use the principles of total quality management and client focused service to meet our clients' needs and establish long term relationships.

Our office has state of the art technology and a full customer service department to meet your needs. We pride ourselves with industry experienced staff of customer service representatives (CSRs) and agents who will go beyond your expectations for service. You will receive our prompt personal attention from our staff. They will bring you the best service and quality available. We work as a winning team to achieve agency success and individual fulfillment. We demand high standards of our team members and ourselves. We share success by partnering with each other.

Our job is to make certain you have adequate coverage at an affordable premium. Insurance is about peace of mind and protecting your wealth. Insurance is how you avoid financial disaster in this uncertain world. **We take this responsibility extremely seriously.**

Affiliated Insurance Agencies, Inc.

"We work for you not the insurance company."

## Important Notice

This proposal has been prepared expressly for your use and is intended to provide a simplified explanation of your business' insurance program. This proposal may include a partial listing of terms, conditions, and exclusions and does not preempt or take the place of the actual insurance contracts. In the event of a discrepancy between the proposal and the insurance contracts, the insurance contracts will dictate the terms of coverage. Should you have a specific question concerning the program or its coverage, please contact our office for assistance.

The proposal is based on the values developed and exposures to loss disclosed to us in our prior discussions with your company. If there are other areas that need to be evaluated prior to binding of coverage, please bring these areas to our attention. Should any of your exposures change after coverage is bound such as beginning new operations, hiring employees in new states, buying additional property, etc. Please let us know so proper coverage(s) can be discussed.

**For performing sales and service activities, our agency generally receives commission and other forms of incentive compensation from various insurance companies and suppliers with which we have in place a previously existing contingent commission agreement. This compensation is based upon a combination of factors including written premium volume, premium growth, premium or policy retention, and/or underwriting profitability - either individually or in concert with similar producers.**

## ***Your Service Team's Contact Information***

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<b>MAILING ADDRESS:</b>	<b>AFFILIATED INSURANCE AGENCIES</b> 600 Emerson Road Suite 107 St. Louis, MO 63141
<b>WEBSITE:</b>	<a href="http://www.aiastl.com">www.aiastl.com</a>
<b>TELEPHONE:</b>	636-255-8585
<b>FAX:</b>	636-255-8586

### **PERSONNEL**

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Chris Nuckolls: Commercial Account Specialist  
636-534-5821 direct office  
[Chris@aiastl.com](mailto:Chris@aiastl.com)

Lauren Heyman: Commercial Account Specialist  
636-534-5825 direct office  
[LaurenH@aiastl.com](mailto:LaurenH@aiastl.com)

Michele Womack: Commercial Account Specialist  
636-534-5814 direct office  
[Michele@aiastl.com](mailto:Michele@aiastl.com)

Cynthia Weisman: Commercial Marketer  
636-534-5819 direct office  
[Cynthia@aiastl.com](mailto:Cynthia@aiastl.com)

Todd Barlow: Administrator/Commercial Lines  
636-534-5818 direct office  
[Todd@aiastl.com](mailto:Todd@aiastl.com)

Erin Murphy-Hill: Operations  
636-534-5836 direct office  
[Erin@aiastl.com](mailto:Erin@aiastl.com)

**Emergencies:** These individuals administer your account on a daily basis and are familiar with the intricacies of your insurance program. For this reason, they should always be the first people you attempt to contact in the event of an insurance emergency.

In the event that an emergency should arise and you are unable to contact them, please call:

Shawn P. McBride  
Your Agent/President  
[Shawn@aiastl.com](mailto:Shawn@aiastl.com)

24 HOUR CELL PHONE  
(314) 397-6901

## *Named Insured Schedule*

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### **FIRST NAME INSURED**

East Loop Community Improvement District  
6150 Delmar Blvd suite 210  
Saint Louis, MO 63112



## *Location Listing*

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LOC	ADDRESS	CITY	STATE	ZIP
1	6150 Delmar Blvd	Saint Louis	MO	63112

**Policy Term:** August 15, 2018 – August 15, 2019

**Insurer:** West Bend

## COVERAGE INFORMATION

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LOC	SUBJECT OF INSURANCE	LIMIT	CO-INS	DED	SETTLEMENT	PERILS
1	Business Personal Property	\$7,500	80%	\$1,000	Replacement Cost	Special incl Theft & Vandalism

## SPECIAL NOTES

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- Loss settlement is Replacement Cost with 80% coinsurance

### **Forms, Endorsements, Conditions**

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**Endorsements include, but are not limited to:**

Replacement Cost  
Special Form Perils  
Terrorism (Fire Only)

**Exclusions include, but are not limited to:**

Mold / Bacteria / Fungi  
Government Action  
Nuclear Hazard  
War and Military Action  
Delay, Loss of Use, Loss of Market  
Wear and Tear, Rust, Latent Defect, Vermin  
Pollution

# Commercial General Liability

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**Policy Term:** August 15, 2018 – August 15, 2019  
**Insurer:** West Bend

## COVERAGE FORM

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Occurrence Form

## LIMITS OF LIABILITY

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COVERAGE	LIMIT
General Aggregate (Other than Products/Completed Ops.)	\$2,000,000
Products/Completed Ops	\$2,000,000
Personal/Advertising Injury Per Occurrence	\$1,000,000
Each Occurrence Limit	\$1,000,000
Fire Damage – Any One Premise	\$100,000

## DEDUCTIBLES: Zero

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## SPECIAL NOTES

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- Includes Hired & Non-Owned Auto Liability
- Defense Costs Outside the Limits
- Coverage Extends to Education and Fundraising Events

# ***General Liability Outline***

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## **Forms, Endorsements, Conditions**

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### **Conditions Include, But Are Not Limited To:**

Defense Cost Outside the limit(s)  
Terrorism  
Hired & Non-Owned Auto  
Fundraising Event(s) Endorsement

### **Exclusions Include, But Are Not Limited To:**

ERISA/COBRA  
Pollution  
Computer Related or Data Recognition  
Asbestos / Silica  
Employment Related Practices Liability / Sexual Harassment  
War and Military Action  
Mold / Bacteria / Fungi  
Nuclear Energy Liability  
Lead  
Professional Liability

***Other Exclusions and Limitations as Set Forth in Policy***

## Directors & Officers

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**Policy Term:** August 15, 2018 – August 15, 2019  
**Insurer:** West Bend

### DIRECTORS & OFFICERS

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COVERAGE	LIMIT
Each Claim Limit	\$1,000,000
Aggregate Limit	\$1,000,000

### RETENTION: \$1,000

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- Defense Costs Outside the Limits

## Premium Summary

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**Policy Term:** August 15, 2018 – August 15, 2019

Coverage	Premium	Carrier	AM Best Rating
Property	\$106.00	West Bend	A Excellent
General Liability & Hired & Non-Owned Auto	\$438.00	West Bend	A Excellent
Directors & Officers	\$450.00	West Bend	A Excellent
<b>Total Annual Premium</b>	<b>\$994.00</b>		

# ***A.M. Best Rating Information***

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Founded in 1899, A.M. Best Company is the oldest and most widely recognized rating agency dedicated to the insurance industry. Best's Ratings, which indicate the financial strength of the insurance companies, cover: property/casualty, life, annuity, health care, reinsurance, and title insurance companies. A.M. Best provides the most comprehensive insurance ratings coverage of any rating agency, with reports and ratings maintained on nearly 5,000 insurance entities world-wide, in approximately 65 countries.

The objective of Best's rating system is to provide an opinion of an insurer's financial strength and ability to meet ongoing obligations to policyholders. The opinions are derived from the evaluation of a company's balance sheet strength and operating performance as compared to Best's quantitative and qualitative standards.

The Best's Rating scale is comprised of 16 individual ratings grouped into 10 categories.

Three Secure categories include "Superior" (A++ and A+), "Excellent" (A and A-), and "very Good" (B++ and B+). These ratings are assigned to companies that have, on balance, superior, excellent, or very good balance sheet strength and operating performance. These companies, in the opinion of A.M. Best, have a very strong ability to meet their ongoing obligations to policyholders.

Seven Vulnerable categories include "Fair" (B and B-), "Marginal" (C++ and C+), and "Weak" (C and C-). These companies have, on balance, fair, marginal or weak balance sheet strength and operating performance. These companies, in the opinion of A.M. Best, have an ability to meet their current obligations to policyholders, but are financially vulnerable to adverse changes in underwriting and economic conditions.

"Poor" (D) Assigned to companies that have, on balance, poor balance sheet strength and operating performance. These companies, in the opinion of A.M. Best, may not have an ability to meet their current obligations to policyholders, but are financially extremely vulnerable to adverse changes in underwriting and economic conditions.

"Under Regulatory Supervision" (E) Assigned to companies that have been placed by an insurance regulatory authority under a significant form of supervision, control or restraint, such as conservatorship or rehabilitation, but does not include liquidation. It may also be assigned to companies issued cease and desist orders by regulators outside their home state or country.

"In Liquidation" (F) Assigned to companies that have been placed under an order of liquidation by a court of law or whose owners have voluntarily agreed to liquidate the company. Note: Companies that voluntarily liquidate or dissolve their charters are generally not insolvent.

"Rating Suspended" (S) Assigned to rated companies that have experienced sudden and significant events affecting their balance sheet strength or operating performance whose rating implications cannot be evaluated due to a lack of timely or adequate information.



# A.M. Best Rating Information

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## Financial Size Categories (FSC)

To enhance the usefulness of our ratings, A.M. Best assigns each company a Financial Size Category (FSC). The FSC is designed to provide the subscriber with a convenient indicator of the size of a company in terms of its statutory surplus and related accounts. Many insurance buyers only want to consider buying insurance coverage from companies that they believe has sufficient financial capacity to provide the necessary policy limits to insure their risks. Although companies utilize reinsurance to reduce their net retention on the policy limits they underwrite, many buyers still feel more comfortable buying from companies perceived to have greater financial capacity.

### 2009 Financial Size Category (FSC) By Individual Companies

Financial Size Category	Adjusted Policyholders' Surplus (\$ Millions)	
	Surplus Range	Surplus (\$ Millions)
Class I	Less than	1
Class II	1 to	2
Class III	2 to	5
Class IV	5 to	10
Class V	10 to	25
Class VI	25 to	50
Class VII	50 to	100
Class VIII	100 to	250
Class IX	250 to	500
Class X	500 to	750
Class XI	750 to	1,000
Class XII	1,000 to	1,250
Class XIII	1,250 to	1,500
Class XIV	1,500 to	2,000
Class XV	2,000 or	Greater

## West Bend Mutual Insurance Company (2)

A.M. Best #: 000964 NAIC #: 15350 FEIN #: 390698170

### Domiciliary Address

1900 South 18th Avenue  
West Bend, WI 53095

[United States](#)

**Web:** [www.thesilverlining.com](http://www.thesilverlining.com)

**Phone:** 262-334-5571

**Fax:** 262-334-9109



Assigned to insurance companies that have, in our opinion, an excellent ability to meet their ongoing insurance obligations.

View additional [news, reports and products](#) for this company.

### Best's Credit Ratings

#### Financial Strength Rating [View Definition](#)

<b>Rating:</b>	A (Excellent)
<b>Financial Size Category:</b>	XI (\$750 Million to \$1 Billion)
<b>Outlook:</b>	Stable
<b>Action:</b>	Affirmed
<b>Effective Date:</b>	May 10, 2016
<b>Initial Rating Date:</b>	June 30, 1922

#### Long-Term Issuer Credit Rating [View Definition](#)

<b>Long-Term:</b>	a
<b>Outlook:</b>	Positive
<b>Action:</b>	Affirmed
<b>Effective Date:</b>	May 10, 2016
<b>Initial Rating Date:</b>	April 03, 2007

u Denotes [Under Review Best's Rating](#)

# *Definitions*

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These definitions are for informational purposes only and do not modify your policy or affect your rights under any policy. Please read the individual policy provisions carefully for accurate coverage information.

**BLANKET INSURANCE:** This coverage allows for a single limit of insurance to apply to two or more property items at one location, or to two or more kinds of property at several locations, instead of a specific amount applying to a specific subject of insurance. It allows you to shift property values with no impairment of recovery, as long as the total amount of insurance carried complies with the coinsurance requirement stated in the policy.

**BUSINESS INCOME INCLUDING EXTRA EXPENSE:** This coverage is used to insure against loss of business income (including any continuing normal operating expenses) that you sustain due to the necessary suspension of your business operations. To be covered the suspension must be caused by a direct physical loss of or damage to property at the premises described in your policy and for which a business income limit of insurance is shown. Under this form, extra expenses are included and rental values can be added as an option. An extended period of indemnity provision is also included to provide coverage after you resume operations until your business returns to normal levels of activities, up to the time period specified in the form.

**REPLACEMENT COST:** This loss valuation method pays for the cost to repair or replace damaged items with like kind and quality without deduction for depreciation. This is important since you could face a substantial loss if you must replace property at today's prices but receive only the depreciated value of the property that was destroyed.

**SPECIAL CAUSES OF LOSS COVERAGE** This coverage will protect covered property against direct physical loss arising from any cause not specifically excluded. The advantage of this form is that the insurance company must prove that a loss is specifically excluded in order to deny coverage under the policy.

**EARTHQUAKE COVERAGE:** This coverage is used to provide protection for loss due to earth movement including earthquake shocks and volcanic eruption. This coverage, if purchased, extends your covered cause of loss to include damage that result directly from an earthquake. Any earthquake shocks that occur within a period specified in your policy are considered to be a single occurrence. A separate deductible applies for this coverage, and is calculated differently than for other causes of loss. Coverage is not provided for Building Ordinance unless specifically added.

**THEFT OF MONEY AND SECURITIES - OUTSIDE THE PREMISES:** This coverage is used to insure against loss of money and securities or other property caused by theft, disappearance, or destruction while located outside your premises in the care and custody of a messenger or armored motor vehicle.

**BUILDING ORDINANCE OR LAW COVERAGE:** Your Property policy includes some limited protection for increased costs of construction due to the enforcements of laws that arises from a covered loss. This coverage is limited to the damaged portion of a covered structure with a maximum limit of \$10,000 or 5 percent of a covered loss. This endorsement can be used to broaden this basic verbiage to include protection for three additional coverage exposures: Coverage A - payment for the value of the undamaged part of a building when a building code requires its demolition following a partial loss. Coverage B - coverage for the expense of demolishing the undamaged portion of a building damaged by an insured peril including the cost of removing the debris. Coverage C - coverage for the increased costs of construction resulting from enforcement of construction or building laws. This coverage applies to both the damaged and undamaged portions of the structure.

**FUNCTIONAL REPLACEMENT COST VALUATION:** This valuation method is used in situations where replacing damaged or destroyed property is impractical, impossible, or unnecessary. It affords the ability to substitute property which is substantially different in value or cost from the original property. Consequently, this allows policy limits lower than what would normally be required.

# Commercial General Liability

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**GENERAL LIABILITY** This coverage protects your business from claims arising from alleged bodily injury, personal injury or property damage liability. It includes protection for services you render or products you sell. Coverage payments can include judgments, attorney fees, court costs, or other related expenses.

**CONTRACTUAL LIABILITY:** This coverage is used to insure against bodily injury and property damage claims arising out of the liability of others that you assume in an "insured contract" as defined in the policy.

**EMPLOYEE BENEFITS LIABILITY:** This coverage is used to insure against negligent acts, errors or omissions, committed by you or any person whose acts you are legally responsible for while engaging in the administration of your company's employee benefit plans.

**LIMITED WORLDWIDE COVERAGE:** This endorsement is used to extend your CGL policy to include coverage for lawsuits brought against you in those additional parts of the world as outlined in the endorsement. This is needed since without this extension lawsuits (excluding those arising from internet activities) are only covered if they are brought against you within the territories of the United States, Puerto Rico, or Canada.

**PREMISES/OPERATIONS COVERAGE:** This coverage is used to insure against claims arising out of your ownership, maintenance or use of premises including any operations that are in progress.

**PRODUCTS/COMPLETED OPERATIONS COVERAGE:** This coverage is used to insure against claims arising out of bodily injury and property damage that result from products you have sold, manufactured, handled, distributed or disposed of; or for work you have performed, provided the accident occurs away from a premises you own or rent.

**LIABILITY LIMITS EXPLAINED:** The PER OCCURRENCE limit is the maximum amount available for claims arising out of any one occurrence. The GENERAL AGGREGATE limit is the maximum payable amount for all claims during the policy year arising out of occurrences, except products and completed operations claims. The PRODUCTS AGGREGATE limit is the maximum amount available for products and completed operations claims.

**MEDICAL PAYMENTS:** This coverage will reimburse, without regard to your liability, all reasonable medical expenses incurred by persons as a result of bodily injury sustained by accident as defined in your policy.

**OCCURRENCE FORM:** This form provides coverage for claims arising out of an accident which results in bodily injury or property damage neither expected nor intended. The form covers such claims that occur during the policy period regardless of when the claim is made against you.

**EMPLOYMENT RELATED PRACTICES LIABILITY COVERAGE:** This insurance is used to protect against lawsuits by employees alleging wrongful termination, discrimination, harassment or other specified employment related exposures.

## Commercial General Liability Continued

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**PUNITIVE DAMAGES:** The purposes of punitive damages are to punish the defendant for outrageous misconduct and to deter the defendant and others from similar misbehavior in the future. The nature of the wrongdoing that justifies punitive damages is variable and imprecise. The usual terms that characterize conduct justifying these damages include *bad faith, fraud, malice, oppression, outrageous, violent, wanton, wicked, and reckless*. These aggravating circumstances typically refer to situations in which the defendant acted intentionally, maliciously, or with utter disregard for the rights and interests of the plaintiff. Punitive damages are a controversial issue in TORT and PRODUCT LIABILITY LAW. Injured plaintiffs and their attorneys often seek punitive damages from companies that have made allegedly defective or unsafe products and have known about the defects or safety problems. Plaintiffs view punitive damages as a way of sending a message to the manufacturer and to business, in general, that it is financially unwise to cut corners or ignore safety concerns. On the other hand, defendants in these actions contend that punitive damages are unfair, unpredictable, and often excessive. In their view, the plaintiff receives a financial windfall unrelated to the actual damages in the lawsuit. [ Source: <http://legal-dictionary.thefreedictionary.com/punitive+damages> ]

**PROFESSIONAL LIABILITY:** Provides coverage against claims arising from negligent acts, errors or omissions in the rendering or failing to render specified professional services or advice.

## *Directors & Officers Liability*

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**CLAIMS-MADE:** Policies written on a “claims-made” basis cover claims reported or filed during the year the policy is in force for any incidents which occurred that year or during any previous period if the incident occurred on or after the retroactive date.

**RETROACTIVE DATE:** A provision found in many “claims-made” policies specifying that the policy will not cover injuries or damages which occurred prior to the retroactive date even if the claim is first made during the policy period.

**EXTENDED REPORTING PROVISIONS:** Provides coverage for incidents reported to the insurer within a specified period of time and resulting in a claim being made against you.