



NAUSCH, HOGAN & MURRAY, INC.

135 PINELAWN ROAD, SUITE 202N

MELVILLE, N.Y. 11747

(212) 480-4200 • Fax: (212) 480-2920

June 17, 2024

Yonkers Public Schools
One Larkin Center
Yonkers, New York 10701
Attn: Mr. Michael Pelliccio

Re: Yonkers Public Schools
REVISED Property including Boiler & Machinery Insurance
Policy Period: July 1, 2024 – July 1, 2025

Dear Mr. Pelliccio,

We are pleased to advise that we continued negotiations with Zurich and Travelers with respect to the July 1, 2024 – July 1, 2025 Property Insurance Renewal achieving positive results.

Zurich American Insurance Company's agreed to reduce the overall costs for the Property insurance renewal as follows:

Premium	\$1,407,140
TRIA (this can be declined)	\$ 12,860
Risk Engineering Service Fee – Property	\$ 12,000
Risk Engineering Service Fee- Boiler and Machinery	\$ <u>30,000</u>
	\$ 1,462,000

This is a further reduction of \$71,200 from their original offer of \$1,533,200. This further reduction to \$1,462,000, represents a 6.76847% decrease from the expiring costs of \$1,568,139.

Travelers also presented amended terms as follows:

PREMIUM

Expiring cost is \$1,568,139.

Travelers original renewal at a cost of \$1,738,998 (roughly 10.8957% increase)

REVISED Travelers- renewal cost \$1,499,774, roughly 4.35963% decrease

LIMITS

Travelers originally offered limits with a 10% margin clause per building. Essentially this means that in the event of the claim each building has the limit on the Schedule of Values plus 10% additional.

REVISED Travelers- 25% margin clause per building.

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Zurich is offering a standard blanket limit of \$200,000,000. While Zurich will take the Schedule of Values being reported into consideration, you will have a standard blanket limit of coverage for a policy limit of \$200,000,000 subject to replacement cost, unless otherwise stated.

Ordinance and Law (CODE)

Travelers originally offered Ordinance and Law sublimit of \$5,000,000.
REVISED Travelers- Loss to Undamaged Portion of Buildings, in any one occurrence – Included in Building Limit.
Demolition Cost, in any occurrence \$25,000,000. Increased Cost of Construction, in any one occurrence, included in the limit for Demolition Cost.

Zurich is offering Increased Cost of Construction limit of \$25,000,000.

Machinery Breakdown / Boiler & Machinery

Travelers originally offered Equipment Breakdown limit of \$50,000,000.
REVISED Travelers- Included in the Limit of Insurance.

Zurich is offering the full \$200,000,000 limit for Equipment Breakdown.

EARTHQUAKE

Travelers originally offered a limit of \$10,000,000
REVISED Travelers- \$20,000,000

Zurich limit \$20,000,000.

FLOOD

Travelers originally offered a \$10,000,000 Flood limit subject to \$100,000 deductible except \$5,000,000 Flood limit at 1408 Nepperhan Avenue and 1 Larkin Center subject to \$250,000 deductibles.

REVISED Travelers- \$20,000,000 subject to \$100,000 deductible except \$5,000,000 Flood limit at 1408 Nepperhan Avenue , 1 Larkin Center **and 350 Hawthorne Avenue** subject to \$250,000 deductibles. Once the insured repairs the issue with the basement flooding at 350 Hawthorne (insured indicated to be July/August 2024), please send Travelers the evidence of repairs so they can consider better flood terms at that location.

Zurich is offering \$20,000,000 Flood limit subject to \$100,000 deductible EXCEPT \$15,000,000 limit at 350 Hawthorne Avenue and 60 Crescent Place also subject to \$100,000 deductible and \$10,000,000 Flood limit subject to \$250,000 deductible at 1 Larkin Center and 565 Warburton Avenue.

The general property damage deductible is \$100,000 for each company.

Zurich has asked that we express to you that they are eager to establish a strong relationship with Yonkers Public Schools as evidenced with the revised quote allowing for additional pricing adjustments. They will also assign a specific individual to handle all claims.

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They are hoping that they have demonstrated their commitment, flexibility, and willingness to work with you and that you choose to bind with them (Zurich) in the end.

As a reminder, Zurich American Insurance Company also agreed to the following Annual Additional Premiums, which are to be pro-rated if coverage is bound:

Justice Sonia Sotomayor Community School - 121 McLean Ave Yonkers NY 10705

Building	\$ 63,500,000	
Contents	\$ 2,600,000	
BI	\$ -	
Total	\$ 66,100,000	\$ 79,320

Robert Halmi Sr Academy of Film & Television - 463 Hawthorne Ave Yonkers NY 10705

Building	\$ 67,500,000	
Contents	\$ 4,600,000	
BI	\$ -	
Total	\$ 72,100,000	\$ 86,520

In summary, when reviewing the above, Zurich American Insurance Company, an admitted company in New York State, has presented the most competitive offer of property insurance inclusive of boiler and machinery.

As always, if you have any questions, concerns or comments please do not hesitate to contact us.

Thanks and Best Regards,



Doreen McLoughlin
dm/ms
Encl.

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REINSURANCE INTERMEDIARIES

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June 17, 2024

REVISED PROPOSAL OF INSURANCE

INSURED: YONKERS PUBLIC SCHOOLS

ADDRESS: ONE LARKIN CENTER
YONKERS, NEW YORK 10701

TERM: JULY 1, 2024 – JULY 1, 2025

COVERAGE: PROPERTY, BOILER & MACHINERY, AND TERRORISM

INSURER: ZURICH AMERICAN INSURANCE COMPANY (A+, XV BY AM BEST)

POLICY TERRITORY: THE UNITED STATES OF AMERICA, ITS TERRITORIES AND POSSESSIONS

PERILS INSURED: COVERED/SPECIAL CAUSE OF LOSS – INCLUDING FLOOD & EARTHQUAKE

VALUATION: REPLACEMENT COST APPLIES, EXCEPT AS OTHERWISE STATED, WITHIN THIS POLICY.
VEHICLES AND VACANT BUILDINGS – ACTUAL CASH VALUE

LIMITS: \$200,000,000 PER OCCURRENCE

\$200,000,000 BOILER & MACHINERY INSURED'S PREMISES ONLY (ALL COVERAGES COMBINED),
MAXIMUM IN ANY ONE ACCIDENT- NOT TO EXCEED \$1,500,000 FOR REFRIGERANT AND
\$1,500,000 FOR SPOILAGE FROM BREAKDOWN OF COVERED EQUIPMENT

\$15,000,000 PER OCCURRENCE/ANNUAL AGGREGATE FLOOD WITH RESPECT TO THE
FOLLOWING PREMISES:
350 HAWTHORNE AVENUE, YONKERS, NEW YORK 10705
60 CRESCENT PLACE, YONKERS, NEW YORK 10704

\$10,000,000 PER OCCURRENCE/ANNUAL AGGREGATE FLOOD WITH RESPECT TO THE
FOLLOWING INSURED PREMISES:
1 LARKIN CENTER, YONKERS, NEW YORK 10701
565 WARBURTON AVENUE, YONKERS, NEW YORK 10701

\$20,000,000 PER OCCURRENCE/ ANNUAL AGGREGATE FLOOD IN THE POLICY TERRITORY-
FEMA IS RESPONSIBLE FOR DETERMINING FLOOD ZONES AT THE TIME OF A LOSS.

NO FLOOD COVERAGE FOR PROPERTY COVERED UNDER ERRORS & OMISSIONS,
MISCELLANEOUS PERSONAL PROPERTY, MISCELLANEOUS UNNAMED LOCATIONS, NEWLY
ACQUIRED OR TRANSIT SPECIAL COVERAGE (STORM SURGE IS PART OF FLOOD)

\$20,000,000 PER OCCURRENCE/ANNUAL AGGREGATE EARTH MOVEMENT

\$200,000,000 PER OCCURRENCE NAMED STORM

\$200,000,000 PER OCCURRENCE HAIL OR WINDSTORM OTHER THAN NAMED STORM

TIME SPECIFICATIONS: 168 HOURS EARTH MOVEMENT OCCURRENCE
72 HOURS NAMED STORM OCCURRENCE
10 DAYS FOR NON-PAYMENT OF PREMIUM
90 DAYS CANCELLATION FOR ANY OTHER REASON

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June 17, 2024

DEDUCTIBLES:

\$	100,000	COMBINED PROPERTY DAMAGE AND TIME ELEMENT, IN ANY ONE OCCURRENCE
\$	100,000	EARTH MOVEMENT COMBINED PROPERTY DAMAGE AND TIME ELEMENT, IN ANY ONE OCCURRENCE
\$	250,000	FLOOD OCCURRING AT THE FOLLOWING INSURED PREMISES IN ANY ONE OCCURRENCE: 1 LARKIN CENTER, YONKERS, NEW YORK 10701 565 WARBURTON AVENUE, YONKERS NEW YORK 10701
\$	100,000	FLOOD COMBINED PROPERTY DAMAGE AND TIME ELEMENT WHERE FLOOD COVERAGE APPLIES EXCEPT HIGH HAZARD ZONES, IN ANY ONE OCCURRENCE
\$	100,000	BREAKDOWN OF EQUIPMENT COMBINED PROPERTY DAMAGE AND TIME ELEMENT IN ANY ONE ACCIDENT: \$100,000 CONTINGENT TIME ELEMENT PER OCCURRENCE \$100,000 CRISIS EVENT COVERAGE
\$	100,000	NAMED STORM COMBINED PROPERTY DAMAGE AND TIME ELEMENT
\$	100,000	WATER DAMAGE COMBINED PROPERTY DAMAGE AND TIME ELEMENT

TOTAL INSURED VALUE: \$1,094,290,916

SUBJECTIVITIES: ALL STATE MANDATED ENDORSEMENTS
CONSULT POLICY FOR ACTUAL TERMS AND CONDITIONS
PROPOSALS CONTAIN A BRIEF OUTLINE OF COVERAGES
TERMS AND CONDITIONS OF THE POLICY TAKE PRECEDENCE OVER ANY PROPOSALS

RISK ENGINEERING FEE IS BROKEN INTO PROPERTY RISK ENGINEERING FEE ARE FOR RISK PROPERTY VISIT AND INSPECTION FOR TWO LOCATION FOR THE 2024-2025 POLICY YEAR:
183 PALMER ROAD YONKERS, NEW YORK 10701
160 WOODLAWN AVENUE YONKERS, NEW YORK 10704

BOILER, MACHINERY AND EQUIPMENT FEE OF \$30,000 (IDENTIFIED 39 LOCATIONS WITH 64 OBJECTS REQUIRING AN ANTICIPATED OF 25 VISITS ALONG WITH CERTIFICATE/JURISDICTIONAL FEES THAT ZURICH WILL PAY ON YOUR BEHALF- THESE CERTIFICATES/JURISDICTIONAL COSTS THAT ARE THE RESPONSIBILITY OF THE INSURED ISSUED BY THE STATE.

FORM: ZURICH EDGE II POLICY FORM

PREMIUM & FEES:	\$1,407,140	PROPERTY
	\$ 12,860	TRIA (THIS COVERAGE CAN BE DECLINED)
	\$ 12,000	RISK ENGINEERING SERVICE FEE- PROPERTY
	\$ 30,000	RISK ENGINEERING SERVICE FEE- BOILER AND MACHINERY
TOTAL COST	\$1,462,000	(ZURICH PREMIUM, ZURICH UNDERWRITING SERVICE FEE, ZURICH RISK ENGINEERING INCLUDING SALES TAX IF PROVIDED) EXCLUDING ALL OTHER TAXES, FEES AND SURCHARGES

PLEASE NOTE THAT THE PREMIUM SHOWN ABOVE IS NET OF TAXES, SURCHARGES, ASSESSMENTS AND DUTIES. APPLICABLE TAXES WILL APPLY

Additional Coverages, Sub-limits, Deductibles Extensions of Coverage

\$5,000,000	NEW CONSTRUCTION OR ADDITIONS AT ALL LOCATIONS
\$200,000,000	GROSS EARNINGS NOT TO EXCEED 12 MONTHS
\$200,000,000	GROSS PROFITS NOT TO EXCEED 12 MONTHS
\$5,000,000	EXTRA EXPENSE
\$5,000,000	LEASEHOLD INTEREST
180 DAYS	EXTENDED PERIOD OF LIABILITY

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Additional Coverages, Sub-limits, Deductibles Extensions of Coverage

30 DAYS NOT TO EXCEED	\$5,000,000	ORDINARY PAYROLL
30 DAYS NOT TO EXCEED	\$5,000,000	WAGES
	\$1,000,000	BETTER GREEN UPGRADE BUT NOT TO EXCEED \$500,000 PER BUILDINGS (OR STRUCTURES) FOR VEGETATIVE ROOFS
30 DAYS FOR PROPERTY WITHIN 1 MILE, NOT TO EXCEED	\$10,000,000	CIVIL OR MILITARY AUTHORITY
	\$10,000,000	CLOUD SERVICE AND COMMUNICATION INTERRUPTION IN THE ANNUAL AGGREGATE
	NOT COVERED	COMPLETED CIVIL ENGINEERING STRUCTURES
	\$1,500,000	COMPUTER SYSTEMS DAMAGES IN THE ANNUAL AGGREGATE
	\$1,000,000	CONTINGENT TIME ELEMENT BUT NOT TO EXCEED THE FOLLOWING LIMITS:
		\$1,000,000 PER SCHEDULED OR UNSCHEDULED DIRECT DEPENDENT TIME ELEMENT LOCATIONS PER FILE ON SCHEDULE WITH THE COMPANY.
		NOT COVERED FOR EXTRA EXPENSE, EARTH MOVEMENT, FLOOD, NAMED STORM, CYBER EVENT
		NOT COVERED CONTINGENT TIME ELEMENT FOR SCHEDULE OR UNSCHEDULED INDIRECT DEPENDENT TIME ELEMENT LOCATION
		\$1,000,000 ATTRACTION PROPERTIES LOCATED WITHIN 1 MILE OF THE INSURED LOCATION; HOWEVER NOT COVERED FOR CYBER EVENT, EARTH MOVEMENT, FLOOR OR NAMED STORM
		CONTRACT PENALTIES
	\$500,000	
30 DAYS FOR EVENTS WITHIN 1 MILE, NOT TO EXCEED	\$250,000	CRISIS EVENT IN THE ANNUAL AGGREGATE
	\$5,000,000	DECONTAMINATION COSTS
	NOT COVERED	DELAY IN COMPLETION
	NOT COVERED	EMERGENCY EVACUATION EXPENSE – IMPENDING LOSS
	\$5,000,000	ERRORS AND OMISSIONS
	\$5,000,000	EXPEDITING COSTS
	\$1,500,000	FINE ARTS BUT NOT TO EXCEED \$100,000 LIMIT PER ITEM
	NOT COVERED	HISTORICAL BUILDINGS PRESERVATION
	30 DAYS	IMPOUNDED WATER
	\$25,000,000	INCREASED COST OF CONSTRUCTION
30 DAYS FOR PROPERTY WITHIN 1 MILE, NOT TO EXCEED	\$10,000,000	INGRESS/EGRESS
	NOT COVERED	INTERNATIONAL INTERDEPENDENCY
	NOT COVERED	INTERRUPTION BY FOOD BORNE ILLNESS OR COMMUNICABLE DISEASE
	\$1,500,000	LAND AND WATER CONTAMINANT CLEANUP, REMOVAL AND DISPOSAL IN THE ANNUAL AGGREGATE
	\$1,500,000	LAND IMPROVEMENTS BUT \$500,000 PER TREE FOR TREES NOT REPLACED WITHIN 12 MONTHS, BUT NOT TO EXCEED \$1,500,000 PER OCCURRENCE. THIS COVERAGE EXCLUDES EARTHQUAKE, FLOOD AND NAMED STORM
	\$1,000,000	LEASE CANCELLATION
30 DAYS NOT TO EXCEED	\$1,000,000	LOGISTICS EXTRA COST
	\$10,000,000	MISCELLANEOUS PERSONAL PROPERTY
	\$10,000,000	MISCELLANEOUS UNNAMED LOCATION
	\$10,000	MONEY DURING NORMAL BUSINESS HOURS
	\$10,000	MONEY IN LOCKED SAFE OR VAULT

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Additional Coverages, Sub-limits, Deductibles Extensions of Coverage

180 DAYS NOT TO EXCEED	\$25,000,000	NEWLY ACQUIRED
	\$10,000,000	OFF PREMISES SERVICE INTERRUPTION IN THE ANNUAL AGGREGATE (UTILITY SERVICES)
	\$500,000	PROFESSIONAL FEES
	\$1,000,000	
BUT NOT TO EXCEED 48 HOURS FOR GROSS EARNINGS OR GROSS PROFIT		PROTECTION AND PRESERVATION OF PROPERTY IN THE ANNUAL AGGREGATE
	NOT COVERED	RADIOACTIVE CONTAMINATION
12 MONTHS NOT TO EXCEED	\$1,000,000	RESEARCH AND DEVELOPMENT
	NOT COVERED	RESEARCH ANIMALS
	30 DAYS	RETRAINING OF EMPLOYEES
	\$500,000	SPOILAGE FROM ON PREMISES SERVICE INTERRUPTION
60 DAYS NOT TO EXCEED	\$250,000	TENANTS ACCESS IN THE ANNUAL AGGREGATE
60 DAYS NOT TO EXCEED	\$250,000	TENANTS RELOCATION AND REPLACEMENT EXPENSE
	\$1,000,000	TRANSIT
	\$5,000,000	VALUABLE PAPERS AND RECORDS
QUALIFYING PERIOD:	24 HOURS	CLOUD SERVICE AND COMMUNICATION INTERRUPTION APPLIES SEPARATELY AT EACH LOCATION
	24 HOURS	COMPUTER SYSTEMS DAMAGE APPLIES SEPARATELY AT EACH INSURED LOCATION
	24 HOURS	CRISIS EVENT APPLIES SEPARATELY AT EACH INSURED LOCATION
	24 HOURS	LOGISTICS EXTRA COST
	24 HOURS	OFF PREMISES SERVICE INTERRUPTION APPLIES SEPARATELY AT EACH INSURED LOCATION
	24 HOURS	SPOILAGE FROM ON PREMISES SERVICE INTERRUPTION
	24 HOURS	TENANTS ACCESS APPLIES SEPARATELY AT EACH INSURED LOCATION

INSPECTIONS AND RECOMMENDATIONS:

ZURICH'S PROPERTY LOSS PREVENTION SERVICES ARE EITHER INCLUDED IN THE PREMIUM OR SUPPLEMENTED BY THE RISK ENGINEERING SERVICE FEE SHOWN IN THE PREMIUM AND FEE SECTION AND ARE SUBJECT TO ZURICH'S DETERMINATION OF THE DEGREE OF SERVICES NECESSARY UNLESS OTHERWISE SPECIFIED. ADDITIONAL SERVICES CAN BE ADDED ON A FEE BASIS. UPON BINDING, ZURICH WILL NEED A SURVEY CONTACT PERSON'S NAMED AND PHONE NUMBER TO SET UP INSPECTIONS SHORTLY AFTER BINDING.

BREAKDOWN OF EQUIPMENT IS NOT EXCLUDED, ZURICH IS RESPONSIBLE FOR THE JURISDICTIONAL INSPECTIONS, AND WILL NEED CONTACTS FOR ALL LOCATIONS IN ORDER TO CONFIRM NEEDED JURISDICTIONAL INSPECTIONS. FEES CHARGE FOR CERTIFICATES ISSUED BY THOSE HAVING AUTHORITY TO DO SO ARE THE RESPONSIBILITY OF THE INSURED.

THE PREMIUM QUOTED IS SUBJECT TO SATISFACTORY LOSS PREVENTION VISITS AND SHOULD HAZARDS OR PROTECTION LEVELS BE SIGNIFICANTLY DIFFERENT THAN WHAT IS INDICATED IN THE QUOTE REQUEST SUBMISSION ZURICH RESERVES THE RIGHT TO REPRICE OR WITHDRAW THE PROPERTY INSURANCE PROPOSAL.

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PROPOSAL OF INSURANCE ENDORSEMENT

To be endorsed & pro-rated once purchased

Justice Sonia Sotomayor Community School –
121 McLean Avenue Yonkers NY 10705

Building	\$ 63,500,000	
Contents	\$ 2,600,000	
BI	\$ -	
Total	\$ 66,100,000	\$ 79,320

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