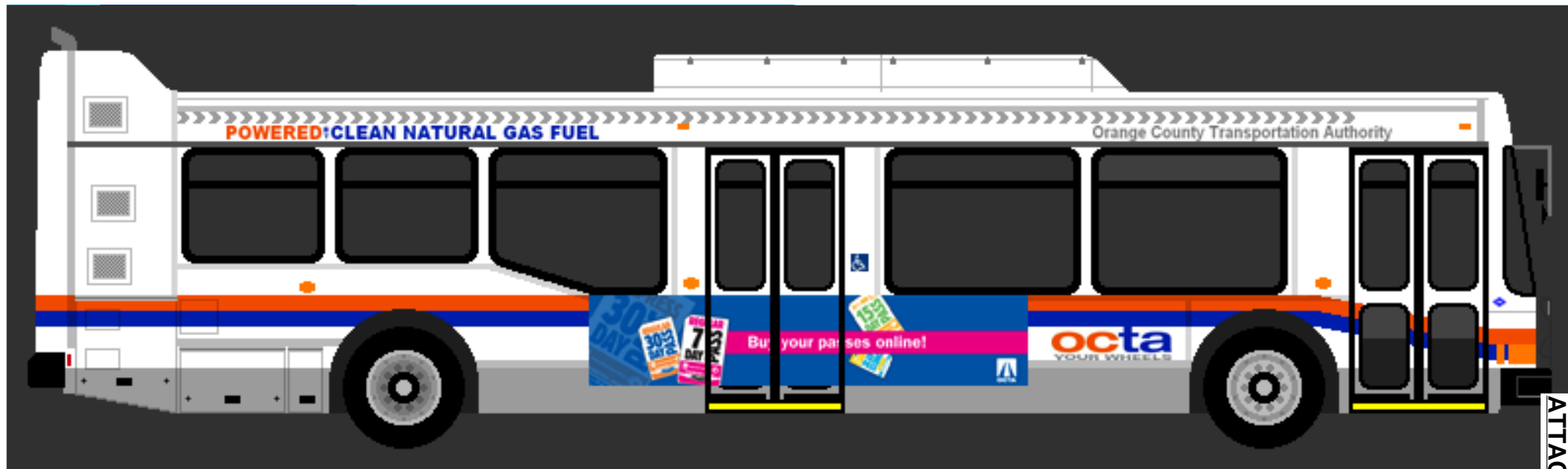


OCTA – Property Program Bus Bases

RENEWAL PROPOSAL
PROPERTY ALL RISK

December 1, 2020 – 2021

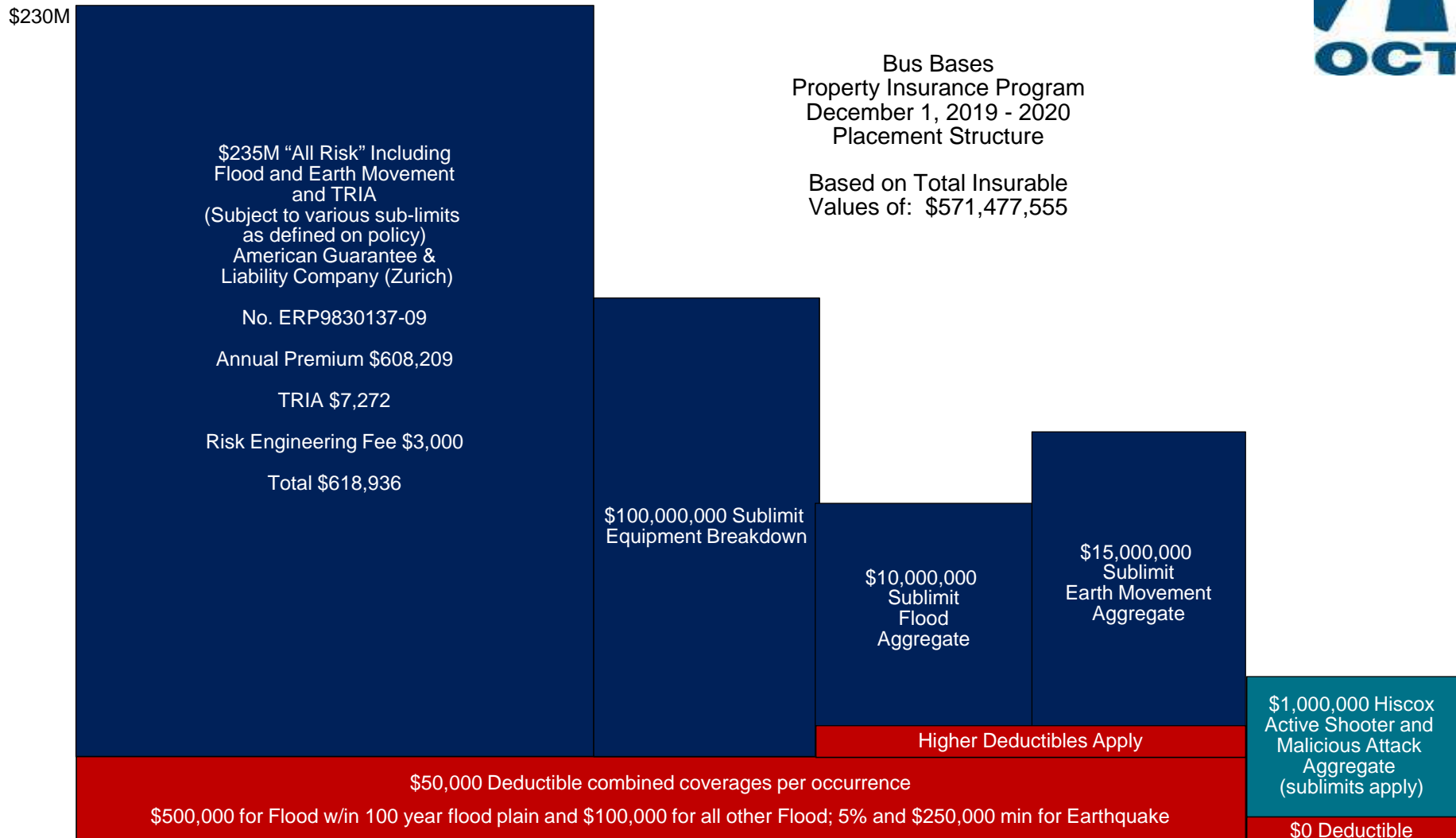


OCTA – Bus Bases Program Summary Chart



Bus Bases
Property Insurance Program
December 1, 2019 - 2020
Placement Structure

Based on Total Insurable
Values of: \$571,477,555



This graphic illustration is an oversimplification and should not be used to verify coverage in force. In addition, limits shown may have been reduced by paid claims. (Not to Scale)

Marketing Summary 2020-2021

- **Zurich** as the incumbent carrier offers a 17% composite rate increase over expiring program which is very competitive compared to the average 20% to 30% rate increases the overall property market is currently offering; however, Zurich needs to reduce some sublimits and add a Cyber Event Coverage endorsement which is now standard in all their policies.
- **AIG** – Pending at the time of this writing

Other responses received at the time of this writing:

- **Liberty** – Chris Yamauchi – Underwriter – Declined – *“We are going to pass on this opportunity again due to occupancy out of appetite”*
- **Allianz** – Ruby Seapno-Burnett – Underwriter – Declined – *“as this risk is all bus exposure, we are unable to consider. Had this been included with a rail system and the buses are in addition to, we would be able to consider”*
- **AXA XL** – Anthony Forester – Underwriter – Declined – *“This account is not in our appetite and will not be a fit for us”*
- **Affiliated FM** – Samuel Mowes – Underwriter – Declined – *“This type of account is outside the AFM risk appetite because of what they do.”*
- **Sompo (Endurance)** – Sarah Maguire – Underwriter - Declined – *“our policy excludes vehicles licensed for road use – so we would not be able to provide coverage for the buses while parked at the bases”*
- **Mitsui** – Robert Merluza – Underwriter – Declined – *“take a pass as this is not a fit for us in Inland Marine. We have entertained Railroad Property within our department, but not buses”*

Renewal Proposal Summary 2020-2021

OCTA - Bus Bases Property Program 2020-2021 Marketing Results

		POLICY YEAR		CHANGES	
		2019-2020	2020-2021	Amount	%
Property All Risk including Boiler and Machinery					
	Gross Premium		Gross Premium		
American Guarantee & Liability Company (Zurich)	\$ 608,209	American Guarantee & Liability Company (Zurich)	\$ 724,611	\$ 116,402	19%
TRIA (Optional)	\$ 7,727	TRIA (Optional)	\$ 7,282	\$ (445)	-6%
Risk Engineering Fee	\$ 3,000	Risk Engineering Fee	\$ 5,025	\$ 2,025	68%
Total	\$ 618,936	Total	\$ 736,918	\$ 117,982	19%
Active Shooter and Malicious Attack					
	Gross Premium		Gross Premium		
Lloyd's Syndicate (33) - Hiscox	\$ 9,475	Lloyd's Syndicate (33) - Hiscox	\$ 10,000	\$ 525	6%
Surplus Lines Taxes/Fees	\$ 303	Surplus Lines Taxes/Fees	\$ 325	\$ 22	7%
Combined Total Gross Premium	\$ 628,714	Combined Total Gross Premium	\$ 747,243	\$ 118,529	19%
Combined Total Net Premium	\$ 534,428	Combined Total Net Premium	\$ 629,269	\$ 94,841	18%
Total Insurable Values					
Revenue Vehicles	\$ 207,428,250		\$ 222,502,064	\$ 15,073,814	7%
All other including non revenue	\$ 364,049,305		\$ 357,895,272	\$ (6,154,033)	-2%
	\$ 571,477,555		\$ 580,397,336	\$ 8,919,781	2%
Overall Composite Program Rates					
American Guarantee & Liability Company (Zurich)	\$ 0.1078	American Guarantee & Liability Company (Zurich)	\$ 0.1261	\$ 0.0183	17%

Renewal Proposal Summary 2020-2021

General Information		EXPIRING PROGRAM ZURICH	RENEWAL PROPOSAL ZURICH
Insurer	A.M. Best's Rating	American Guarantee & Liability Company (Zurich) A+ g XV	American Guarantee & Liability Company (Zurich) A+ g XV
Perils Insured			
All risks direct physical loss or damage		Yes	Yes
Earth Movement		Yes	Yes
Flood		Yes	Yes
Main Sublimits (others apply)			
Any one occurrence		\$235,000,000	\$235,000,000
Civil Authority		90 days/1 Mile/\$5,000,000 limit	90 days/1 Mile/\$2,500,000 limit
Computer Systems Damage		\$250,000	\$100,000
Decontamination Costs		\$1,000,000	\$1,000,000
Expediting Costs		\$2,500,000	\$2,500,000
Extended Period of Liability		60 days	30 days
Extra Expense		\$5,000,000	\$5,000,000
Earth Movement		\$15,000,000 annual aggregate	\$15,000,000 annual aggregate
Equipment Breakdown		\$100,000,000	\$100,000,000
Flood		\$10,000,000 annual aggregate	\$10,000,000 annual aggregate
Impounded Water		60 days/\$1,000,000 limit	30 days/\$500,000 limit
Ingress / Egress		90 days/1 Mile/\$5,000,000 limit	90 days/1 Mile/\$2,500,000 limit
Miscellaneous Unnamed Locations		\$5,000,000	\$5,000,000
Newly Acquired Property		\$10,000,000 270 days reporting	\$5,000,000 270 days reporting
New Construction and Additions		\$5,000,000	\$5,000,000
Ordinary Payroll		90 days	30 days
Protection and Preservation of Property		48 hours / \$1,000,000 limit	48 hours / \$500,000 limit
Research and Development		6 months / \$100,000 limit	No coverage provided
Tenants Prohibited Access		\$250,000	\$250,000 annual aggregate
Sublimit for Railroad Tracks		\$2,500,000	\$2,500,000
Deductibles			
All Perils, except:		\$50,000	\$50,000
Flood		\$100,000 except \$500,000 for Flood Zone A	\$100,000 except \$500,000 for Flood Zone A
Earthquake		5% per unit with a minimum of \$250,000	5% per unit with a minimum of \$250,000
Other			
Commission		15%	15%

Renewal Considerations 2020-2021

- 1.- Savings for increasing deductible for All Other Perils to \$100,000 per occurrence – Savings of \$10,000
- 2.- Savings for increasing deductible for Revenue Vehicles only to \$500,000 per occurrence - Not provided by Zurich at the time of this writing
- 3.- Zurich acknowledges the following locations as High Hazard for Flood (Zone A):
 - 11800 Woodbury Road, Garden Grove, CA
 - 11790 Cardinal Circle, Garden Grove, CA
 - 11911 Woodbury Road, Garden Grove, CA
 - 375 Broadway, Laguna Beach, CA
- 4.- Evaluate if NFIP (National Flood Insurance Program) policies for High Hazard Flood locations should be quoted
- 5.- Revenue Buses for the renewal considered as follows:
 - Articulated 60 footers total 36 with replacement value of \$1,100,000
 - 40 footers total 252 with replacement value of \$623,537
 - 10 Hydrogen Full Cell Electric Buses with a replacement value of \$1,330,000
- 6.- Zurich to continue providing Loss Control services.

Active Shooter and Malicious Attack Coverage Renewal Proposal

- **Hiscox R5 – Lloyd's Syndicate**
- Limit of Liability: \$1,000,000 Per Occurrence / \$1,000,000 Aggregate
- Total Insured Values \$580,397,335
- Sublimits:
 - Additional Security Measures Sublimit \$250,000
 - Counseling Sublimit \$250,000
 - Public Relations Costs Sublimit \$250,000
 - Miscellaneous Crisis Management Expenses Sublimit \$250,000
 - Medical and Funeral Expenses Sublimit \$1,000,000
- Deductible: \$0
- Waiting Period: 0 Hour(s)
- Occurrence 72 hours
- Annual Premium: \$ 10,000
- Commission 20%
- Coverage excludes any exposure in Las Vegas, Nevada

Property Exposure Information – Statement of Values 2020-2021

Orange County Transportation Authority Fixed Asset Property Statement of Values Summary

As of July 31, 2020

Name	Address	City/State	Zip	Sq. Ft	Real	I.S. Equipment	Personal	Revenue Vehicles	Rpt. Total
Brea Park and Ride	Lambert & 57 Freeway	Brea, CA		38,332	886,784				886,784
Fullerton Park and Ride	3000 W. Orangethorpe Avenue	Fullerton, CA	92633	483,516	3,127,703		17,782		3,145,485
Fullerton Transit Center	123 South Pomona	Fullerton, CA	92633	20,908	3,284,499				3,284,499
Laguna Hills Transit Center	24282 Calle De Los Caballeros	Laguna Hills, CA	92653	100,188	5,389,757		34,453		5,424,210
Laguna Beach Transit Center	375 Broadway	Laguna Beach, CA	92651	19,166	444,697				444,697
Goldenwest Transit Center	7301 Center Drive	Huntington Beach, CA	92647	117,612	4,117,838				4,117,838
Newport Beach Transit Center	1550 Avocado Avenue	Newport Beach, CA	92660	121,968	1,979,103				1,979,103
Santa Ana Operations/Maintenance	4301 W. MacArthur	Santa Ana, CA		867,964	75,305,886	239,684	37,598,126	130,218,588	243,362,284
Communication Equipment	various locations	CA					22,875,798		22,875,798
Bus Shelters / Turnouts	various locations	CA					656,522		656,522
Garden Grove Operation Center/Annex	11800/11892 Woodbury Road	Garden Grove, CA	92643	83,116	6,231,899	2,257,254	1,194,498		9,683,651
Garden Grove Maintenance Center	11790 Cardinal Circle	Garden Grove, CA	92643	43,740	22,465,137	225,938	54,437,330	79,812,736	156,941,141
Garden Grove General Svcs Warehouse	11911 Woodbury Road	Garden Grove, CA	92643	8,640			50,613		50,613
Anaheim Operations/Maintenance Center	1717 E. Via Burton	Anaheim, CA	92806	157,746	22,628,361	30,165	4,318,073		26,976,599
Irvine Ops/Maint (Contracted Fixed Route)	14736 Sand Canyon Road	Irvine, CA	92714	67,927	11,880,317		14,208,704		26,089,021
Irvine Ops/Maint Veolia (Dial-A-Ride)	16281 Construction Circle West	Irvine, CA	92602	37,050	5,432,099		603,926		6,036,025
Farebox Equipment (1)							10,099,968		10,099,968
Contingency Revenue Vehicles (2)							1,375,626	12,470,740	13,846,366
Administration Facility	550 / 600 South Main Street	Orange, CA	92863	103,070	3,421,114	19,908,494	3,519,987		26,849,594
Assets used in multiple locations					3,768,060		6,366,489		10,134,549
Assets at Vegas Location						1,512,588			1,512,588
14970 Goldenwest St.(Sporting Goods)	14970 Goldenwest St.	Westminster, CA	92683		1,500,000				1,500,000
Oso Parkway Freeway Widening Project	26242 Avery Parkway	Mission Viejo, CA	92692		1,500,000				1,500,000
Oso Parkway Freeway Widening Project	28692 Camino Capistrano	Laguna Niguel, CA	92675		1,500,000				1,500,000
I-405 Widening Project	16591 & 16595 Magnolia Street	Westminster, CA	92683	25,000	1,500,000				1,500,000
Totals			FY 2020		176,363,255	24,174,122	157,357,895	222,502,064	580,397,336
			FY 2019		178,107,103	19,308,950	172,633,251	207,428,250	577,477,554
			Diff		(1,743,848)	4,865,172	(15,275,356)	15,073,814	2,919,782



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