

FRIPP ISLAND PUBLIC SERVICE DISTRICT

Tuesday, January 24, 2023
Electronic Meeting Via Zoom
9:30 a.m.

Zoom Info:

Join from PC, Mac, Linux, iOS or Android:

<https://us02web.zoom.us/j/86707573228>

Or iPhone one-tap (US Toll): +13092053325,,86707573228#
+13126266799,,86707573228#

Or Telephone:

Dial: +1 309 205 3325 (US Toll) or +1 312 626 6799 (US Toll)
Meeting ID: 867 0757 3228

AGENDA

1. Call to Order
 - Confirmation of the presence of a quorum
 - Confirmation of public meeting notice, as required by the SC Code of Laws *30-4-80(A)*.
2. Pledge of Allegiance
3. Fripp Inlet Bridge Insurance
4. Adjourn

FRIPP ISLAND PUBLIC SERVICE DISTRICT

Minutes: Special Commission Meeting on January 24, 2023

Present: Edward D. Wetzel, Rick E. Keup, Dennis Perrone, Mike Murphy, Michael J. Wilt, John F. King

Absent:

Staff: Angie Hughes, District Manager; Joshua Horton, Fire Chief; Yvonne Fireall, Office Manager

Guests: Collin McDonald (Snotherly Insurance), John Derrick

1. Chairman Wetzel called the meeting to order at 9:30 a.m., confirmed the presence of a quorum and confirmed that all requirements of the SC Code of Laws, Section 30-4-80, pertaining to the notice of meetings of public bodies, have been met for this meeting.
2. Chairman Wetzel led the Commission in the Pledge of Allegiance.
3. The Commission reviewed and approved a quote for \$2.5 million in insurance coverage on the Fripp Inlet bridge, at a cost of \$132,765.00, upon a motion by Mr. Murphy (Vote: Unanimous). (*Att A*)
4. There being no further business, the meeting adjourned at 10:09 a.m., upon a motion by Mr. Keup (Vote: unanimous).



Edward D. Wetzel
Chairman



Angel L. Hughes
Secretary

Fripp Island Bridge Renewal 2023

By: Collin McDonald



- RSUI (Current carrier) 2.5 Primary layer – 132,765.00
 - 125,000 Base
 - 250 broker fee
 - 7,515 SC tax
 - Terms attached to follow in email
- RSUI renewal **excluding** wind
 - 100,000 Base
 - Fee and tax should compare relative to premium as above but full terms not provided at this time.
 - Should be total around 105-106 K by my estimate
- Wind Parametric Option
 - 5 Million
 - \$174,000 plus tax and stamping fee from Miller
 - 2.5 Million
 - \$100,000 plus tax and stamping fee from Miller

Note- the below is set up describing the 5M Parametric option & payout

This is an important mention from Descartes : Please note that due to the high volume of wind enquiries we are currently working on I urge the client to make a quick decision. We expect to sell our win aggregate quickly this year and the pricing could change for this risk the longer they take to bind.

Also the market decided that the premium budget doesn't allow for a storm surge and windstorm policy therefore they have offered a windstorm policy that will no doubt result in storm surge and thus be covered.

- **Period of coverage** : 1 year
- **Cyclone Data Provider** : NHC
- **Annual aggregate limit** : USD 5M
- **Insured location** : (32.34034323, -80.46405941)
- **Cover** : Cat-in-a-circle cover with 2 circles of radius 15 miles and 25miles centered at the insured location's coordinates

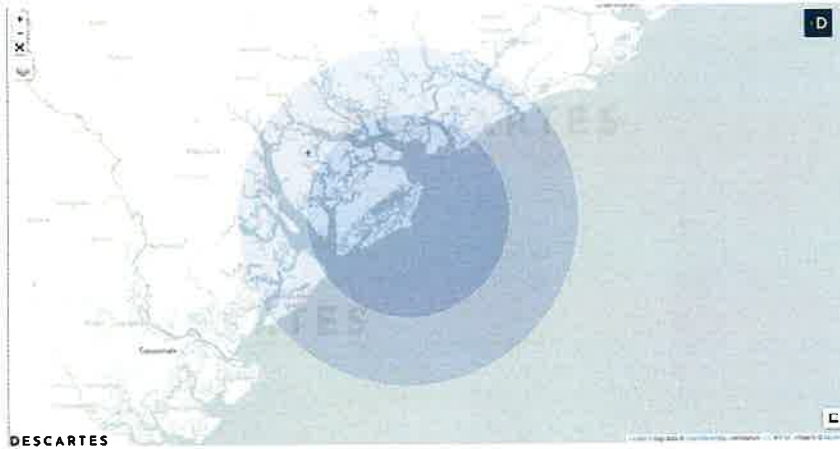


Figure 1 : 15/25mi circles around insured location

When a hurricane is reported, a payout is calculated based on the distance of the location to the cyclone track, the maximum sustained (1 minute) wind speed within the circles and the payout structure.

• **Payout structure**

Saffir Simpson Category	Wind (mph)	≤ 15mi	>15mi and ≤ 25mi
2	≥96 and <111	10%	0%
3	≥111 and <130	20%	10%
4	≥130 and <157	40%	20%
5	≥157	100%	40%

• **Historical example** :

In 2016, hurricane Matthew hit the 15mi inner circle as a cat 2. In a similar case, our structures would have resulted in a payout equal to 10% of the annual aggregate limit (USD 500k with a total insured limit of USD 5M). Given their past experience and claim during this event we have reflected this loss in our structure.

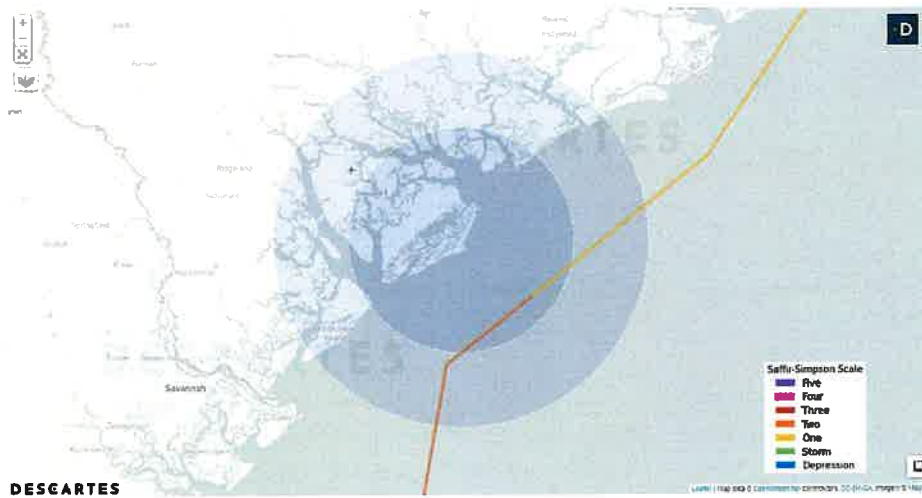


Figure 2 : Hurricane Matthew (2016) hitting the 15mi inner circle as a cat 2

- **Premium**

Our non-binding indication for this cover is 3.48 RoL (e.g., USD 174,000 for a total insured limit of USD 5M) - Taxes and stamping fee in addition.



RSUI Group, Inc.
945 East Paces Ferry Road
Suite 1800
Atlanta, GA 30326-1160

January 19, 2023

Hull & Company
11405 North Community House Road
Suite 100
Charlotte, NC 28277

ATTENTION: EDDIE HILL / ELIZABETH SCHELLBERG

RE: Property Quote

Submission Number: 400586
Renewal of: LHD922165
Company: Landmark American Insurance Company
(A.M. Best rating: A+ XIV and S&P rating: A+)
Coverage: Property
Insured: **Fripp Island Public Service District - Fripp Island Bridge
Fripp Island, SC**
Policy Dates: February 01, 2023 - February 01, 2024
Property Limits: \$2,500,000 per occurrence & annual aggregate applying separately to Flood and Earthquake, subject to conditions of the Scheduled Limit of Liability form
Valuation: Replacement Cost
Total Insured Value: \$19,100,000 per Statement of Values on file with Company submitted 01/10/2023
Coverages:

- Bridge

Perils: All Risk Including Flood & Earthquake

- Including Earthquake Sprinkler Leakage (Included in Earthquake Limit)
- Excluding Terrorism

Form: ISO Forms – Current to 2017 Versions
Deductible: **All Covered Perils - \$100,000 Per Occurrence (Property Damage),
except**
Windstorm or Hail associated with a Named Storm - \$1,000,000 of Total Insured Values (Property Damage)
Flood - \$1,000,000 of Total Insured Values (Property Damage)
Earthquake - \$100,000 Per Occurrence (Property Damage) Including Earthquake Sprinkler Leakage

Remarks:

THE PREMIUM AMOUNT DOES NOT INCLUDE SURPLUS LINES TAX.
YOUR OFFICE IS RESPONSIBLE FOR THE COLLECTION AND FILINGS.

Policy Attachments

- Appraisal Clause Amendment
- Asbestos Exclusion
- Cyber, Electronic Data and Systems Exclusion
- Exclusion - Marijuana
- Exclusion of Pathogenic or Poisonous Biological or Chemical Materials
- Exclusion of Terrorism
- Minimum Earned Premium (Insureds with Coastal Property)
- Scheduled Limit Of Liability
- Windstorm or Hail Loss Conditions

Premium Amount

Premium: \$125,000.00
Gross Premium: \$125,000.00

*Minimum Earned Premium is 80.00% of the Total policy premium excluding TRIA if the policy **is** in force for any period of time between and including the dates of June 1st to November 30th of any year.*

*Minimum Earned Premium is 25.00% of the Total policy premium excluding TRIA if the policy **is not** in force for any period of time between and including the dates of June 1st to November 30th of any year.*

Comments:

Coverage has been "rejected" by the insured for all acts of terrorism including but not limited to those that are certified by the Secretary of the Treasury under the Terrorism Risk Insurance Act.

Please read all terms and conditions shown above carefully as they may not conform to specifications shown on your submission.

This Quote is valid until 02/01/2023.

We greatly appreciate your business.

Jeff Ross

