

**KPC – KENTUCKY PURCHASING COOPERATIVES
KEDC – GRREC – KVEC – NKCES – SE/SC
KENTUCKY EDUCATIONAL DEVELOPMENT CORPORATION (KEDC)
904 ROSE ROAD
ASHLAND, KY 41102-7104
Bidding Department (606) 928-0205
Email - bidning@kedc.coop.k12.kv.us
www.kedc.org or www.kedc.coop.k12.kv.us or www.kvbuy.org**

* * * * Paintsville Independent ADDENDUM #1 * * * *

* * * INVITATION TO BID * * *

from
Paintsville Independent
(hereinafter referred to as BOARD OF EDUCATION)

BID TYPE:	<u>SERVICES: INSURANCE COVERAGE</u>
BID REFERENCE:	<u>P&L-INS-2003-07</u>
BID PUBLIC NOTICE DATE:	<u>Friday, April 4, 2003</u>
BID OPENING TIME & DATE:	<u>3:00 p.m., Thursday, May 15, 2003</u>
BID CONTRACT START DATE:	<u>July 1, 2003 at 12:01 a.m.</u>

ITEMS: **Property, Boiler, Equipment, Fleet, General Liability,**
Educators Legal Liability, Student Accident, Employee Dishonesty, Excess
Umbrella Liability, OTHER (if applicable)

Page 6 of the above bid was originally printed as follows:

DETAILED SPECIFICATIONS

COVERAGE TERM: Annual Renewal and Multiple Year Contract Terms:

In the event funds are not budgeted or appropriated in any fiscal year for payments due under this agreement for succeeding fiscal years, this agreement shall impose no obligation on the board of education as to such current or succeeding fiscal year(s) and this agreement shall become null and void except as to the remaining payments agreed upon through the end of the then current fiscal year, and no right of action for damages shall accrue to the benefit of the vendor, its successors or assigns, for any further payments. It is further agreed that the board of education shall have, in its sole discretion, the exclusive option to renew this agreement from fiscal year to fiscal year for a period of no more than one fiscal year at a time at the rates and terms contained in any multiple year fix rated agreement. The ending date of each fiscal year shall always be no later than June 30 of that applicable fiscal year.

The Bidder agrees to issue a three-year policy contract, payable annually, with rates guaranteed annually. The insurance company must notify the Board of Education of any rate increase at least 90 days prior to the anniversary date. It is understood and agreed that any additions and/or amendments added by the Board will be automatically included upon notification to the insurer by the Board of Education and the Board of Education will be charged a pro-rata additional premium for such addition(s) at no more than the rate or rates currently in use by the insurer in insuring similarly constructed buildings under the District's existing policy.

A. **Property Insurance:** (Refer to 702:KAR 3:030)

Insurance shall cover on a blanket basis, all buildings, contents, and improvements/betterments and property in the open contained in the Board of Education's Statement of Values. The insurance shall provide:

- a) All risks of physical loss or damage, subject only to standard exclusions, on real and personal property.
- b) Replacement cost coverage on real and personal property, except where noted on Statement of Values. Replacement cost coverage shall not require replacement of destroyed property on the same site where the property was destroyed.
- c) Agreed Amount Clause on real and personal property.
- d) Ordinance Deficiency Clause or Increased Cost of Construction Endorsement.

Property insurance is to be based on a minimum of 100% of the total of the values on the statement of values, and include special form coverage including flood & earthquake. Computer, boiler and machinery coverage may be included in property quotation or by way of separate policy. Replacement cost coverage applies. Minimum required **100% replacement cost**. Refer to 702:KAR 3:030.

AND WILL NOW BE PRINTED AS:

DETAILED SPECIFICATIONS

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B. **Property Insurance:** (Refer to 702:KAR 3:030)

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- f) Replacement cost coverage on real and personal property, except where noted on Statement of Values. Replacement cost coverage shall not require replacement of destroyed property on the same site where the property was destroyed.
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