

**AGREEMENT TO INSURE CERTAIN DEDA PROPERTY UNDER THE CITY OF
DULUTH'S PROPERTY INSURANCE POLICY**

Pertaining to the period of February 16, 2018 to February 16, 2019

This Agreement is by and between the DULUTH ECONOMIC DEVELOPMENT AUTHORITY ("Authority"), and the CITY OF DULUTH ("City").

WHEREAS, buildings owned by the City are insured with The Harford Insurance located at 690 Asylum Avenue, Hartford, CT 06155 through the City's insurance agent, Chris James of Marsh & McLennan Agency LLC; and

WHEREAS, the City maintains equipment breakdown insurance coverage (commonly referred to as "boiler insurance") and inspection through Hartford Steam Boiler Inspection and Insurance Company located at 595 East Swedesford Road, Wayne, PA 19087 through the City's insurance agent Paul Johnsen of Otis Magie Insurance Agency, Inc.; and

WHEREAS, the City's property insurance coverage and boiler insurance coverage runs from February 16, 2018 to February 16, 2019; and

WHEREAS, the Authority desires to insure certain of its property through the City's policies of insurance.

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. ALL RISK BLANKET POLICY AND BOILER POLICY

The City hereby agrees to include the following Authority properties on the City's boiler policy and on the City's all risk blanket policy which covers buildings and business personal property:

- a. MRO Building, 4400 Stebner Road, Duluth, MN 55811
- b. Temple Opera Building, 201, 203 and 205 East Superior Street, Duluth, MN 55802

The value of the MRO Building for purposes of property insurance is \$28,950,000 with business personal property of \$900,000 for a total insurable value of \$29,850,000. The value of the Opera Temple for purposes of property insurance is \$2,000,000 with business personal property of \$50,000 for a combined total estimated insurable value of

\$2,050,000. The MRO Building and the Opera Temple Building hereinafter together referred to as the "Authority Buildings". Authority shall be named a lien holder on the insurance policies. The City agrees to immediately pay over to Authority any claim settlements on any of the Authority Buildings. Additionally, Authority shall immediately be provided any notices pertaining to the Authority Buildings. The Authority shall immediately notify the City's claims investigator/adjuster or designee (the "City Adjuster") of any changes that may affect the value of any of the Authority Buildings.

2. TERM OF INSURANCE COVERAGE

The Authority Buildings shall be insured for the period of February 16, 2018 to February 16, 2019.

3. PAYMENT BY AUTHORITY.

Authority agrees to pay City for insuring the MRO Building in the amount of \$16,738.65 payable from DEDA Fund 0866, Dept. 860, Obj. 5362, and for insuring the Temple Opera Building in the amount of \$836.00 payable from DEDA Fund 860, Dept. 860, Div. 8640, Obj. 5362, for a total amount not to exceed \$17,574.65.

4. MUTUAL COOPERATION

The Authority shall immediately give notice to the City of any damage to the Authority Property. The City Adjuster in cooperation with Authority's Executive Director will handle the processing of any claims involving the Authority Buildings. The City and Authority shall fully cooperate with the insurance companies in processing any claims.

5. POINT OF CONTACT

The point of contact for each of the parties to this Agreement shall be as follows:

City of Duluth: Don Douglas
City of Duluth
Room 410, City Hall
411 West First Street
Duluth, MN 55802
(218) 730-5276

Authority: Heather Rand
Duluth Economic Development Authority
Room 402, City Hall
411 West First Street
Duluth, MN 55802
(218) 730-5310

6. WAIVER

Any waiver by either party of any provision of this Agreement shall not imply a subsequent waiver of that or any other provision.

7. APPLICABLE LAW

This Agreement, together with all of its paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota. The appropriate venue and jurisdiction for any litigation hereunder shall be in a court located in St. Louis County, Minnesota. However, litigation in the federal courts involving the parties shall be in the appropriate federal court within the State of Minnesota.

8. SEVERABILITY

In the event any provision herein shall be deemed invalid or unenforceable, the remaining provisions shall continue in full force and effect and shall be binding upon the parties to this Agreement.

9. ENTIRE AGREEMENT

It is understood and agreed that the entire agreement of the parties is contained herein and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof. Any amendment to this Agreement shall be in writing and shall be executed by the same parties who executed the original agreement or their successors in office.

CITY OF DULUTH

DULUTH ECONOMIC DEVELOPMENT
AUTHORITY

By _____
Mayor

By _____
President

Attest: _____
City Clerk

By _____
Secretary

Date: _____

Countersigned:

City Auditor

Approved as to form:

City Attorney