

Blackhawk School District

BUILDINGS AND GROUNDS COMMITTEE MEETING

Northwestern Primary School

January 20, 2011

Minutes

Board members: Mr. Clendennen, Buildings and Grounds Chairman
Mr. Inman, Mr. Oswald, Mr. Calabria, Mr. Fitzgerald, Mr. May, Mrs. Perri,
Mr. Fleischman

District: Dr. Miller, Mr. Salopek. Mr. Wessel,

Visitor: Jim Perlik, Mrs. Bowman, Scott Nelson, JaneAnn Fucci, Barb Brown

Presenter: Jim Cottone from Willis of Pennsylvania, presenting OCIP, Owner
Controlled Insurance Program

- A Presentation was made by Jim Cottone from Willis of Pennsylvania. OCIP is a single unified insurance program purchased by an owner that is designed to cover construction exposures and risks for an entire project under one policy.
- To be used for Highland project
- PSBA endorsed for PA school districts
- Advantages:
 - Broader Insurance Coverage
 - Higher Policy Limits
 - Safety Management
 - Claims Management
 - Administrative Services
 - Potential Cost Savings
- Contractors would not include this insurance in their Bids.
- Willis makes sure that there are insurance certificates for all contractors.
- Contractors can't opt out; it will be a part of the bid requirements.
- Willis addresses all administrative duties; Blackhawk would not have additional clerical or administrative duties.
- Willis does not take "pre-qualifiers" under consideration, but it is up to the owner if they would want to include this in the bids. (This means whether or not Willis or the District take history of contractor into consideration i.e. workers comp rate is higher for one contractor due to excess past claims).
- Eliminates "finger pointing" of contractors when there is a claim.
- Safety plan is part of Contract; a safety representative will be on-site to commend or document concerns.
- Direct Bid Method: Guaranteed cost of 2.5% of hard construction costs (straight OCIP) (Note: the 2.5% rate is not on soft costs, only hard costs).

- Advantage: The contractors typically add profit and overhead at the end of their final bid proposal; OCIP forces contractors to remove this, therefore, the profit and overhead should theoretically be reduced.
- Covers liability (i.e. injury) and 3rd party damage (i.e. neighbors' houses are damaged); the district and contractors have other insurances to cover other scenarios.
- A packet was given to Board members with the Power Point presentation and miscellaneous notes.
- The meeting began at 6:50 pm and concluded at 7:45 PM