

# *City of Valdez Valdez City School District*

## ***BROKERAGE SERVICES PROPOSAL***

*Effective  
From: 07/01/2017 To: 07/01/2018*

*Presented by:*

David R. Hale  
President



100 Cushman Street, Suite 200  
Fairbanks, AK 99701

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Toll Free: (800) 570-6671  
Fax: (907) 452-5214

*Executive Summary*

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This quote has been based on the information you provided to us and on which we have relied and is subject to the terms and conditions of the policy forms. In the event the information provided to the underwriters/(re)insurers is not complete and accurate, it may allow the underwriters/(re)insurers to avoid liability for a particular claim or to void the policy entirely. If any material information has been excluded or if any of the information provided is now inaccurate please advise us immediately in order that we can seek revalidation of terms with underwriters/(re)insurers.

This quote is valid until 07/01/17 after which the pricing, terms, and conditions are subject to change. It does not constitute confirmation of full or further support of the placement at these terms; it is recommended, therefore, that you respond to us as soon as possible. We will not be responsible for any consequences that may arise from any delay or failure by you to respond to us by 06/30/17.

You are requested to review this indication to confirm that it accurately reflects the coverage conditions, limits and other terms that you require. If the indication of coverage and terms does not accord with your instructions please kindly advise us immediately by contacting David Hale at (907) 456-6671.

*City of Valdez/Valdez City School District*

*Client Service Team*

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Hale & Associates is committed to not only meeting your unique business demands, but to exceeding your expectations as a first class insurance broker and risk management partner. We know your value:

- a personal relationship with an increased access to your account team
- state-of-the-art market knowledge and expertise
- enhanced claims advocacy
- quicker, more streamlined processes (e.g., claims filing, certificate issuance)

The following is your Service Team:

Hale & Associates  
Phone: (907) 456-6671  
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**CITY OF VALDEZ / VALDEZ CITY SCHOOL DISTRICT  
PREMIUM SUMMARY**

	City - APEI				City - AML/JIA		
	2017-18	2016-17	Change		2017-18	2016-17	Change
Coverage	<b>APEI</b>	<b>APEI</b>			<b>AML/JIA</b>	<b>APEI</b>	
GL & Public Officials	\$81,673	\$61,188	\$20,485		\$68,435	\$61,188	\$7,247
Workers' Compensation	\$304,074	\$263,551	\$40,523		\$252,668	\$263,551	(\$10,883)
Business Auto	\$52,285	\$55,150	(\$2,865)		\$34,953	\$55,150	(\$20,197)
Police Professional	Incl	Incl			\$12,000	Incl	\$12,000
Student Accident	n/a	n/a			n/a	n/a	
Loss Control Discount	n/a	n/a			n/a	n/a	
Member Dividend	(\$42,902)	(\$72,309)	\$29,407		\$0	(\$72,309)	\$72,309
3-Year Agreement							
Sub Total	\$395,129	\$307,580	\$87,549		<b>\$368,056</b>	<b>\$307,580</b>	<b>\$60,476</b>
Marine - Zurich American	<b>\$62,723</b>	\$56,215	<b>\$6,508</b>		<b>\$62,723</b>	\$56,215	<b>\$6,508</b>
Property & Boiler & Machinery- Affiliated FM Ins.Co.	<b>\$145,238</b>	\$133,266	<b>\$11,972</b>		<b>\$145,238</b>	\$133,266	<b>\$11,972</b>
Public Employee Crime	<b>\$5,363</b>	\$5,363	<b>\$0</b>		<b>\$5,363</b>	\$5,363	<b>\$0</b>
Bonds (est.)	<b>\$5,000</b>	\$5,000	<b>\$0</b>		<b>\$5,000</b>	\$5,000	<b>\$0</b>
Brokerage Fee	<b>\$30,000</b>	\$30,000	<b>\$0</b>		<b>\$30,000</b>	\$30,000	<b>\$0</b>
<b>Grand Total</b>	<b>\$643,453</b>	<b>\$537,424</b>	<b>\$106,029</b>		<b>\$616,380</b>	<b>\$537,424</b>	<b>\$78,956</b>

<u>City:</u>	<u>Renewal:</u>	<u>Last Year:</u>
Reported Payroll:	\$10,342,794	\$9,078,655
Auto Count:	76	80
Marine: Est Gross Receipts	\$1,439,000	\$1,195,875
Total Property Premium (City + S.D.):	\$220,058	\$220,255

Member Dividend Credit issued from APEI in form of credit or check  
Optional: City APEI Three-Year Agreement discount (\$21,989).  
Optional: City AML/JIA Three-Year Agreement discount (\$18,403).

Optional Terrorism Insurance Coverage:

Marine: Premium shown includes additional premium charge of \$1,423.  
Property: Premium shown includes additional premium charge of \$7,500.

**CITY OF VALDEZ / VALDEZ CITY SCHOOL DISTRICT  
PREMIUM SUMMARY**

<b>School District</b>			
	<b>2017-18</b>	2016-17	Change
Coverage	<b>AML/JIA</b>	AML/JIA	<b>AML/JIA</b>
GL & Public Officials	\$39,780	\$31,459	\$8,321
Workers' Compensation	\$88,817	\$88,154	\$663
Business Auto	\$10,969	\$10,969	\$0
Police Professional	n/a	n/a	
Student Accident	Incl	Incl	
Loss Control Discount	(\$3,289)	(\$3,387)	\$98
Member Dividend	(\$856)	(\$1,284)	\$428
3-Year Agreement	(\$6,978)	(\$6,529)	(\$449)
Sub Total	<b>\$128,443</b>	<b>\$119,382</b>	<b>\$9,061</b>
Marine - Zurich American	n/a	n/a	
Property & Boiler & Machinery- Affiliated FM Ins.Co.	<b>\$74,820</b>	\$86,989	<b>(\$12,169)</b>
Public Employee Crime			
Bonds (est.)			
Brokerage Fee			
<b>Grand Total</b>	<b>\$203,263</b>	<b>\$206,371</b>	<b>(\$3,108)</b>

<u>School District:</u>	<u>Renewal:</u>	<u>Last Year:</u>
Reported Payroll:	\$6,964,464	\$7,104,649
Auto Count:	13	13
Average Daily Membership:	804	655

Note: Payrolls are subject to a Final Audit.

# ***City of Valdez***

## ***APEI Package***



## Alaska Public Entity Insurance

Program Premium Summary

Policy Year: July 1, 2017 - July 1, 2018

Rev 1: Removal of 5 vehicles from auto schedule

**Insured: City of Valdez**

AcctID# 265

Part I Property & Mobile Equipment	Limit of Insurance	Coverage Limit Applies	Deductible	Stated Value per Property Schedule	Gross Premium	Gross Premium w/ Optional 3-yr Discount
<b>Property - All Risk Coverage</b>			Varies		\$0.00	\$0.00
Buildings				\$0		
Contents				\$0		
Docks & Other Structures				\$0		
Total Stated Value				\$0		
<b>Fine Arts</b>	\$5,000,000			\$0	\$0.00	\$0.00
<b>Mobile Equipment</b>	\$10,000,000		Varies	\$0	\$0.00	\$0.00
<b>Earthquake &amp; Flood Coverage</b>	\$75,000,000		Varies			
<b>Equipment Breakdown Covg</b>			Varies			
Part II Liability & Automobile	Limit of Insurance	Coverage Limit Applies	Deductible	Rated Payroll or Vehicle Count	Gross Premium	Gross Premium w/ Optional 3-yr Discount
<b>General Liability</b>	\$15,500,000			\$10,342,794	\$81,672.53	\$77,588.90
Comprehensive Liability		Per Occurrence	\$0			
Public Officials E&O		Per Occ / Annual Agg	\$0			
Law Enforcement Liability		Per Occurrence	\$10,000			
Employment Practices Liability		Per Occ / Annual Agg	\$10,000			
Employee Benefits Liability		Per Occ / Annual Agg	\$0			
Water/Sewer Backup Liability		Per Occurrence	\$10,000			
Non-owned Auto		Per Occurrence	\$1,000			
Volunteer Medical Coverage	\$50,000	Per Occurrence	\$0			
<b>Automobile</b>						
Liability	\$15,500,000	Per Occurrence	\$0	76	\$26,525.00	\$25,198.75
Physical Damage	Actual Cash Value		Varies	8	\$25,759.71	\$24,471.72
UM/UIM Liability	\$250,000	Per Occurrence	\$0		Included	Included
UM/UIM Physical Damage	\$25,000		\$250		Included	Included

# Alaska Public Entity Insurance

Program Premium Summary (continued)

Policy Year: July 1, 2017 - July 1, 2018

Rev 1: Removal of 5 vehicles from auto schedule

**Insured: City of Valdez**

AcctID# 265

Part III Workers' Compensation	Limit of Insurance		Deductible	Rated Payroll	Gross Premium	Gross Premium w/ Optional 3-yr Discount
<b>Workers' Compensation</b> (including Federal Act, if any)	Statutory		\$0	\$10,342,794	\$304,074.31	\$288,870.59
Employer's Liability	\$3,000,000					
Part IV Specialty Coverages	Limit of Insurance	Coverage Limit Applies	Deductible		Gross Premium	Gross Premium w/ Optional 3-yr Discount
<b>Public Entity Crime Coverage</b>	\$1,000,000	Per Occurrence	\$2,500		Included	Included
<b>Cyber Liability</b>	\$2,000,000	Aggregate	\$2,500		Included	Included
<b>Total Premium 2017/2018</b>					\$438,031.55	\$416,129.96
<b>Member Dividend Check</b>					\$42,902.18	\$42,902.18
<b>Premium Cost After Dividend</b>					\$395,129.37	\$373,227.78





## Automobile Premium Allocation

Policy Year 2017/2018

Rev 1: Removal of 5 vehicles from auto schedule

City of Valdez

AcctID#: 265

Member Vehicle ID	VIN #	Model Year	Make	Model	Insured Value	Physical Damage Coverage?	Auto Phys Damage Deductible	Liability Premium	Phys Damg Premium	Total Vehicle Premium
	MV41024	2017	Elgin	Vacuum Street Sweeper		No		\$425.00	\$0.00	\$425.00
1GNSKFEC6GR323636		2016	Chevrolet	Tahoe		No		\$625.00	\$0.00	\$625.00
1FDUF5HT3GEC75267		2016	Ford	Ambulance	177,196	Yes	1,000	\$425.00	\$1,630.20	\$2,055.20
1GD42VCG9GF169924		2016	GMC	Sierra 3500HD		No		\$275.00	\$0.00	\$275.00
4P1BAHGF5GA016768		2016	Pierce	Rescue Pumper	758,235	Yes	1,000	\$425.00	\$6,975.76	\$7,400.76
2BPSGDFA4FV000052		2015	Bombardier	SnowMachine		No		\$0.00	\$0.00	\$0.00
1GNSK3EC8FR296386		2015	Chevrolet	Tahoe 1500		No		\$625.00	\$0.00	\$625.00
1GB3KYCG4FF556594		2015	Chevrolet	Silverado		No		\$275.00	\$0.00	\$275.00
1GNSK3EC7FR295049		2015	Chevrolet	Tahoe 1500		No		\$625.00	\$0.00	\$625.00
1FMCU9GX6FUC13850		2015	Ford	Escape		No		\$300.00	\$0.00	\$300.00
1FMCU9GX8FUC13851		2015	Ford	Escape		No		\$300.00	\$0.00	\$300.00
1FT7X2B68FEA88556		2015	Ford	F250		No		\$275.00	\$0.00	\$275.00
1FT7X2B64FED18237		2015	Ford	F250		No		\$275.00	\$0.00	\$275.00
1FT8W3B66FED18236		2015	Ford	Crew Cab		No		\$275.00	\$0.00	\$275.00
1GD421CG2FF511026		2015	GMC	Sierra		No		\$275.00	\$0.00	\$275.00



## Automobile Premium Allocation

Policy Year 2017/2018

Rev 1: Removal of 5 vehicles from auto schedule

City of Valdez

AcctID#: 265

Member Vehicle ID	VIN #	Model Year	Make	Model	Insured Value	Physical Damage Coverage?	Auto Phys Damage Deductible	Liability Premium	Phys Damg Premium	Total Vehicle Premium
	1GD521CG0FZ128981	2015	GMC	Sierra 3500		No		\$275.00	\$0.00	\$275.00
	3BPZL70X7FF273774	2015	Peterbilt	Labrie/Wittke		No		\$425.00	\$0.00	\$425.00
	1GB0G2CG8E1117220	2014	Chevrolet	3500 Express		No		\$300.00	\$0.00	\$300.00
	1FTFX1EF7EKE73902	2014	Ford	F150		No		\$275.00	\$0.00	\$275.00
	1FMJU1G55DEF33725	2013	Ford	Expedition		No		\$625.00	\$0.00	\$625.00
	1FMCU9GX5DUC80517	2013	Ford	Escape		No		\$300.00	\$0.00	\$300.00
	1FMCU9GX7DUC80518	2013	Ford	Escape		No		\$300.00	\$0.00	\$300.00
	1FMJU1G5XDEF46549	2013	Ford	Expedition		No		\$625.00	\$0.00	\$625.00
	1FT8W3B68DEB30282	2013	Ford	F350		No		\$275.00	\$0.00	\$275.00
	1FMJU1G58DEF46548	2013	Ford	Expedition		No		\$625.00	\$0.00	\$625.00
	1HTWNAZT3DJ296200	2013	International	Vactor 2100 Plus		No		\$425.00	\$0.00	\$425.00
	1NP TL4EX1DD201110	2013	Peterbilt	Tanker Truck-T4	399,915	Yes	1,000	\$425.00	\$3,679.22	\$4,104.22
	1FMJK1J50CEF05697	2012	Ford	Expedition		No		\$425.00	\$0.00	\$425.00
	1FD8X3G6XCEC98795	2012	Ford	F350		No		\$275.00	\$0.00	\$275.00
	1FDRF3H60CEC56139	2012	Ford	F350		No		\$275.00	\$0.00	\$275.00
	1FT8W3B67CEC31697	2012	Ford	F350		No		\$275.00	\$0.00	\$275.00



## Automobile Premium Allocation

Policy Year 2017/2018

Rev 1: Removal of 5 vehicles from auto schedule

City of Valdez

AcctID#: 265

Member Vehicle ID	VIN #	Model Year	Make	Model	Insured Value	Physical Damage Coverage?	Auto Phys Damage Deductible	Liability Premium	Phys Damg Premium	Total Vehicle Premium
	1FT7X2B65CEC31698	2012	Ford	F250		No		\$275.00	\$0.00	\$275.00
	1FMJU1G52CEF52246	2012	Ford	Expedition		No		\$625.00	\$0.00	\$625.00
	1HTWCAAR4CJ086628	2012	International	Truck W/ STELLAR		No		\$275.00	\$0.00	\$275.00
	4P1CV01D2CA012625	2012	Pierce	Pumper/Velocity Chassis-E4	595,526	Yes	1,000	\$425.00	\$5,478.84	\$5,903.84
	1FMJU1G52BEF46834	2011	Ford	Expedition		No		\$300.00	\$0.00	\$300.00
	1FTVX1EF9BKD92763	2011	Ford	F150		No		\$275.00	\$0.00	\$275.00
	1FTBF2B6XBEB00519	2011	Ford	F250		No		\$275.00	\$0.00	\$275.00
	1M2AU02C4BM004995	2011	Mack/HEIL	Trash		No		\$425.00	\$0.00	\$425.00
	1FMJU1G53AEB56906	2010	Ford	Expedition		No		\$625.00	\$0.00	\$625.00
	1FDWF3HRXAEB17226	2010	Ford	Ambulance-Ems 1		No		\$425.00	\$0.00	\$425.00
00074	3BPZL00X2AF719460	2010	Heil /Peterbilt	28 Yd Trash Truck		No		\$425.00	\$0.00	\$425.00
00071	1NPTL40X7AD797259	2010	Peterbilt	367 Truck w/ Dumpbox, sander, hook		No		\$275.00	\$0.00	\$275.00
	4P1CV01H6AA010666	2010	Pierce	Pump Tanker-E2	511,671	Yes	1,000	\$425.00	\$4,707.37	\$5,132.37
00069	JNAPC81L79AF75061	2009	Elgin/NISSIAN	Sweeper		No		\$275.00	\$0.00	\$275.00



## Automobile Premium Allocation

Policy Year 2017/2018

Rev 1: Removal of 5 vehicles from auto schedule

City of Valdez

AcctID#: 265

Member Vehicle ID	VIN #	Model Year	Make	Model	Insured Value	Physical Damage Coverage?	Auto Phys Damage Deductible	Liability Premium	Phys Damg Premium	Total Vehicle Premium
00070	1FTVX14V99KC73453	2009	Ford	F150		No		\$275.00	\$0.00	\$275.00
00062	1NPTLU0X09D777057	2009	Peterbilt	Fire Truck-T3	227,426	Yes	1,000	\$425.00	\$2,092.32	\$2,517.32
00061	1NPTL40X49D781533	2009	Peterbilt	Truck		No		\$425.00	\$0.00	\$425.00
00063	1FTVX14528KE70902	2008	Ford	Pickup		No		\$275.00	\$0.00	\$275.00
00064	1FDAX57Y58EE24941	2008	Ford	f550		No		\$275.00	\$0.00	\$275.00
00059	1FTWX315X8EC22318	2008	Ford	F350		No		\$275.00	\$0.00	\$275.00
00060	1HFTE354X84116957	2008	Honda	4 Wheel ATV		No		\$0.00	\$0.00	\$0.00
00058	3BPZL00X78F718458	2008	Peterbilt/HEIL	Trash		No		\$275.00	\$0.00	\$275.00
00052	1FMFU16547LA65185	2007	Ford	Expedition		No		\$300.00	\$0.00	\$300.00
00051	1FMFU16577LA35596	2007	Ford	Expedition		No		\$300.00	\$0.00	\$300.00
00057	1FDWF37P67EB42858	2007	Ford	Ambulance-EMS 2		No		\$425.00	\$0.00	\$425.00
00050	1FTWW31556EC68123	2006	Ford	Pickup-Utility 1		No		\$275.00	\$0.00	\$275.00
00049	1FTSX21586EC54058	2006	Ford	F250		No		\$275.00	\$0.00	\$275.00
00045	1FMFU165X6LA31836	2006	Ford	Expedition		No		\$300.00	\$0.00	\$300.00
00030	1FMFU92ZX5KA30833	2005	Ford	Escape		No		\$300.00	\$0.00	\$300.00
00031	1FMFU92Z15KA30834	2005	Ford	Escape		No		\$300.00	\$0.00	\$300.00



## Automobile Premium Allocation

Policy Year 2017/2018

Rev 1: Removal of 5 vehicles from auto schedule

City of Valdez

AcctID#: 265

Member Vehicle ID	VIN #	Model Year	Make	Model	Insured Value	Physical Damage Coverage?	Auto Phys Damage Deductible	Liability Premium	Phys Damg Premium	Total Vehicle Premium
00047	1GDE4E1285F523886	2005	Gmc	Crew Cab-Rescue Rig		No		\$275.00	\$0.00	\$275.00
00044	1CYCAK4864T046568	2004	Crane Carrier Co	Trash		No		\$425.00	\$0.00	\$425.00
00036	1FTNF1IL44EC70141	2004	Ford	F250		No		\$275.00	\$0.00	\$275.00
00032	1FDWC35L74HA93933	2004	Ford	Van		No		\$275.00	\$0.00	\$275.00
00037	2FTRF18W84CA63723	2004	Ford	F150		No		\$275.00	\$0.00	\$275.00
00029	1FMPU16L23LB98198	2003	Ford	Expedition		No		\$300.00	\$0.00	\$300.00
00040	1FDXE45FX2HB64751	2003	North Star	MURV Van		No		\$425.00	\$0.00	\$425.00
00027	1FMPU16L61LB44919	2001	Ford	Expedition		No		\$300.00	\$0.00	\$300.00
00026	1FMPU16L61LB44920	2001	Ford	Expedition		No		\$300.00	\$0.00	\$300.00
00023	1FMPU16L8YLB67769	2000	Ford	Expedition		No		\$300.00	\$0.00	\$300.00
00018	1FDKF38G5VEB42814	1997	Ford	F350		No		\$275.00	\$0.00	\$275.00
00015	4ENBAAA80S1004885	1995	Emergency One	Fire Truck-ENG-12	90,000	Yes	1,000	\$425.00	\$828.00	\$1,253.00
00014	4ENBAAA82S1004886	1995	Emergency One	Fire Truck-ENG-14	40,000	Yes	1,000	\$425.00	\$368.00	\$793.00
00013	1FDKE30F85HB84376	1995	Ford	Ambulance-EMS 3		No		\$425.00	\$0.00	\$425.00
00001	1GCEK14Z6NE121365	1992	Chevrolet	Pickup		No		\$275.00	\$0.00	\$275.00



## Automobile Premium Allocation

Policy Year 2017/2018

Rev 1: Removal of 5 vehicles from auto schedule

City of Valdez

AcctID#: 265

Member Vehicle ID	VIN #	Model Year	Make	Model	Insured Value	Physical Damage Coverage?	Auto Phys Damage Deductible	Liability Premium	Phys Damg Premium	Total Vehicle Premium
Total Vehicle Count: 76		Count of Vehicles with Physical Damage coverage:				8		\$26,525.00	\$25,759.71	\$52,284.71



## Workers' Compensation Premium Allocation

Policy Year 2017/2018

Rev 1: Removal of 5 vehicles from auto schedule

City of Valdez

AcctID#: 265

Class Code	Class Description	Payroll	Experience Mod	Loss Control Credit	Premium	WC Rate per \$100 of Payroll
5509	Street, Road, Maintenance	756,378	0.89	-15.0%	\$26,004.43	3.4380
6836	Harbor, Marine	510,476	0.89	-15.0%	\$16,331.50	3.1993
7520	Water Works Operators, Drivers	226,737	0.89	-15.0%	\$5,629.91	2.4830
7580	Sewage Treatment Operators, Drivers	226,737	0.89	-15.0%	\$6,983.26	3.0799
7710	Firefighters & Drivers	970,736	0.89	-15.0%	\$41,485.86	4.2737
7711	Firefighters & Drivers~Volunteers	88,000	0.89	-15.0%	\$3,760.81	4.2736
7720	Police Officers	1,197,247	0.89	-15.0%	\$32,776.82	2.7377
8810	Clerical, Professional, Elected Officials	1,943,318	0.89	-15.0%	\$6,340.92	0.3263
8831	Veterinary Incl Animal Control Officers	183,208	0.89	-15.0%	\$3,368.07	1.8384
9015	Building, Operators, Owners, Lease	1,264,992	0.89	-15.0%	\$50,940.47	4.0269
9102	Parks and Recreation	651,919	0.89	-15.0%	\$27,653.21	4.2418
9154	Theater Employees	307,481	0.89	-15.0%	\$6,925.15	2.2522
9403	Refuse Collectors	563,345	0.89	-15.0%	\$30,800.36	5.4674
9410	General Municipal Employees, Other	1,452,220	0.89	-15.0%	\$45,073.54	3.1038
		<b>10,342,794</b>			<b>\$304,074.31</b>	

**Alaska Public Entity Insurance**  
**UNINSURED/UNDERINSURED MOTORISTS COVERAGE SELECTION FORM**

Policy Year: July 1, 2017 - July 1, 2018

**Insured: City of Valdez**

AcctID# 265

APEI's automobile policy includes Uninsured Motorists (UM) and Underinsured Motorists (UIM) bodily injury coverages with a policy limit of \$250,000 per accident. It also includes UM and UIM property damage coverage at a limit of \$25,000 per accident with a \$250 deductible. UM and UIM property damage coverage applies only to vehicles for which the member has purchased physical damage coverage.

Uninsured Motorists Coverage pays for bodily injury losses to you and your passengers as a result of an accident with a driver who has no liability protection and is legally responsible for the injuries or the damage. This includes a hit-and-run vehicle whose owner and operator cannot be identified.

Underinsured Motorists Coverage pays for bodily injury losses to you and your passengers as a result of an accident with a driver who has liability protection but not enough to pay the full amount that the injured person is legally entitled to recover as damages.

We offer higher limits of UM and UIM bodily injury at an additional cost for members desiring to increase their coverage. Please indicate below whether or not you wish to add coverage at these higher limits, and if so, which limits you are requesting.

**Uninsured Motorists and Underinsured Motorists Coverage Selection**

\_\_\_\_\_ I select UM/UIM bodily injury coverage at higher limits as indicated below:

	<b>Split Limit (per Person / per Accident)</b>	<b>Additional Premium</b>
_____	\$250,000 / \$300,000	\$11,250.00
_____	\$300,000 / \$500,000	\$20,458.75
_____	\$500,000 / \$500,000	\$22,731.25
_____	\$500,000 / \$1,000,000	\$24,772.50
_____	\$1,000,000 / \$2,000,000	\$47,271.25

\_\_\_\_\_ I decline high UM/UIM bodily injury limits, and will retain UM/UIM bodily injury coverage at the APEI standard limit of \$250,000 per accident for no additional premium

Signature of Member: \_\_\_\_\_

Date: \_\_\_\_\_





2233 Jordan Avenue  
Juneau, AK 99801

Phone: (907) 523-9400  
Fax: (907) 586-2008  
[www.akpei.com](http://www.akpei.com)

## AGREEMENT TO REMAIN IN APEI PROGRAM

The mission of Alaska Public Entity Insurance ("APEI") is to provide our members with stable, affordable insurance, broad insurance coverage, and effective risk management services to ensure that maximum funds are available for local government and education programs. APEI is a non-profit corporation, and all member contributions are allocated to, and utilized for, the payment of claims and program expenses. APEI is generally referred to as an insurance "pool", meaning that risks, liability, and expenses are shared on an equitable basis among all pool members.

In order to encourage membership stability and predictability, an important factor in procuring excess and reinsurance, the APEI Board of Directors has authorized the establishment of a program whereby a member's annual contribution will be discounted in exchange for an agreement to remain in the program for three years. Other than the annual application of the discount to the amount due from the participating member, a member's election to participate or not in this discount program will have no effect on any other aspect of the program as it relates to the member.

APEI and the undersigned member of APEI ("Member"), for mutual consideration, hereby agree as follows:

1. Except as provided in paragraph 3 below, Member agrees to remain a member of APEI for at least three years, through the conclusion of the 2019/2020 policy year that will end on June 30, 2020. Consistent with this paragraph, Member agrees not to give notice of intent to withdraw from the program during the three-year period, and further agrees not to seek quotes during that time from other potential insurers for coverage provided under the APEI program.
2. APEI agrees to provide Member with a discount on Member's annual contributions each year for the provision of insurance coverage under the program. Each policy year, the discount shall be 5% of the member's contribution.
3. If APEI determines that a member's total annual contribution is expected to increase by more than 10% when compared to the preceding policy year, Member may, at its sole option, elect to cancel its commitment under this program without incurring charges or penalties under paragraph 4. Increases in contributions caused by changes in Member's payroll, total insured property value, workers' compensation experience modification, or the number of and coverage for insured vehicles are not considered part of the above-mentioned 10%.

Agreement to Remain in APEI Program – Policy Year 2016/17

4. If Member gives written notice to the Administrator (APEI Executive Director) of intent to withdraw from the program prior to the conclusion of this three year agreement, or otherwise acts inconsistent with the terms of this agreement, Member will forfeit all credits received during this three year term pursuant to this agreement and will be required to repay all such credits to APEI and will further be required to pay penalties in the amount of 5% of the total premium charged for the last year Member was in the APEI program, as determined by the Administrator.
5. This agreement is effective July 1, 2017 through June 30, 2020.

IN WITNESS WHEREOF, the parties hereto, acting through properly authorized officials, hereby execute this Agreement.

Member: \_\_\_\_\_

Alaska Public Entity Insurance

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

***City of Valdez  
AML/JIA  
Alternate Package Quote***

May 23, 2017

Elke Doom, Manager  
City of Valdez  
P.O. Box 307  
Valdez, Alaska 99686

Dear Elke:

The Alaska Municipal League Joint Insurance Association (AMLJIA) is pleased to offer you a quote this year. Thank you for requesting one! We have worked with your broker, David Hale, for many years now. We also worked with the City for many years starting in 2001.

The Alaska Municipal League Joint Insurance Association (AMLJIA) is a self-insurance program for Alaska's public entities, created in 1988 by 38 other Alaska municipalities and organized under Alaska Statute 21.76. The Valdez School District remains a member of the program.

The AMLJIA board and staff pride ourselves on the services that we offer members. From Law Enforcement and Human Resources consulting to an employment law hotline, the AMLJIA provides the consulting services that our members need and use at no additional cost. Julie Ratliff, one of our risk control specialists, mentioned that she met you at the recent earthquake workshop in Anchorage. She wanted to make you aware that we can provide you assistance in drafting an emergency action plan as well as job descriptions.

Our quote follows this memo. If you have any questions, please ask David or his staff. I hope we can work with the City of Valdez again.

Cordially,



Kevin Smith  
Executive Director





Alaska Municipal League Joint Insurance Association, Inc.

807 G Street, Ste. 356 Anchorage, AK 99501 \* P(907)258-2625 \* F(907)279-3615 \* Toll Free in AK (800)337-3682

Fiscal Year 2018

Tuesday, June 06, 2017

## Member's Notice of Deposit Contribution

### City of Valdez

Brian Carlson

Finance Director

PO Box 307

Valdez

AK

99686-

Phone Number:

Fax Number:

(907) 835-4313

(907) 835-2992

Policy #: 122

Broker: David Hale

Brokerage Firm: Hale & Associates

Broker Phone Number:

Broker Fax Number:

(907) 456-6671

(907) 452-5214

Joined AMLJIA:

Coverage Type and Exposure: CORE Package

ANNUAL CONTRIBUTION

#### 1. GENERAL LIABILITY

General Liability Limits:	\$15,000,000	\$68,435
General Liability Deductible:	\$0	
Reported Payroll:	\$10,306,794	
Average Daily Membership (School only)	0	
General Liability Broker Fees:	\$0	

#### 2. PUBLIC OFFICIALS LIABILITY / School Leaders E and O

Included in General Liability

#### 3. WORKERS' COMPENSATION

Reported Payroll:	\$10,306,794	\$252,668
Workers' Comp Broker Fees:	\$0	

#### 4. AUTO LIABILITY

Auto Liability Limits:	\$15,000,000	\$15,910
Auto Liability Deductible:	\$0	
Auto Liability Broker Fees:	\$0	
Total Number of Vehicles:	74	
Scheduled Values:	\$2,799,969	
Comp. and Collision Premium:		\$19,043
Comp. and Collision Broker Fees:	\$0	

#### 5. PROPERTY

*Deductibles and Rates are listed on your Property Detail Report*

Total Values:	\$0	\$0
Total Mobile Equipment Values:	\$0	\$0
Mobile Equipment Broker Fees:	\$0	
Property Broker Fees:	\$0	

*Earthquake and Flood Coverage: ( See Property Detail Report for coverage and limit*

#### 6. POLICE PROFESSIONAL LIABILITY

PPL Limits:	\$15,000,000	\$12,000
PPL Deductible:	\$0	
PPL Broker Fees:	\$0	
Reported Police Payroll:	\$1,197,247	
Accreditation Discount Percent:	0%	\$0

THIS IS NOT A BILL - Actual Invoices are sent out June 2017

Building on Tradition Protecting Your Future.



<b>7. Total Enhancement Contribution:</b>		<b>\$0</b>
Crime Coverage Limits:	\$100,000	
Loss Control Incentive Program Discount:		<b>\$0</b>
Rate Stabilization Fund Used:		<b>\$0</b>
	<b>TOTAL CONTRIBUTION</b>	<b>\$368,056</b>
3 Year Agreement Rate Discount:		<b>(\$18,403)</b>
	<b>TOTAL CONTRIBUTION WITH 3 YEAR AGREEMENT</b>	<b>\$349,653</b>

THIS IS NOT A BILL - Actual Invoices are sent out June 2017

Building on Tradition Protecting Your Future.



# Alaska Municipal League Joint Insurance Association, Inc.

## General Liability DETAIL REPORT

FY2018

Tuesday, May 23, 2017

### General Liability Contribution Calculation

<b>City of Valdez</b>		<b>Member #</b>	122
<b>GL Limits:</b>	<b>\$15,000,000</b>	<b>GL Deductible:</b>	<b>\$0</b>
Expense Rate	\$0.519	GL Variable	\$0
POL/E and O Rate	\$0.242	Expense Contri.	\$53,492
ADM*	0	POL/E and O Contri.	\$24,942
<i>*School Districts Only</i>		Base GL Contribution	\$68,435
<b>Total Payroll</b>	<b>\$10,306,794</b>	GL Broker Fee	\$0
GL Experience Modifier	0.737	<b>General Liability Contribution</b>	<b>\$68,435</b>

**GL Note:**

# Alaska Municipal League Joint Insurance Association, Inc.

## Workers' Compensation DETAIL REPORT

FY 2018

Tuesday, May 23, 2017

### Workers' Compensation - Scheduled Payroll

<b>City of Valdez</b>					Member ID:	122
CODE	DESCRIPTION	# VOL	PAYROLL	RATE	CONTRIBUTION	
5509	Street/Road Excavation/Paving	0	\$756,378	\$2.99	\$22,616	
6836	Harbor Employees	0	\$510,476	\$3.00	\$15,314	
7520	Water Works	0	\$226,737	\$2.09	\$4,739	
7580	Sewage Disposal Plant	0	\$226,737	\$2.09	\$4,739	
7710	Fire Fighters and Drivers	0	\$970,736	\$3.82	\$37,082	
7711	Fire Fighters and Drivers - Volunteer	26	\$52,000	\$3.82	\$3,973	
7720	Police Officers/Public Safety	0	\$1,197,247	\$2.21	\$26,459	
8810	Clerical/Professional Employees	0	\$1,943,318	\$0.27	\$5,247	
8831	Animal Control Officer	0	\$183,208	\$1.51	\$2,766	
9015	Building/Maintenance/Operations	0	\$1,264,992	\$3.21	\$40,606	
9102	Parks/Recreation/Ice Rinks	0	\$651,919	\$3.70	\$24,121	
9154	Theater NOC - Operations and Man	0	\$307,481	\$1.54	\$4,735	
9403	Refuse	0	\$563,345	\$4.95	\$27,886	
9410	General Municipal Employees	0	\$1,452,220	\$2.23	\$32,385	

### Workers' Compensation Contribution Calculation

Total Payroll	\$10,306,794	WC Variable	\$0
WC Experience Modifier	0.77	Base WC Contribution	\$252,668
Employee Federal ID #	92-6000143	WC Broker Fee	\$0
		<b>Total WC Contribution</b>	<b>\$252,668</b>

WC Note:



Alaska Municipal League Joint Insurance Association, Inc.  
Automobile Liability/Comp. and Collision  
DETAIL REPORT

Tuesday, June 06, 2017

FY2018

Automobile Detail Schedule

**City of Valdez**

Account ID 122

Veh#	Year	Make	Model	Serial/Vin#	Value	C/C ?	C/C Ded.	C/C Rate	C/C Contri.	AL Contri.	Date Start	Date End
387653	1992	Chevrolet	Pickup	121365	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387655	1995	Emer One	Fire Truck	4885	\$90,000	Yes	\$1,000	\$1.20	\$540	\$215	7/1/2017	7/1/2018
387656	1995	Emer One	Fire Truck	4886	\$40,000	Yes	\$1,000	\$1.20	\$240	\$215	7/1/2017	7/1/2018
387657	1995	Ford	Ambulance	84376	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387658	1997	Ford	Pickup F350	42814	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387659	2000	Ford	Expedition	67769	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387660	2001	Ford	Expedition	44919	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387661	2001	Ford	Expedition	44920	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387662	2003	Ford	Expedition	98198	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387663	2003	North Star	Murv	64751	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387664	2004	Crane Carrier	Trash Truck	CAK4864T04	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387665	2004	Ford	F150 Pickup	63723	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387666	2004	Ford	F250 Super Duty	70141	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387668	2004	Ford	Truck w/ van body	93933	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387669	2005	Ford	Escape	30833	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387670	2005	Ford	Escape	90834	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387672	2005	GMC	2WD Crew Cab	9E4E1285F52	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387673	2006	Ford	Expedition	PU165X6LA3	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387674	2006	Ford	F250 Super Duty	54058	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387675	2006	Ford	Pickup	68123	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387676	2007	Ford	Ambulance	42858	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387677	2007	Ford	Expedition	35596	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387678	2007	Ford	Expedition	65185	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387680	2008	Ford	F350	VX315X8EC2	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387681	2008	Ford	F550	AX57Y58EE2	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387682	2008	Ford	Pickup	VX14528KE7	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018

# Automobile Detail Schedule

**City of Valdez**

Account ID 122

Veh#	Year	Make	Model	Serial/Vin#	Value	C/C ?	C/C Ded.	C/C Rate	C/C Contri.	AL Contri.	Date Start	Date End
387683	2008	Peterbilt/Heil	Front End Loader	18458	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387684	2009	Elgin/NISSIA	Sweeper	PC81L79AF7	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387685	2009	Ford	F150	/X14V99KC7	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387686	2009	Peterbilt	Fire Truck-T3	FLU0X09D77	227,426	Yes	\$1,000	\$1.20	\$1,365	\$215	7/1/2017	7/1/2018
387687	2009	Peterbilt	Truck	FL40X49D78	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387688	2010	Ford	Ambulance-Ems 1	/F3HRXAEB	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387689	2010	Ford	Expedition	JU1G53AEB5	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387691	2010	Heil /Peterbilt	28 Yd Trash Truck	ZL00X2AF71	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387692	2010	Peterbilt	367 Truck w/ Dum	FL40X7AD79	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387693	2010	Pierce	Pump Tanker-E2	CV01H6AA01	511,671	Yes	\$1,000	\$1.20	\$3,070	\$215	7/1/2017	7/1/2018
387694	2011	Ford	Expedition	JU1G52BEF4	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387695	2011	Ford	F150	/X1EF9BKD9	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387696	2011	Ford	F250	3F2B6XBEB0	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387697	2011	Mack/HEIL	Garbage Truck	AU02C4BM00	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387698	2012	Ford	Expedition	JK1J50CEF0	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387699	2012	Ford	Expedition	JU1G52CEF5	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387700	2012	Ford	F250	7X2B65CEC3	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387701	2012	Ford	F350	3X3G6XCEC9	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387702	2012	Ford	F350	RF3H60CEC5	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387703	2012	Ford	F350	3W3B67CEC3	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387704	2012	International	Truck W/ STELLA	VCAAR4CJ08	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387705	2012	Pierce	Pumper/Velocity C	CV01D2CA01	595,526	Yes	\$500	\$1.50	\$4,466	\$215	7/1/2017	7/1/2018
387706	2013	Ford	Escape	CU9GX5DUC	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387707	2013	Ford	Escape	CU9GX7DUC	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387708	2013	Ford	Expedition	JU1G55DEF3	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387709	2013	Ford	Expedition	JU1G58DEF4	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387710	2013	Ford	Expedition	JU1G5XDEF4	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387711	2013	Ford	F350	3W3B68DEB3	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387712	2013	International	Vactor 2100 Plus	VNAZT3DJ29	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387713	2013	Peterbilt	Tanker Truck-T4	FL4EX1DD20	399,915	Yes	\$500	\$1.50	\$2,999	\$215	7/1/2017	7/1/2018
387714	2014	Chevrolet	3500 Express	0G2CG8E111	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387715	2014	Ford	F150	FX1EF7EKE7	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387716	2015	Chevrolet	Silverado	3KYCG4FF55	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018

# Automobile Detail Schedule

**City of Valdez**

Account ID 122

Veh#	Year	Make	Model	Serial/Vin#	Value	C/C ?	C/C Ded.	C/C Rate	C/C Contri.	AL Contri.	Date Start	Date End
387717	2015	Chevrolet	Tahoe 1500	SK3EC7FR29	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387718	2015	Chevrolet	Tahoe 1500	SK3EC8FR29	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387719	2015	Ford	Crew Cab	W3B66FED1	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387720	2015	Ford	Escape	CU9GX6FUC	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387721	2015	Ford	Escape	CU9GX8FUC	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387722	2015	Ford	F250	7X2B64FED1	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387723	2015	Ford	F250	7X2B68FEA8	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387724	2015	GMC	Sierra	421CG2FF51	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387725	2015	GMC	Sierra 3500	521CG0FZ12	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387726	2015	Peterbilt	Labrie/Wittke	ZL70X7FF27	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387727	2016	Pierce	Rescue Pumper	AHGF5GA01	758,235	Yes	\$1,000	\$1.20	\$4,549	\$215	7/1/2017	7/1/2018
387728	2016	Chevrolet	Tahoe	SKFEC6GR32	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387729	2016	Ford	Ambulance	JF5HT3GEC7	177,196	Yes	\$1,000	\$1.20	\$1,063	\$215	7/1/2017	7/1/2018
387735	2016	GMC	Sierra 3500HD	42VCG9GF16	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018
387736	2017	Elgin	Vacuum Street Swe	MV41024	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2017	7/1/2018

## Automobile Contribution Calculation -- Auto Liability/Comp. and Collisio

<b>Auto Liability Limit</b>	<b>\$15,000,000</b>	<b>Auto Liability Deductible</b>	<b>\$0</b>
Scheduled Values	\$2,799,969	Total Number of Vehicles	74
Non-Owned/Hired	\$750	Base AL Contribution	\$15,910
Base C/C Contribution	\$19,043	AL Brokerage Fee	\$0
C/C Brokerage Fee	\$0		
<b>Auto C/C Contribution</b>	<b>\$19,043</b>	<b>Auto Liability Contribution</b>	<b>\$15,910</b>

**Note:**

**NOTE: Only those vehicles that are covered under Comp. and Collision have recorded scheduled values.**

# Alaska Municipal League Joint Insurance Association, Inc.

## Police Professional Liability Detail Report

FY2018

Tuesday, May 23, 2017

City of Valdez

Member ID: 122

Chiefs Name:	Bart Hinkle	PPL Limit:	\$15,000,000
No. of Officers :	12	PPL Deductible:	\$0
No. of Guards:	8	Reported Police Payroll:	\$1,197,247
No. of Volunteers:	0		
Holding Facilities:	<input checked="" type="checkbox"/>	Police Dogs:	<input type="checkbox"/>
Firearms:	<input checked="" type="checkbox"/>		

### POLICE PROFESSIONAL LIABILITY CALCULATIONS

PPL Variable:	(\$67,018)
PPL Base Contribution:	\$12,000
PPL Broker Fee:	\$0

<b>Total Police Professional Liability Contribution:</b>	<b>\$12,000</b>
--	-----------------

Note:

## Alaska Municipal League Joint Insurance Association, Inc.

### Annual Deposit Of Contribution Enhancement Coverages

ALASKA MUNICIPAL LEAGUE  
JOINT INSURANCE ASSOCIATION, INC.  
807 G Street, Suite 356  
Anchorage, Alaska 99501

Tuesday, May 23, 2017

PHONE - (907) 258-2625

FAX - (907) 279-3615

TOLL FREE IN ALASKA - (800) 337-3682

#### GENERAL INFORMATION

City of Valdez		
Brian Carlson	Finance Director	
PO Box 307		
Valdez	AK	99686-

(907) 835-4313

(907) 835-2992

Policy Fiscal Year: 2018

Member #: 122

Joined AML/JIA: 7/1/1996

Coverage Type and Exposure: Supplemental

Coverage Type	Coverage Policy #	Eff Date/Beg	Eff Date/End
Crime Coverage		7/1/2017	7/1/2018
Limits	Basis	Notes	
\$100,000	Included		
Deductible			
\$1,000			
Contribution:			\$0

Note: All supplemental coverages are optional coverages  
and may be purchased separately from the AML/JIA Core Program.

#### AML/JIA Office Use Only

Authorization: \_\_\_\_\_ Date: \_\_\_\_\_

A. Jacobs, Accounting

Invoice Created

Created By

## Alaska Municipal League Joint Insurance Association, Inc.

### Annual Deposit Of Contribution Enhancement Coverages

ALASKA MUNICIPAL LEAGUE  
JOINT INSURANCE ASSOCIATION, INC.  
807 G Street, Suite 356  
Anchorage, Alaska 99501

Tuesday, May 23, 2017

PHONE - (907) 258-2625  
FAX - (907) 279-3615  
TOLL FREE IN ALASKA - (800) 337-3682

#### GENERAL INFORMATION

City of Valdez		
Brian Carlson	Finance Director	
PO Box 307		
Valdez	AK	99686-

(907) 835-4313

(907) 835-2992

**Policy Fiscal Year:**

2018

**Member #:**

122

Joined AML/JIA:

7/1/1996

*Coverage Type and Exposure: Supplemental*

**TOTAL SUPPLEMENTAL  
COVERAGES:**

\$0

**Note: All supplemental coverages are optional coverages  
and may be purchased separately from the AML/JIA Core Program.**

#### AML/JIA Office Use Only

**Authorization:** \_\_\_\_\_ **Date:** \_\_\_\_\_

*A. Jacobs, Accounting*

**Invoice Created**

**Created By**

**THREE-YEAR PARTICIPANT MEMBERSHIP AGREEMENT**

This Three-Year Participant Membership Agreement ("Agreement"), dated \_\_\_\_\_, is between the \_\_\_\_\_ ("the Participant") and Alaska Municipal League Joint Insurance Association, Inc. ("AMLJIA").

WHEREAS, AMLJIA is a joint insurance arrangement as authorized under AS 21.76.010 *et seq.*, whose participating members have agreed to pool contributions in order to assume risks for losses to the participants on a group basis; and

WHEREAS, the Participant desires either to renew its current membership in AMLJIA or to become a participating member of AMLJIA; and

WHEREAS, it is in the mutual interests of AMLJIA, the Participant, and other participating members that AMLJIA maintain a stable membership in order to more effectively administer the joint insurance arrangement and serve the needs of the participating members; and

WHEREAS, the Board of Trustees of AMLJIA has determined that in order to encourage participating members to make a multi-year membership commitment, it is efficient and cost-effective, both for participating members and for AMLJIA, to offer a discount on the annual contributions required to be paid

by all participating members that commit to a three-year AMLJIA membership term; and

WHEREAS, the Participant desires to commit to a three-year membership in AMLJIA, subject to the terms and conditions stated herein as well as in the AMLJIA Cooperative Participation Agreement ("CPA") and the AMLJIA Participant Coverage Memorandum ("PCM");

NOW THEREFORE, in consideration of the mutual representations, warranties, covenants, and agreements set forth below, the Participant and AMLJIA agree as follows:

1. The Participant agrees to become a participating member of, or to renew its membership in, AMLJIA effective July 1, 2017.

2. The Participant shall continue its membership in AMLJIA for a period of not less than three (3) years, through and including June 30, 2020, subject to the terms and conditions stated herein as well as in the CPA and the PCM. The period of the Participant's membership under this Agreement encompasses the Fiscal Years 2018, 2019, and 2020.

3. The Participant's annual AMLJIA membership contribution for each of the Fiscal Years 2018, 2019, and 2020 shall be discounted by five percent (5%) off the amount of the membership contribution that the Participant would be charged in



the absence of this Agreement, provided the Participant remains a participating member of AMLJIA throughout the three-year effective period of this Agreement.

4. Should AMLJIA determine that the rate upon which the Participant's annual membership contribution is increased by more than ten percent (10%) for either of the Fiscal Years 2019 or 2020, AMLJIA shall notify the Participant of the amount of the anticipated rate increase not later than 45 days prior to the end of the then-current Fiscal Year. In the event of such a rate increase, the Participant shall have the option to cancel this Agreement and to provide written notice of such cancellation and written notice of intent to withdraw from AMLJIA effective at the end of the then-current Fiscal Year. Notice of cancellation of this Agreement and notice of intent to withdraw from AMLJIA pursuant to this paragraph must be received by AMLJIA not later than thirty (30) days after the Participant's receipt of AMLJIA's notice of rate increase, and must comply with the provisions of Section 19 of the CPA except to the extent that the period in which the Participant is permitted to provide notice of intent to withdraw may be shorter under this paragraph than under Section 19 of the CPA.

5. Should the Participant give notice of intent to withdraw from AMLJIA effective at any time prior to the end of

the Fiscal Year 2020 (June 30, 2020), except as provided in paragraph 4 of this Agreement, the Participant shall, within thirty (30) days of the date of such notice pay to AMLJIA the total principal amount of the annual membership contribution discounts it received pursuant to this Agreement, plus interest at the rate of five percent (5%) per annum. In addition, the Participant shall pay liquidated damages in an amount equal to 20 percent of the Participant's estimated deposit for each year remaining in the term of this Agreement, to compensate the Association for the loss of its contribution to the Association's surplus for the remainder of the term of this Agreement.

6. Should the Participant fail to pay to AMLJIA any amount as and when due under paragraph 5 of this Agreement, AMLJIA, in addition to any and all other rights it may have under applicable law, shall have the express right to:

(a) Intercept revenue-sharing, municipal assistance, and other funds due to be paid or administered by or through the State of Alaska to or for the benefit of the Participant, up to and including an amount equal to the unpaid portion of the principal and interest due under this Agreement until paid in full;

(b) Initiate a lawsuit against the Participant in the appropriate court for the State of Alaska, Third Judicial District at Anchorage, to recover any unpaid amounts under this Agreement as well as any other relief to which AMLJIA may be entitled.

7. This Agreement constitutes the entire agreement of the parties, and no other agreement, statement, or promise shall be valid or binding on any party. This Agreement may not be amended, modified, altered, or supplemented other than by means of a written addendum duly executed by the parties.

8. In the event that any provision of this Agreement or the application of any such provision to any person or set of circumstances, shall be determined to be invalid, unlawful, void, or unenforceable to any extent, the remainder of this Agreement, and the application of such provision to persons or circumstances other than those as to which it is determined to be unlawful, void, or unenforceable, shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law.

9. The waiver by any party hereto of any breach of any term, covenant, or condition of this Agreement shall not be deemed to be a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant,

or condition of this Agreement. Any waiver of a term, covenant, or condition of this Agreement shall be valid only if in writing.

10. This Agreement shall be interpreted and construed under and pursuant to the laws of the State of Alaska. Venue for any action to enforce any obligation under this Agreement shall lie solely in the state courts of Alaska situated in Anchorage, Alaska.

11. No party to this Agreement may assign its rights nor delegate its duties under this Agreement at any time without the express written consent of the other party. Subject to the foregoing, the provisions of this Agreement shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors, and assigns.

12. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic document copies hereof shall be deemed to be originals.

13. If it shall be necessary for either the Participant or AMLJIA to employ an attorney to enforce its rights pursuant to this Agreement because of the default of the other party, the prevailing party in any such action shall be entitled to recover its actual reasonable attorney's fees and costs.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

DATED this \_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_

ALASKA MUNICIPAL LEAGUE JOINT  
INSURANCE ASSOCIATION, INC.

By: Kevin Smith

Its: Executive Director

# ***City of Valdez***

## ***Marine***



725 S. Figueroa Street, 19th Floor, Los Angeles, CA 90017  
 office (213) 236-4500 | fax (213) 244-9655

06/05/2017

Quote # 1388893-01

TO: Hale & Associates, Inc  
 ATTN: JoAnna Lewis

Renewal of MAR354554715

FROM: Robert K Riske

Proposed Eff Date: 07/01/2017

**INSURED: City of Valdez / The Port of Valdez**

We are pleased to offer the following Quotation:

**CARRIER: Zurich American Insurance Co AM Best Rating: A+ XV**

**Coverage:** Marine Comprehensive Liability

**Limits:** \$1,000,000 Each occurrence  
 \$2,000,000 General Aggregate  
 \$ 50,000 Fire Damage Legal Liability  
 \$ 5,000 Medical Expense

**Deductible:** \$5,000 per occurrence

**Terms:** Policy Period: July 01, 2017 to July 01, 2018  
 No Flat cancellations. 25% minimum earned retained premium in the event of cancellation  
 Zurich Marine Comprehensive Liability (MCL) Form  
 MCL Wharfinger's Liability Coverage  
 MCL Stevedore's Liability Coverage  
 Lift Liability  
 Premises Medical Payment Coverage  
 Fire Legal Liability for Real Property  
 Personal Injury and Advertising Injury Liability Coverages  
 Time Element Pollution (Maritime operations only)  
 Inclusion of Additional Insured or Loss Payees  
 In - Rem  
 X-C-U  
 Detention  
 Personal Injury  
 Host Liquor Law Liability  
 Traveling Workmen  
 Alaska Law Suit  
 Incidental Medical Malpractice  
 Workboat Protection & Indemnity (excluding crew)  
 AIMU: Extended Radioactive Contamination Exclusion Clause with U.S.A. Endorsement  
 AIMU: U.S. Economic and Trade Sanctions Clause  
 MCL In Rem Endorsement  
 Warranted that the rated capacity of Lifts, Dry-Docks, Cranes - not to be exceeded.

**Rate:** Flat on est gross receipts of \$1,439,000  
 Terrorism coverage offered at \$1,423 a/p - if purchased



An order to bind must be received in writing prior to effective date of coverage. All orders must be confirmed by our Binder for coverage to be effective.

Flat Premium	\$	61,300.00
<b>Total Gross Amount</b>	<b>\$</b>	<b>61,300.00</b>

**COMMISSION:** 0.00%      **Balance due in 25 Days**

**25.00 % MINIMUM RETAINED PREMIUM IN THE EVENT OF CANCELLATION. NO FLAT CANCELLATIONS.**  
Fees are 100% Fully Earned.

**We cannot bind without an application signed by the Insured, and as applicable, the signed TRIA.**

**This Quotation is valid for 0 days, or until inception of coverage, whichever is sooner.**

**For Non-Admitted Risks:** In order to comply with Surplus Line Regulations for policies with multi-state exposures, the retailer must provide WWF with the percentage of the insured's business operations and/or employees that are located in each state outside the home state, (as defined by NRRRA), prior to binding the policy. The surplus line taxes and fees are subject to change if it is determined that the premium allocations between or among states differ from any allocations that may or may not be contemplated in this quotation and/or binder.

**Please review the above Quotation carefully; terms and/or conditions herein represent noteworthy highlights but may not serve as a complete itemization of conditions contained within the policy and may differ from those requested in your submission. In addition to the mentioned exclusions, the policy contains other standard exclusions; specimen policies are available upon request. Terms herein are summarized for use by a licensed broker and should not be submitted in this format to the applicant. Please call with any questions.**



**THIS DISCLOSURE DOES NOT GRANT ANY COVERAGE OR CHANGE THE  
TERMS AND CONDITIONS OF ANY COVERAGE UNDER ANY POLICY.**

## **DISCLOSURE OF IMPORTANT INFORMATION RELATING TO TERRORISM RISK INSURANCE ACT**

### **SCHEDULE\***

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA:

\$1,423                      \_\_\_\_\_ accept                      \_\_\_\_\_ decline

\*Any information required to complete this Schedule, if not shown above, will be shown in the quote or proposal.

#### **A. Disclosure of Premium**

In accordance with the federal Terrorism Risk Insurance Act ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

#### **B. Disclosure of Federal Participation in Payment of Terrorism Losses**

The United States Government may pay a share of insured losses resulting from an act of terrorism. The federal share will decrease by 5% from 85% to 80% over a five year period while the insurer share increases by the same amount during the same period. The schedule below illustrates the decrease in the federal share:

January1, 2015 – December 31, 2015 federal share: 85%

January1, 2016 – December 31, 2016 federal share: 84%

January1, 2017 – December 31, 2017 federal share: 83%

January1, 2018 – December 31, 2018 federal share: 82%

January1, 2019 – December 31, 2019 federal share: 81%

January1, 2020 – December 31, 2020 federal share: 80%

#### **C. Disclosure of \$100 Billion Cap on All Insurer and Federal Obligations**

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed \$100 billion in a calendar year (January 1 through December 31) and an insurer has met its deductible under the program, that insurer shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

#### **D. Availability**

As required by TRIA, we have made available to you for lines subject to TRIA coverage for losses resulting from acts of terrorism certified under TRIA with terms, amounts and limitations that do not differ materially from those for losses arising from events other than acts of terrorism.

#### **E. Definition of Act of Terrorism under TRIA**

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;

3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. To have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an "act of terrorism" if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

***City of Valdez and Valdez City Schools  
Property and Boiler & Machinery***

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## **INSURANCE PROPOSAL for City of Valdez and Valdez City Schools**

---

To: JoAnna Lewis

From: Mike Landert

At: Hale & Associates, Inc.

Date: 01 Jun 2017

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### **A. POLICY TERM:**

01-July-2017 to 01-July-2018

### **B. NAMED INSURED:**

City of Valdez and Valdez City Schools, and its wholly or majority owned subsidiaries and any interest which may now exist or hereinafter be created or acquired which are owned, controlled or operated by any one or more of those named insureds.

### **C. POLICY LIMIT:**

This Company's total limit of liability, including any insured Business Interruption loss, will not exceed the Policy Limit of \$75,000,000 as a result of any one **occurrence** subject to the respective sub-limits of liability shown elsewhere in this Policy.

### **D. POLICY TERRITORY:**

Coverage provided by this Policy is limited to property while located within: the fifty (50) United States; District of Columbia; Commonwealth of Puerto Rico; U.S. Virgin Islands; and Canada, except as follows:

#### **Cyber Coverage Territory**

Coverage provided in Data, Programs or Software; Off-Premises Data Services Property Damage and Business Interruption and Computer Systems Non-Physical Damage is limited to anywhere in the world except Cuba, Iran, North Korea, Sudan, Syria or Crimea Region of Ukraine.

### **E. INSURANCE PROVIDED:**

This Policy covers property, as described in this Policy, against ALL RISKS OF PHYSICAL LOSS OR DAMAGE, except as hereinafter excluded, while located as follows:

See Attached Location Schedule.

### **F. SUB-LIMITS:**

Unless otherwise stated below or elsewhere in this Policy, the following sub-limits of liability, including any insured Business Interruption loss, will be the maximum payable and will apply on a per **occurrence** basis.

The sub-limits stated below or elsewhere in this Policy are part of and not in addition to the Policy Limit.

When a limit of liability applies to a **location** or property, such limit of liability will be the maximum amount payable for all loss or damage.

There shall be no liability under this Policy when "NOT COVERED" is shown as a sublimit.

- |    |              |  |
|----|--------------|--|
| 1. | \$20,000,000 | Earth Movement <b>annual aggregate</b> for all coverages provided, and is the maximum amount payable for all loss or damage caused by or resulting from Earth Movement, not to exceed: |
|    | \$50,000     | Earth Movement <b>annual aggregate</b> as respects Errors & Omissions, Off-Premises Data Services, Off-Premises Service Interruption, Unnamed Property and Supply Chain combined.      |
| 2. | \$10,000,000 | Flood <b>annual aggregate</b> for all coverages provided, and is the maximum amount payable for all loss or damage caused by or resulting from Flood, not to exceed:                   |
|    | \$50,000     | Flood <b>annual aggregate</b> as respects Errors & Omissions, Off-Premises Data Services, Off-Premises Service Interruption, Unnamed Property and Supply Chain combined.               |
| 3. | \$150,000    | School Buses and Vehicles in Storage applicable at Bus Barn  |

**Additional Coverages**

- |              |  |
|--------------|--|
| \$1,000,000  | Accounts Receivable  |
| \$100,000    | Arson or Theft Reward  |
| Policy Limit | Brand Protection   |
| \$100,000    | Change of Temperature  |
| \$100,000    | Communicable Disease - Property Damage <b>annual aggregate</b>   |
| \$500,000    | Data, Programs or Software   |
| Policy Limit | Debris Removal   |
| Policy Limit | Decontamination Costs  |
| \$100,000    | Deferred Payment   |
| Policy Limit | Demolition and Increased Cost of Construction  |
| \$1,000,000  | Errors and Omissions   |
| \$250,000    | Expediting Expenses  |
| \$250,000    | <b>Fine Arts</b> not to exceed \$10,000 per item for <b>irreplaceable Fine Arts</b>  |
| \$50,000     | Green Coverage not to exceed 25% of the amount of the property damage loss   |
| \$50,000     | Land and Water Clean Up Expense <b>annual aggregate</b>  |
| \$100,000    | Locks and Keys   |
| \$100,000    | Money and Securities   |
| \$2,500,000  | Newly Acquired Property  |
| \$50,000     | Off-Premises Data Services - Property Damage   |
| \$500,000    | Off-Premises Service Interruption - Property Damage  |
| \$100,000    | Professional Fees  |
| Policy Limit | Property Removed from a Location   |
| Policy Limit | Protection and Preservation of Property - Property Damage not to exceed \$250,000 for security costs   |
| \$100,000    | Tax Treatment  |
| \$100,000    | Tenants Legal Liability  |
|              | Terrorism Coverage and the Supplemental United States Certified Act of Terrorism Endorsement   |
| \$100,000    | A. United States Certified Act of Terrorism coverage   |
| \$100,000    | B. Terrorism Coverage for Locations Outside of the United States <b>annual aggregate</b> but not to exceed \$100,000 <b>annual aggregate</b> for Property Removed from a Location, Unnamed Locations and Flood |
| \$500,000    | Transit not to exceed \$250,000 for Business Interruption  |
| \$1,000,000  | Unnamed Property   |
| \$500,000    | <b>Valuable Papers and Records</b> not to exceed \$10,000 per item for <b>irreplaceable Valuable Papers and Records</b>  |

**Business Interruption Coverage**

NOT COVERED	Gross Earnings
NOT COVERED	Gross Profits
NOT COVERED	Rental Income
\$3,000,000	Extra Expense

**Business Interruption Coverage Extensions**

\$100,000	Attraction Property
NOT COVERED	Civil or Military Authority
\$100,000	Communicable Disease - Business Interruption <b>annual aggregate</b> for a 12 Month Period of Liability
\$250,000	Computer Systems Non-Physical Damage <b>annual aggregate</b>
\$100,000	Contractual Penalties
\$100,000	Crisis Management not to exceed 30 Days
90 Days	Extended Period of Liability
\$500,000	Ingress/Egress
\$250,000	Leasehold Interest
\$100,000	Logistics Extra Cost
\$50,000	Off-Premises Data Services - Business Interruption
NOT COVERED	Off-Premises Service Interruption - Business Interruption
Policy Limit	Protection and Preservation of Property - Business Interruption
Policy Limit	Research and Development
\$100,000	Soft Costs
\$500,000	Supply Chain

**G. DEDUCTIBLE AMOUNT:**

This Company will not be liable for loss or damage, including any insured Business Interruption loss, in any one **occurrence** until the amount of loss or damage exceeds the deductible amount shown below and then this Company will only be liable for its share of the loss or damage in excess of the deductible amount. If two or more deductibles apply to a single **occurrence**, then no more than the largest deductible amount will apply. However, this Policy allows for the application of separate and distinct deductibles and deductibles for specific loss or damage as shown below.

The following deductible amounts shall apply per **occurrence**, unless otherwise stated, for insured loss or damage under this Policy:

1. Earthquake (per **location** for all coverages provided) at the following **location**:
22. Providence Valdez Medical Center, 911 Meals Avenue, Valdez, AK, 99686

This Company will not be liable for loss or damage unless the amount of loss or damage exceeds 5% of the combined value of the property and annual business interruption value that would have been earned at the time of such loss or damage at the **location** where loss or damage occurs plus that proportion of the 100% business interruption value at all other **locations** where business interruption loss ensues, in accordance with the valuation and business interruption sections of this policy, subject to a minimum deductible amount of \$100,000 per **location**. If coverage is provided for more than one **location**, this deductible percentage or minimum deductible amount will be applied separately to each **location**.

2. Flood (per **location** for all coverages provided) at **location** 22. Providence Valdez Medical Center, 911 Meals Avenue, Valdez, AK, 99686.

3. Communicable Disease Property Damage and Business Interruption:

Qualifying Period: With respect to Communicable Disease Property Damage and Business Interruption coverage, this Company will not be liable for loss unless the Period of Liability exceeds 48 hours.

Should the Period of Liability exceed this time period, the insured loss or damage will be calculated beginning from the time of loss subject to a deductible of \$100,000 combined all coverages.

4. Computer Systems Non-Physical Damage:

Qualifying Period: With respect to Computer Systems Non-Physical Damage, in the event of loss resulting from the failure of the Insured's electronic data processing or media to operate as a direct result of a malicious act directed at the Named Insured, this Company will not be liable for loss unless the Period of Liability exceeds 48 hours.

Should the Period of Liability exceed this time period, the insured loss or damage will be calculated beginning from the time of loss subject to a deductible of \$100,000 combined all coverages.

5. Data, Programs, or Software:

Qualifying Period: With respect to Data, Programs, or Software, in the event of a malicious introduction of a machine code or instruction, no coverage is provided unless the time to recreate or restore physically damaged property exceeds 48 hours.

Should this time period be exceeded, the insured loss or damage for malicious introduction of a machine code or instruction will be calculated beginning from the time of loss subject to a deductible of \$100,000 combined all coverages.

6. Off-Premises Data Services Property Damage and Business Interruption:

Qualifying Period: With respect to Off-Premises Data Services Property Damage and Business Interruption coverage, this Company will not be liable for loss unless the period of interruption, as described below, exceeds 24 hours.

The period of interruption for **off-premises data processing or data transmission services** is the period starting when an interruption of provided services happens; and ending when with due diligence and dispatch the service could be wholly restored.

Should the period of interruption exceed this time period, the insured loss or damage will be calculated beginning from the time of loss subject to a deductible of \$100,000 combined all coverages.

7. Off-Premises Service Interruption Property Damage and Business Interruption:

Qualifying Period: With respect to Off-Premises Service Interruption Property Damage and Business Interruption, this Company will not be liable for loss unless the period of interruption, as described below, exceeds 24 hours.

The period of interruption for Off-Premises Service Interruption Property Damage and Business Interruption is the period starting when an interruption of provided services happens; and ending when with due diligence and dispatch the service could be wholly restored.

Should the period of interruption exceed this time period, the insured loss or damage will be calculated beginning from the time of loss subject to the deductible(s) that would have applied to the cause of the interruption of services, but not less than \$100,000 combined all coverages.

8. \$100,000 All Other Losses.

**H. SPECIAL TERMS AND CONDITIONS:**

**1. Specific Earth Movement Exclusion - PRO 125 (4/15)**

ADDITIONAL PROPERTY DAMAGE COVERAGE, **Earth Movement** does not apply to any property except at the following location(s):

22. Providence Valdez Medical Center, 911 Meals Avenue, Valdez, AK, 99686

**2. Specific Flood Exclusion - PRO 128 (4/15)**

ADDITIONAL PROPERTY DAMAGE COVERAGE, **Flood** does not apply to any property except at the following location(s):

22. Providence Valdez Medical Center, 911 Meals Avenue, Valdez, AK, 99686

**3. Transmission and Distribution Systems Exclusion - PRO 132 (04/15)**

PROPERTY EXCLUDED is amended to include:

Transmission and distribution systems, including poles, towers and fixtures, overhead conductors and devices, underground or underwater conduit, underground or underwater conductors and devices, line transformers, service meters, street lighting and signal systems.

**4. Motor Vehicle Coverage - PRO 141 (4/15)**

This Policy covers:

- a) Motor vehicles;
- b) Trucks; and
- c) Trailers; Licensed

for highway use.

PROPERTY EXCLUDED, item 7., is amended to:

7. Motor vehicles owned by directors, officers and employees of the Insured

Motor Vehicle Coverage Exclusion: With respect to Motor Vehicle Coverage, the following additional exclusions apply:

This Policy does not cover loss or damage resulting from:

- i) Collision; or



ii) Overturn;

While such motor vehicles, trucks, and trailers are being operated under their own power; or being towed (whether or not in motion at the time of loss).

**5. United States Certified Act of Terrorism 2015**

As respects the United States, its territories and possessions and the Commonwealth of Puerto Rico, the definition of terrorism contained in DEFINITIONS is declared null and void and it is agreed that an event defined as a Certified Act of Terrorism under the terms of the SUPPLEMENTAL UNITED STATES CERTIFIED ACT OF TERRORISM ENDORSEMENT attached to this Policy shall be considered terrorism within the terms of this policy. Notwithstanding anything contained in this Policy to the contrary, this Policy provides coverage for direct physical loss or damage to insured property and any resulting Business Interruption loss, as provided in the Policy, caused by or resulting from a Certified Act of Terrorism only to the extent coverage is provided under the terms and conditions of the SUPPLEMENTAL UNITED STATES CERTIFIED ACT OF TERRORISM ENDORSEMENT attached to this policy. Any difference in limit between loss recoverable under the SUPPLEMENTAL UNITED STATES CERTIFIED ACT OF TERRORISM ENDORSEMENT and this Policy is not recoverable under this Policy.

**I. INDEX OF FORMS:**

The following forms are made part of this Policy:

<b><u>Title</u></b>	<b><u>Form No.</u></b>	<b><u>Edition</u></b>
Declarations Page	PRO DEC 4100	(04/15)
Declarations	PRO S-1 4100	(01/17)
All Risk Coverage	PRO AR 4100	(01/17)
Supplemental United States Certified Act of Terrorism Endorsement	7312	(1/15)
Alaska Amendatory Endorsement	AFM 6505	(01/17)

Total Premium **including** the United States Certified Act of Terrorism coverage: \$212,558 at no commission

Total Premium **excluding** the United States Certified Act of Terrorism coverage: \$205,058 at no commission

Total Premium for the United States Certified Act of Terrorism: \$7,500 at no commission

If the option to purchase coverage for the United States Certified Act of Terrorism is elected, the Additional Property Damage Coverage Sub-Limit for Terrorism Coverage part A. will be amended to A. \$75,000,000

Engineering Fees: \$7,500 at no commission.

**Applicable state taxes, surcharges and fees are not included in this proposal. Applicable state taxes, surcharges and fees will be added to the invoice.**

Any variations between this proposal letter and Affiliated FM forms versus your application are not provided.

This proposal expires July 1, 2017.

Thank you for your business and please feel free to call with any questions.

Regards,  
 Mike Landert  
 Senior Vice President  
 Sullivan & Associates of Oregon

### Location Schedule

1. City Hall, Old City Hall, Police Station, 212 Chenega Avenue, Valdez, AK, 99686, Index No. 092099.25
2. Fire Station and Old Fire Station, 212 Pioneer Drive, Valdez, AK, 99686
3. Police Station Parking Garage, 212 Tatitlek Street, Valdez, AK, 99686
4. City of Valdez Library, 212 Fairbanks Drive, Valdez, AK, 99686, Index No. 092099.27
5. Valdez Museum and Historical Archive, 217 Egan Drive, Valdez, AK, 99686, Index No. 092099.27
6. Council Chambers - Administration Complex, 211 Fairbanks Drive, Valdez, AK, 99686
7. Valdez Convention and Civic Center, 110 Clifton Drive, Valdez, AK, 99686, Index No. 092099.28
8. Waterwell #5 - Public Works Building & Tank, 1465 Mineral Creek Loop Road, Valdez, AK, 99686
9. Waterwell, Robe River/Sub Division, 311 Dylan Drive, Valdez, AK, 99686
10. Hillside Tank Farm Water Department, USS 411 Mineral Creek Canyon & USS 641 West Egan, Valdez, AK, 99686
11. Warehouse #1, 436 South Hazelet, Valdez, AK, 99686
12. Airport Terminal Building, 300 Valdez Airport Road, Valdez, AK, 99686, Index No. 092099.30
13. Valdez Senior Center, Inc., 1109 Meals, Valdez, AK, 99686, Index No. 092099.33
14. Alpine Woods Subdivision/Fire Station #4, 5040 Richardson Highway, Valdez, AK, 99686
15. Robe River Subdivision/Fire Station #3, 124 River Drive, Valdez, AK, 99686
16. Woody Woodman Teen Center, 414 West Hanagita Street, Valdez, AK, 99686, Index No. 092099.32
17. Mary Kevin Gilson Medical Center, 1001 Meals Avenue, Valdez, AK, 99686, Index No. 092099.33
18. George H. Gilson High School and Classrooms, 319 Robe River Drive, Valdez, AK, 99686, Index No. 092004.32
19. Hermon Hutchens Elementary School, 1109 West Klutina Street, Valdez, AK, 99686, Index No. 092004.34
20. School District Administration Building, 1112 West Klutina Street, Valdez, AK, 99686, Index No. 092004.34
22. Providence Valdez Medical Center, 911 Meals Avenue, Valdez, AK, 99686, Index No. 092099.33
23. Pump Station #4 - Tract A - USS641, 1104 West Egan, Valdez, AK, 99686
24. South Central Pump, 1555 Mineral Creek Loop Road, Valdez, AK, 99686
25. Baler Building - USS 0439, 500 South Sawmill, Valdez, AK, 99686, Index No. 002625.98
26. Valdez City Animal Shelter, 276 East Egan, Valdez, AK, 99686, Index No. 092099.27
27. Log Cabin @ Salmon View, Richardson Highway, Valdez, AK, 99686
28. Maintenance Shop #1 and #2, 602 West Egan, Valdez, AK, 99686
29. Bus Barn Building, 613 West Egan, Valdez, AK, 99686
30. George H. Gilson Junior High School, 357 Robe River Drive, Valdez, AK, 99686, Index No. 092004.32
31. Maintenance Building, 555 West Egan, Valdez, AK, 99686

## City of Valdez and Valdez City Schools

Account: 1-60939

Policy No.: PC231RQ-00

Policy Term: 01-July-2017 - 01-July-2018

Values as of June 5, 2017

Location								Premium and US Taxes	
Loc no.	Name	Address	City	State	County	Post Code	Country	Total Premium	Total US Taxes
001	City Hall, Old City Hall, Police Station	212 Chenega Avenue	Valdez	AK	Valdez-Cordova	99686	USA	4,660	0.00
002	Fire Station & Old Fire Station	212 Pioneer Drive	Valdez	AK	Valdez-Cordova	99686	USA	1,848	0.00
003	Police Station Parking Garage	212 Tatitlek Street	Valdez	AK	Valdez-Cordova	99686	USA	362	0.00
004	City of Valdez Library	212 Fairbanks Drive	Valdez	AK	Valdez-Cordova	99686	USA	1,949	0.00
005	Valdez Museum & Historical Archive	217 Egan Drive	Valdez	AK	Valdez-Cordova	99686	USA	3,336	0.00
006	Council Chambers - Administration Complex	211 Fairbanks Drive	Valdez	AK	Valdez-Cordova	99686	USA	702	0.00
007	Valdez Convention & Civic Center	110 Clifton Drive	Valdez	AK	Valdez-Cordova	99686	USA	4,244	0.00
008	Waterwell #5 - Public Works Building & Tank	1465 Mineral Creek Loop Road	Valdez	AK	Valdez-Cordova	99686	USA	2,111	0.00
009	Waterwell, Robe River/Sub Division	311 Dylan Drive	Valdez	AK	Valdez-Cordova	99686	USA	2,111	0.00
010	Hillside Tank Farm Water Department	USS 411 Mineral Creek Canyon & USS 641 West Egan	Valdez	AK	Valdez-Cordova	99686	USA	1,397	0.00
011	Warehouse #1	436 South Hazelet	Valdez	AK	Valdez-Cordova	99686	USA	1,553	0.00
012	Airport Terminal Building	300 Valdez Airport Road	Valdez	AK	Valdez-Cordova	99686	USA	13,729	0.00
013	Valdez Senior Center, Inc.	1109 Meals	Valdez	AK	Valdez-Cordova	99686	USA	9,050	0.00
014	Alpine Woods Subdivision/Fire Station #4	5040 Richardson Highway	Valdez	AK	Valdez-Cordova	99686	USA	386	0.00
015	Robe River Subdivision/Fire Station #3	124 River Drive	Valdez	AK	Valdez-Cordova	99686	USA	450	0.00

Location								Premium and US Taxes	
Loc no.	Name	Address	City	State	County	Post Code	Country	Total Premium	Total US Taxes
016	Woody Woodman Teen Center	414 West Hanagita Street	Valdez	AK	Valdez-Cordova	99686	USA	1,642	0.00
017	Mary Kevin Gilson Medical Center	1001 Meals Avenue	Valdez	AK	Valdez-Cordova	99686	USA	2,381	0.00
018	George H. Gilson High School and Classrooms	319 Robe River Drive	Valdez	AK	Valdez-Cordova	99686	USA	24,322	0.00
019	Hermon Hutchens Elementary School	1109 West Klutina Street	Valdez	AK	Valdez-Cordova	99686	USA	18,614	0.00
020	School District Administration Building	1112 West Klutina Street	Valdez	AK	Valdez-Cordova	99686	USA	1,192	0.00
022	Providence Valdez Medical Center	911 Meals Avenue	Valdez	AK	Valdez-Cordova	99686	USA	65,020	0.00
023	Pump Station #4 - Tract A - USS641	1104 West Egan	Valdez	AK	Valdez-Cordova	99686	USA	1,992	0.00
024	South Central Pump	1555 Mineral Creek Loop Road	Valdez	AK	Valdez-Cordova	99686	USA	2,009	0.00
025	Baler Building - USS 0439	500 South Sawmill	Valdez	AK	Valdez-Cordova	99686	USA	2,131	0.00
026	Valdez City Animal Shelter	276 East Egan	Valdez	AK	Valdez-Cordova	99686	USA	1,909	0.00
027	Log Cabin @ Salmon View	Richardson Highway	Valdez	AK	Valdez-Cordova	99686	USA	889	0.00
028	Maintenance Shop #1 and #2	602 West Egan	Valdez	AK	Valdez-Cordova	99686	USA	2,115	0.00
029	Bus Barn Building	613 West Egan	Valdez	AK	Valdez-Cordova	99686	USA	4,890	0.00
030	George H. Gilson Junior High School	357 Robe River Drive	Valdez	AK	Valdez-Cordova	99686	USA	21,056	0.00
031	Maintenance Building	555 West Egan	Valdez	AK	Valdez-Cordova	99686	USA	7,008	0.00

**\$205,058**

Terrorism: \$7,500

Total: **\$212,558**

Engineering

Fee: \$7,500

**Grand Total: \$220,058**

**POLICYHOLDER DISCLOSURE  
NOTICE OF TERRORISM INSURANCE COVERAGE**

Insured Name: City of Valdez and Valdez City Schools      Date: June 1, 2017

Account Number: 1-60939

Insurer Name: Affiliated FM Insurance Company

The Terrorism Risk Insurance Act of 2002, as amended and extended in 2005, 2007 and again in 2015, gives you the right as part of your property renewal policy to elect or reject insurance coverage for locations within the United States or any territory or possession of the United States for losses arising out of acts of terrorism, as defined and certified in accordance with the provisions of the act.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. UNDER THIS FORMULA, THE UNITED STATES GOVERNMENT GENERALLY PAYS 85% (AND BEGINNING ON JANUARY 1, 2016, SHALL THEN DECREASE BY 1 PERCENTAGE POINT PER CALENDAR YEAR UNTIL EQUAL TO 80 PERCENT) OF COVERED TERRORISM LOSSES EXCEEDING A STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER REFERENCED ABOVE. **ALSO, THERE IS A \$100,000,000,000 CAP ON THE FEDERAL AND INSURER SHARE OF LIABILITY STATING THAT IF THE AGGREGATE INSURED LOSSES EXCEED \$100,000,000,000 DURING ANY CALENDAR YEAR, NEITHER THE UNITED STATES GOVERNMENT NOR ANY INSURER THAT HAS MET ITS INSURER DEDUCTIBLE SHALL MAKE PAYMENT OR BE LIABLE FOR ANY PORTION OF THE AMOUNT OF SUCH LOSSES THAT EXCEED \$100,000,000,000.** THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

**ACCEPTANCE OR REJECTION OF TERRORISM INSURANCE COVERAGE:** UNDER FEDERAL LAW, YOU HAVE THE RIGHT TO ACCEPT OR REJECT THIS OFFER OF COVERAGE FOR TERRORIST ACTS COVERED BY THE ACT AS PART OF YOUR RENEWAL POLICY. IF WE DO NOT RECEIVE THIS SIGNED DISCLOSURE FORM PRIOR TO THE RENEWAL POLICY EFFECTIVE DATE OF **JULY 1, 2017**, THEN YOUR RENEWAL POLICY WILL REFLECT YOUR DECISION NOT TO PURCHASE THE TERRORISM COVERAGE PROVIDED BY THE ACT.

\_\_\_\_\_ I hereby elect to purchase coverage for terrorist acts covered by the act for an annual premium of **\$7,500.** This premium does not include applicable taxes or surcharges.

\_\_\_\_\_ I hereby decline this offer of coverage for terrorist acts covered by the act.

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Policyholder/Applicant Signature

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Print Name

---

Date

***City of Valdez and  
Valdez City Schools  
Crime***



**Crime Coverage**

**Carrier Name:** Hartford Fire Insurance Company  
**Policy Number:** 52 FA 0233687 17  
**Effective Date:** 7/1/17 at 12:01 a.m. standard time, at location of property insured  
**Expiration Date:** 7/1/18 at 12:01 a.m. standard time, at location of property insured  
**Coverage:** Coverage for employee theft of money, securities, or property.  
**Option 1 – As Expiring**

<b>CrimeSHIELD for Governmental Entities</b>	<b>Limit of Insurance</b>	<b>Deductible</b>
1.A. Employee Theft - Per Loss	\$1,000,000	\$10,000
1.B. Employee Theft - Per Employee	N/A	N/A
2. Depositors Forgery or Alteration	\$1,000,000	\$10,000
3. Theft, Disappearance and Destruction - Money, Securities and Other Property	N/A	N/A
4. Robbery and Safe Burglary - Money and Securities	N/A	N/A
5. Computer and Funds Transfer Fraud	\$1,000,000	\$10,000
6. Money Orders and Counterfeit Currency	N/A	N/A
<b>Total Premium:</b>	<b>\$5,363</b>	

**Computer & Funds Transfer Fraud  
 Insuring Agreement 5:**

We will pay for loss of and loss from damage to “money”, “securities” and “other property” following and directly related to the use of any computer to fraudulently cause a transfer of that property from inside the “premises” or “banking premises”  
 1. to a person (other than a “messenger”) outside those “premises”; or  
 2. to a place outside those “premises”.  
 And, we will pay for loss of “money” or “securities” through “funds transfer fraud” resulting directly from “fraudulent transfer instructions” communicated to a “financial institution” and instructing such institution to pay, deliver, or transfer “money” or “securities” from your “transfer account”.

***Valdez City School District  
AML/JIA Package***

# ***Valdez City School District***

## ***BROKERAGE SERVICES PROPOSAL***

*Effective*  
*From: 07/01/2017 To 07/01/2018*

*Presented by:*

David R. Hale  
President



100 Cushman Street, Suite 200  
Fairbanks, AK 99701

Phone: (907) 456-6671  
Toll Free: (800) 570-6671  
Fax: (907) 452-5214

*Executive Summary*

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This quote has been based on the information you provided to us and on which we have relied and is subject to the terms and conditions of the policy forms. In the event the information provided to the underwriters/(re)insurers is not complete and accurate, it may allow the underwriters/(re)insurers to avoid liability for a particular claim or to void the policy entirely. If any material information has been excluded or if any of the information provided is now inaccurate please advise us immediately in order that we can seek revalidation of terms with underwriters/(re)insurers.

This quote is valid until 07/01/2017 after which the pricing, terms, and conditions are subject to change. It does not constitute confirmation of full or further support of the placement at these terms; it is recommended, therefore, that you respond to us as soon as possible. We will not be responsible for any consequences that may arise from any delay or failure by you to respond to us by 06/30/2017.

You are requested to review this indication to confirm that it accurately reflects the coverage conditions, limits and other terms that you require. If the indication of coverage and terms does not accord with your instructions please kindly advise us immediately by contacting David Hale at (907) 456-6671.

*Client Service Team*

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Hale & Associates is committed to not only meeting your unique business demands, but to exceeding your expectations as a first class insurance broker and risk management partner. We know your value:

- a personal relationship with an increased access to your account team
- state-of-the-art market knowledge and expertise
- enhanced claims advocacy
- quicker, more streamlined processes (e.g., claims filing, certificate issuance)

The following is your Service Team:

Hale & Associates  
Phone: (907) 456-6671  
Fax: (907) 452-5214

**David Hale**  
**President**  
[david@hale-ins.com](mailto:david@hale-ins.com)

**JoAnna Lewis**  
**Account Executive**  
[joanna@hale-ins.com](mailto:joanna@hale-ins.com)

Shana Pilkinton  
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Hallie Woods  
Account Executive  
[hallie@hale-ins.com](mailto:hallie@hale-ins.com)

**VALDEZ CITY SCHOOL DISTRICT**  
**AML/JIA PREMIUM SUMMARY**

	<u>07/01/17-18</u>	<u>07/01/16-17</u>	<u>Change</u>
General Liability & E&O	\$ 39,780	\$ 31,459	\$ 8,321
Workers' Compensation	\$ 88,817	\$ 88,154	\$ 663
Business Auto	\$ 10,969	\$ 10,969	\$ 0
LCIP Discount	\$ -3,289	\$ -3,387	\$ 98
Rate Stabilization Fund Credit	\$ -856	\$ -1,284	\$ 428
3-Year Participant Membership	\$ -6,978	\$ -6,529	\$ -449
<b>Total AML/JIA Premium</b>	<b>\$ 128,443</b>	<b>\$ 119,382</b>	<b>\$ 9,061</b>
<b>Total Property Incl Boiler &amp; Mach</b>	<b>\$ 74,820</b>	<b>\$ 86,989</b>	<b>\$ -12,169</b>
Affiliated FM Insurance Co.			

Average Daily Membership	804	655
Reported Payroll	\$ 6,964,464	\$ 7,104,649
Vehicles	13	13

Payroll Subject to Audit

*Payment Due: July 10, 2017*

## MEMORANDUM

DATE: May 23, 2017  
TO: AMLJIA Members  
FROM: Kevin Smith, Executive Director  
RE: FY2018 Notice of Contribution



Your FY2018 Notice of Deposit Contribution is enclosed. Your contribution is based on the current exposure data provided in the renewal questionnaire(s) due to us in April. If you have not returned the questionnaire, your exposure information remains the same as last year, except that we have increased the building and contents values to account for increased building costs. Remember, the AMLJIA offers Replacement Cost Coverage for property, so it is important to be fair to both other members and our excess carriers in estimating property values. Note that we will also be auditing payroll numbers at the end of each year. A credit or debit to your contribution may apply at that time. If your entity's questionnaire has not been returned, please do so as soon as possible to obtain the most accurate price estimate. If you need another copy of the questionnaire or need assistance, you can download them and the instructions at <http://www.amljia.org/underwriting/exposures-questionnaire.html>, or contact the AMLJIA staff at 800-337-3682.

### Loss Control Incentive Program

The Notice of Deposit Contribution includes a credit for your Loss Control Incentive Program discount. If you're not participating in the Loss Control Incentive Program, contact the risk management department at 800-337-3682 to sign up.

### Rate Stabilization Fund

You may also take advantage of the Rate Stabilization Fund if you wish. Since FY2013, each member in good standing may use credits distributed from the Fund to offset deposit contributions. The amount of the credit received will depend on a member's longevity and your proportionate share of the pool's total contributions. Members may use up to one-third of their account balance. If you want to use this credit, you must indicate how much you wish to use and send the enclosed form back to your broker or the AMLJIA. If you do not indicate an amount, then no credit will be applied. Should you elect to save the credit or use only a portion of the credit towards your FY2018 contribution, then any remaining amount will roll over to the next fiscal year where it will be available as described on the Rate Stabilization Fund Credit form. Last year, about two-thirds of members elected to "let it ride" as they say in Vegas, saving their credits for another day. This provides members with some ability to control and stabilize contributions on their own.



### **Three-Year Rate Discount**

Most members have been with the pool for many years. This gives the pool stability and predictability and improves pricing. To help show our appreciation, we are offering a five percent discount to any member that wishes to enter into a three-year agreement. During those three years, your overall rate is guaranteed not to rise more than 10 percent in any one of the three years or the agreement is void. To take advantage of the three year pricing discount, you must read and sign the three year agreement and return it to your broker or the AMLJIA.

### **Rating**

It is important to understand there are many factors that determine your individual contribution. First are your exposures. Examples of your exposures include the value of your buildings, the amount of your payroll, and the number of vehicles and/or students exposed to potential loss. Generally, if payroll increases so does your contribution, since much of the rating is based on payroll. Deductibles play a role as well. Obviously, the larger the deductible a member takes the less exposed the rest of the pool is on each individual loss; therefore your contribution is less.

Loss experience is another factor that will impact the amount of your contribution. If your losses (claims) are better or worse than expected, then you have either good or bad loss experience. An experience modifier is applied that reflects your individual experience. Collectively, when we are all able to keep our losses down, the membership can enjoy better pricing. To that end, the AMLJIA has been proactive in promoting risk control and safety.

If after reviewing your Notice of Deposit Contribution you need further explanation, please contact your broker or Paul Bryner, Underwriting Manager, at 800-337-3682 or paulb@amljia.org. We are also available for council, assembly or board presentations upon request.

### **AML Membership Required**

The AMLJIA is a member service of the Alaska Municipal League (AML). The AML provides advocacy and training to members. In order to participate in the AMLJIA, participants must also be members in good standing (current with dues) of the AML.

### **Conclusion**

Our objective has always been to reward member loyalty to the AMLJIA program and proactive loss control practices by offering member credits such as those described above. These programs are designed to help members establish best practices and reduce losses, in turn building a culture of safety that protects your employees, your communities, your students and your schools. It is AMLJIA's belief that an investment in safety and risk management is rewarded by reduced liabilities, fewer employee injuries, and cost savings for you like in the Rate Stabilization Fund credit.

Since 1988, our commitment to addressing your evolving risk management needs is a top priority. If there are other ways in which we can serve you better, please let us know. Your entity is an important member of this program. On behalf of the AMLJIA Board and staff, thank you for your support, and we look forward to continuing to serve you!





Alaska Municipal League Joint Insurance Association, Inc.

807 G Street, Ste. 356 Anchorage, AK 99501 \* P(907)258-2625 \* F(907)279-3615 \* Toll Free in AK (800)337-3682

Fiscal Year 2018

Tuesday, May 23, 2017

## Member's Notice of Deposit Contribution

### Valdez City School District

Amber Cockerham

Business Manager

PO Box 398

Valdez

AK

99686-0398

Phone Number:

Fax Number:

(907) 834-4700

(907) 835-4964

Policy #: 122-1

Broker: David Hale

Brokerage Firm: Hale & Associates

Broker Phone Number:

Broker Fax Number:

(907) 456-6671

(907) 452-5214

Joined AMLJIA:

Coverage Type and Exposure: CORE Package

ANNUAL CONTRIBUTION

#### 1. GENERAL LIABILITY

General Liability Limits: \$10,250,000

**\$39,780**

General Liability Deductible: \$0

Reported Payroll: \$6,964,464

Average Daily Membership (School only) 804

General Liability Broker Fees: \$0

#### 2. PUBLIC OFFICIALS LIABILITY / School Leaders E and O

Included in General Liability

#### 3. WORKERS' COMPENSATION

Reported Payroll: \$6,964,464

**\$88,817**

Workers' Comp Broker Fees: \$0

#### 4. AUTO LIABILITY

Auto Liability Limits: \$10,250,000

**\$4,598**

Auto Liability Deductible: \$0

Auto Liability Broker Fees: \$0

Total Number of Vehicles: 13

Scheduled Values: \$374,748

Comp. and Collision Premium: **\$6,371**

Comp. and Collision Broker Fees: \$0

#### 5. PROPERTY

*Deductibles and Rates are listed on your Property Detail Report*

Total Values: \$0

**\$0**

Total Mobile Equipment Values: \$0

**\$0**

Mobile Equipment Broker Fees: \$0

Property Broker Fees: \$0

*Earthquake and Flood Coverage: ( See Property Detail Report for coverage and limit*

#### 6. POLICE PROFESSIONAL LIABILITY

PPL Limits: \$0

**\$0**

PPL Deductible: \$0

PPL Broker Fees: \$0

Reported Police Payroll: \$0

Accreditation Discount Percent: 0%

**\$0**

THIS IS NOT A BILL - Actual Invoices are sent out June 2017

Building on Tradition Protecting Your Future.



<b>7. Total Enhancement Contribution:</b>		<b>\$0</b>
Crime Coverage Limits:	\$100,000	
Loss Control Incentive Program Discount:		<b>(\$3,289)</b>
Rate Stabilization Fund Used:		<b>\$0</b>
	<b>TOTAL CONTRIBUTION</b>	<b>\$136,277</b>
3 Year Agreement Rate Discount:		<b>(\$6,978)</b>
	<b>TOTAL CONTRIBUTION WITH 3 YEAR AGREEMENT</b>	<b>\$129,299</b>

THIS IS NOT A BILL - Actual Invoices are sent out June 2017

Building on Tradition Protecting Your Future.





Alaska Municipal League Joint Insurance Association, Inc.

807 G Street, Suite 356 Anchorage, Alaska 99501 \* P(907)258-2625 \* F(907)279-3615 \* Toll Free in AK (800)337-3682

## Rate Stabilization Fund Credit

FY 2018

Valdez City School District

Tuesday, May 23, 2017

### How to use Your Rate Stabilization Fund Credit

The Alaska Municipal League Joint Insurance Association, Inc. (AMLJIA) is distributing members' retained earnings in a way that benefits both the membership and the pool itself. This program, called the Rate Stabilization Fund, considers longevity, loyalty and contributions to the program consistent with the desires of the Board of Trustees to meet that goal.

The Rate Stabilization Fund is based upon the allocation principles expressed in the Cooperative Participation Agreement (CPA) Section 11 (2), "Members' Equity and Dividend Distribution," which offer guidance on how to fairly and equitably distribute members' retained earnings. The fund consists of appropriations made to it from time to time by the AMLJIA Board of Trustees. Each member has its own balance which can be used to offset contributions. Members will be allowed to use up to one-third (33.3%) of the balance of their account in any one year until the balance remaining falls below \$150. If the total balance is \$150 or less, the entire amount may be used in a single fiscal year.

If you choose to use your credit this year, please indicate the amount of money you wish to use from the amount available to you this year, sign this form confirming your decision, and return it to the AMLJIA at the fax number above. Once we receive the signed form, we will send a credit invoice indicating the difference between your total contribution minus the amount of the credit which you elected to use.

**Member Name:** Valdez City School District

**Rate Stabilization Fund Balance:** \$2,569

**Credit Amount Available this Year:** \$856

**Remaining Balance if One-Third Used:** \$1,713

**Amount Desired to Use:**

\_\_\_\_\_  
Signature and Title

\_\_\_\_\_  
Date

**PLEASE FAX THIS COMPLETED FORM TO 907-279-3615**

# Alaska Municipal League Joint Insurance Association, Inc.

## General Liability DETAIL REPORT

FY2018

Tuesday, May 23, 2017

### General Liability Contribution Calculation

<b>Valdez City School District</b>		<b>Member #</b>	122-1
<b>GL Limits:</b>	<b>\$10,250,000</b>	<b>GL Deductible:</b>	<b>\$0</b>
Expense Rate	\$39.083	GL Variable	\$0
POL/E and O Rate	\$0.120	Expense Contri.	\$31,423
ADM*	804	POL/E and O Contri.	\$8,357
<i>*School Districts Only</i>		Base GL Contribution	\$39,780
<b>Total Payroll</b>	<b>\$6,964,464</b>	GL Broker Fee	\$0
GL Experience Modifier	0.996	<b>General Liability Contribution</b>	<b>\$39,780</b>

**GL Note:**

# Alaska Municipal League Joint Insurance Association, Inc.

## Workers' Compensation DETAIL REPORT

FY 2018

Tuesday, May 23, 2017

### Workers' Compensation - Scheduled Payroll

**Valdez City School District**

Member ID: 122-1

CODE	DESCRIPTION	# VOL	PAYROLL	RATE	CONTRIBUTION
8868	Schools/Professionals Employees	0	\$6,035,984	\$0.87	\$52,513
9101	Schools/All Other Employees	0	\$928,480	\$3.91	\$36,304

### Workers' Compensation Contribution Calculation

Total Payroll	\$6,964,464	WC Variable	\$0
WC Experience Modifier	0.93	Base WC Contribution	\$88,817
Employee Federal ID #	92-6000150	WC Broker Fee	\$0
		<b>Total WC Contribution</b>	<b>\$88,817</b>

WC Note:

Alaska Municipal League Joint Insurance Association, Inc.  
Automobile Liability/Comp. and Collision  
DETAIL REPORT

Tuesday, May 23, 2017

FY 2018

Automobile Detail Schedule

**Valdez City School District**

Account ID 122-1

Veh#	Year	Make	Model	Serial/Vin#	Value	C/C ?	C/C Ded.	C/C Rate	C/C Contr.	AL Contr.	Date Start	Date End
385962	1998	Ford	Club Wagon	608	\$0	No	\$0	\$0.00	\$0	\$418	7/1/2017	7/1/2018
385963	2006	Ford	4x4 Pickup	NF21546EB35	\$0	No	\$0	\$0.00	\$0	\$418	7/1/2017	7/1/2018
385964	2011	Alcan	Trailer	3V1222AA69	\$0	No	\$0	\$0.00	\$0	\$0	7/1/2017	7/1/2018
385965	2011	Bil-Jax	ET-12000 Equipme	ES2224BA00	\$0	No	\$0	\$0.00	\$0	\$0	7/1/2017	7/1/2018
386796	2009	Blue Bird	School Bus	57666	\$75,264	Yes	\$500	\$1.50	\$1,129	\$418	7/1/2017	7/1/2018
386797	2009	Blue Bird	School Bus	59628	\$75,264	Yes	\$500	\$1.50	\$1,129	\$418	7/1/2017	7/1/2018
386798	2009	Ford	E350 Econc Cutaw	SE35L99DA9	\$30,725	Yes	\$500	\$1.50	\$461	\$418	7/1/2017	7/1/2018
386799	2011	Chevrolet	Suburban	VKLEG8BR30	\$39,614	Yes	\$500	\$1.50	\$594	\$418	7/1/2017	7/1/2018
386800	2014	Ford	Ford Transit Conne	LS6E7XE115	\$21,981	Yes	\$500	\$1.50	\$330	\$418	7/1/2017	7/1/2018
386801	2015	Ford	F250	3F2B69FEB32	\$24,398	Yes	\$500	\$1.50	\$366	\$418	7/1/2017	7/1/2018
386802	2015	Ford	F350	RF3865FEB32	\$36,757	Yes	\$500	\$1.50	\$551	\$418	7/1/2017	7/1/2018
386803	2015	Ford	Ford Transit Van 3	X2CM0FKA0	\$34,000	Yes	\$500	\$1.50	\$510	\$418	7/1/2017	7/1/2018
386804	2016	Ford	Expedition	JK1GT8GEF2	\$36,745	Yes	\$500	\$1.50	\$551	\$418	7/1/2017	7/1/2018

# Automobile Detail Schedule

**Valdez City School District**

Account ID 122-1

Veh#	Year	Make	Model	Serial/Vin#	Value	C/C ?	C/C Ded.	C/C Rate	C/C Contri.	AL Contri.	Date Start	Date End
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## Automobile Contribution Calculation -- Auto Liability/Comp. and Collision

<b>Auto Liability Limit</b>	<b>\$10,250,000</b>	<b>Auto Liability Deductible</b>	<b>\$0</b>
Scheduled Values	\$374,748	Total Number of Vehicles	13
Non-Owned/Hired	\$750	Base AL Contribution	\$4,598
Base C/C Contribution	\$6,371	AL Brokerage Fee	\$0
C/C Brokerage Fee	\$0		
<b>Auto C/C Contribution</b>	<b>\$6,371</b>	<b>Auto Liability Contribution</b>	<b>\$4,598</b>

**Note:**

**NOTE: Only those vehicles that are covered under Comp. and Collision have recorded scheduled values.**

# Alaska Municipal League Joint Insurance Association, Inc.

## Annual Deposit Of Contribution Enhancement Coverages

ALASKA MUNICIPAL LEAGUE  
JOINT INSURANCE ASSOCIATION, INC.  
807 G Street, Suite 356  
Anchorage, Alaska 99501

Tuesday, May 23, 2017

PHONE - (907) 258-2625

FAX - (907) 279-3615

TOLL FREE IN ALASKA - (800) 337-3682

### GENERAL INFORMATION

Valdez City School District

Amber Cockerham

Business Manager

PO Box 398

Valdez

AK

99686-0398

(907) 835-4357

(907) 835-4964

Policy Fiscal Year:

2018

Member #:

122-1

Joined AML/JIA:

7/1/2001

Coverage Type and Exposure: Supplemental

Coverage Type	Coverage Policy #	Eff Date/Beg	Eff Date/End
Crime Coverage		7/1/2017	7/1/2018
Limits	Basis	Notes	
\$100,000	Included		
Deductible			
\$1,000			

Contribution: \$0

Note: All supplemental coverages are optional coverages  
and may be purchased separately from the AML/JIA Core Program.

### AML/JIA Office Use Only

Authorization: \_\_\_\_\_ Date: \_\_\_\_\_

A. Jacobs, Accounting

Invoice Created

Created By



# Alaska Municipal League Joint Insurance Association, Inc.

## Annual Deposit Of Contribution Enhancement Coverages

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807 G Street, Suite 356  
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(907) 835-4357

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Policy Fiscal Year:

2018

Member #:

122-1

Joined AML/JIA:

7/1/2001

*Coverage Type and Exposure: Supplemental*

Coverage Type	Coverage Policy #	Eff Date/Beg	Eff Date/End
Student Accident		7/1/2017	7/1/2018
Limits	Basis	Notes	
\$25,000	Included	80% Coinsurance	
Deductible			
\$50			

Contribution: \$0

Note: All supplemental coverages are optional coverages  
and may be purchased separately from the AML/JIA Core Program.

### AML/JIA Office Use Only

Authorization: \_\_\_\_\_ Date: \_\_\_\_\_

A. Jacobs, Accounting

Invoice Created

Created By

# Alaska Municipal League Joint Insurance Association, Inc.

## Annual Deposit Of Contribution Enhancement Coverages

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JOINT INSURANCE ASSOCIATION, INC.  
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### GENERAL INFORMATION

Valdez City School District

Amber Cockerham Business Manager

PO Box 398

Valdez AK 99686-0398

(907) 835-4357

(907) 835-4964

Policy Fiscal Year:

2018

Member #:

122-1

Joined AML/JIA:

7/1/2001

Coverage Type and Exposure: Supplemental

TOTAL SUPPLEMENTAL  
COVERAGES:

\$0

Note: All supplemental coverages are optional coverages  
and may be purchased separately from the AML/JIA Core Program.

### AML/JIA Office Use Only

Authorization: \_\_\_\_\_ Date: \_\_\_\_\_

A. Jacobs, Accounting

Invoice Created

Created By

Date: July 1, 2017

Policy Reference Number: 122-1 Policy Period From: July 1, 2017 To July 1, 2018

On your instruction, coverage has been negotiated with the Alaska Municipal League Joint Insurance Association, Inc. (AML/JIA), which is an assessable self-insurance fund or risk retention pool for Alaska municipalities and school districts rather than an insurance company.

As a professional insurance broker it has been our established policy to make every effort to place coverages only with insurance companies having, at the time of placing a risk, a Best's rating of A++, A+, A or A-, which are the four highest ratings available, and a minimum of A.M. Best Financial Size Category VII in Policyholders' Surplus.

As AML/JIA is not an insurance company, is not rated by AM Best's, and is not evaluated by Hale & Associates, we will be unable to proceed without your authorization.

**Please note that Hale & Associates does not guarantee the financial position and solvency of any insurer, self-funded pool or risk retention pool utilized. Please also note that participants in the AML/JIA risk retention pool are subject to assessment for pool liabilities.**

A statement of AML/JIA's latest financial position can be made available to you if you wish to examine it.

If you wish us to proceed to place this coverage with the AML/JIA, please so indicate by signing the authorization below and returning one copy of your authorization for our records.

A new authorization will be required for each new placement and for each renewal.

Best regards,

David R. Hale  
President

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**AUTHORIZATION – TO BE RECEIVED FROM SCHOOL DISTRICT**

To: Hale & Associates, Inc.

Policy Reference Number: 122-1

Policy Period From: July 1, 2017 To July 1, 2018

I refer to the above request and approve the use of AML/JIA and hereby authorize you to complete the placement of my coverages with this assessable risk retention pool.

Signed \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Company VALDEZ CITY SCHOOL DISTRICT

Date \_\_\_\_\_

***IMPORTANT – PREMIUM/COMPENSATION INFORMATION***

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General Liability premiums are subject to annual audit and adjustment; increases or decreases in annual premium may result. The adjustment will be based upon the rating plan of your policy.

Workers Compensation premiums are subject to annual audit and adjustment; increases or decreases in annual premium may result. The adjustment will be based upon your actual payroll and other variables such as the rules, rates, classification, and experience modification as promulgated by the various state rate bureaus and the Interstate Rate Bureau.

Acknowledgement Statement

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This proposal is not to be construed as an exact or complete analysis of the policies, or as legal evidence of insurance. The provisions of the actual policies in current use by the insurance company(ies) being quoted or proposed will prevail.

We have attempted to identify for your consideration the coverages available, subject to the terms and conditions of the applicable policy in accordance with your instructions. Please review this proposal and its attachments carefully, and if our understanding meets with your approval, please sign and return a copy of this acknowledging your approval.

Very truly yours,

David R. Hale  
President  
Hale & Associates

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Acknowledged and approved on:

Date: \_\_\_\_\_

## ***Signature Pages***

# Alaska Public Entity Insurance

## UNINSURED/UNDERINSURED MOTORISTS COVERAGE SELECTION FORM

Policy Year: July 1, 2017 - July 1, 2018

**Insured: City of Valdez**

AcctID# 265

APEI's automobile policy includes Uninsured Motorists (UM) and Underinsured Motorists (UIM) bodily injury coverages with a policy limit of \$250,000 per accident. It also includes UM and UIM property damage coverage at a limit of \$25,000 per accident with a \$250 deductible. UM and UIM property damage coverage applies only to vehicles for which the member has purchased physical damage coverage.

Uninsured Motorists Coverage pays for bodily injury losses to you and your passengers as a result of an accident with a driver who has no liability protection and is legally responsible for the injuries or the damage. This includes a hit-and-run vehicle whose owner and operator cannot be identified.

Underinsured Motorists Coverage pays for bodily injury losses to you and your passengers as a result of an accident with a driver who has liability protection but not enough to pay the full amount that the injured person is legally entitled to recover as damages.

We offer higher limits of UM and UIM bodily injury at an additional cost for members desiring to increase their coverage. Please indicate below whether or not you wish to add coverage at these higher limits, and if so, which limits you are requesting.

### Uninsured Motorists and Underinsured Motorists Coverage Selection

\_\_\_\_\_ I select UM/UIM bodily injury coverage at higher limits as indicated below:

	Split Limit (per Person / per Accident)	Additional Premium
_____	\$250,000 / \$300,000	\$11,250.00
_____	\$300,000 / \$500,000	\$20,458.75
_____	\$500,000 / \$500,000	\$22,731.25
_____	\$500,000 / \$1,000,000	\$24,772.50
_____	\$1,000,000 / \$2,000,000	\$47,271.25

**SIGN HERE**

\_\_\_\_\_ I decline high UM/UIM bodily injury limits, and will retain UM/UIM bodily injury coverage at the APEI standard limit of \$250,000 per accident for no additional premium

Signature of Member: \_\_\_\_\_

Date: \_\_\_\_\_

**THIS DISCLOSURE DOES NOT GRANT ANY COVERAGE OR CHANGE THE  
TERMS AND CONDITIONS OF ANY COVERAGE UNDER ANY POLICY.**

## **DISCLOSURE OF IMPORTANT INFORMATION RELATING TO TERRORISM RISK INSURANCE ACT**

### **SCHEDULE\***

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA:

\$1,423                      \_\_\_\_\_ accept                      \_\_\_\_\_ decline

**SIGN HERE**

\*Any information required to complete this Schedule, if not shown above, will be shown in the quote or proposal.

#### **A. Disclosure of Premium**

In accordance with the federal Terrorism Risk Insurance Act ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

#### **B. Disclosure of Federal Participation in Payment of Terrorism Losses**

The United States Government may pay a share of insured losses resulting from an act of terrorism. The federal share will decrease by 5% from 85% to 80% over a five year period while the insurer share increases by the same amount during the same period. The schedule below illustrates the decrease in the federal share:

January1, 2015 – December 31, 2015 federal share: 85%

January1, 2016 – December 31, 2016 federal share: 84%

January1, 2017 – December 31, 2017 federal share: 83%

January1, 2018 – December 31, 2018 federal share: 82%

January1, 2019 – December 31, 2019 federal share: 81%

January1, 2020 – December 31, 2020 federal share: 80%

#### **C. Disclosure of \$100 Billion Cap on All Insurer and Federal Obligations**

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed \$100 billion in a calendar year (January 1 through December 31) and an insurer has met its deductible under the program, that insurer shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

#### **D. Availability**

As required by TRIA, we have made available to you for lines subject to TRIA coverage for losses resulting from acts of terrorism certified under TRIA with terms, amounts and limitations that do not differ materially from those for losses arising from events other than acts of terrorism.

#### **E. Definition of Act of Terrorism under TRIA**

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;



3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. To have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an "act of terrorism" if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

**POLICYHOLDER DISCLOSURE  
NOTICE OF TERRORISM INSURANCE COVERAGE**

Insured Name: City of Valdez and Valdez City Schools      Date: June 1, 2017

Account Number: 1-60939

Insurer Name: Affiliated FM Insurance Company

The Terrorism Risk Insurance Act of 2002, as amended and extended in 2005, 2007 and again in 2015, gives you the right as part of your property renewal policy to elect or reject insurance coverage for locations within the United States or any territory or possession of the United States for losses arising out of acts of terrorism, as defined and certified in accordance with the provisions of the act.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. UNDER THIS FORMULA, THE UNITED STATES GOVERNMENT GENERALLY PAYS 85% (AND BEGINNING ON JANUARY 1, 2016, SHALL THEN DECREASE BY 1 PERCENTAGE POINT PER CALENDAR YEAR UNTIL EQUAL TO 80 PERCENT) OF COVERED TERRORISM LOSSES EXCEEDING A STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER REFERENCED ABOVE. **ALSO, THERE IS A \$100,000,000,000 CAP ON THE FEDERAL AND INSURER SHARE OF LIABILITY STATING THAT IF THE AGGREGATE INSURED LOSSES EXCEED \$100,000,000,000 DURING ANY CALENDAR YEAR, NEITHER THE UNITED STATES GOVERNMENT NOR ANY INSURER THAT HAS MET ITS INSURER DEDUCTIBLE SHALL MAKE PAYMENT OR BE LIABLE FOR ANY PORTION OF THE AMOUNT OF SUCH LOSSES THAT EXCEED \$100,000,000,000.** THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

**ACCEPTANCE OR REJECTION OF TERRORISM INSURANCE COVERAGE:** UNDER FEDERAL LAW, YOU HAVE THE RIGHT TO ACCEPT OR REJECT THIS OFFER OF COVERAGE FOR TERRORIST ACTS COVERED BY THE ACT AS PART OF YOUR RENEWAL POLICY. IF WE DO NOT RECEIVE THIS SIGNED DISCLOSURE FORM PRIOR TO THE RENEWAL POLICY EFFECTIVE DATE OF **JULY 1, 2017**, THEN YOUR RENEWAL POLICY WILL REFLECT YOUR DECISION NOT TO PURCHASE THE TERRORISM COVERAGE PROVIDED BY THE ACT.

\_\_\_\_\_ I hereby elect to purchase coverage for terrorist acts covered by the act for an annual premium of **\$7,500.** This premium does not include applicable taxes or surcharges.

\_\_\_\_\_ I hereby decline this offer of coverage for terrorist acts covered by the act.

**SIGN HERE**

---

Policyholder/Applicant Signature

---

Print Name

---

Date

Date: July 1, 2017

Policy Reference Number: TBA Policy Period From July 1, 2017 To July 1, 2018

On your instruction, coverage has been negotiated with the Alaska Public Entity Insurance (APEI), which is an assessable self-insurance fund or risk retention pool for Alaska municipalities and school districts rather than an insurance company.

As a professional insurance broker it has been our established policy to make every effort to place coverages only with insurance companies having, at the time of placing a risk, a Best's rating of A++, A+, A or A-, which are the four highest ratings available, and a minimum of A.M. Best Financial Size Category VII in Policyholders' Surplus.

As APEI is not an insurance company, is not rated by AM Best's, and is not evaluated by Hale & Associates, we will be unable to proceed without your authorization.

**Please note that Hale & Associates does not guarantee the financial position and solvency of any insurer, self-funded pool or risk retention pool utilized. Please also note that participants in the APEI risk retention pool are subject to assessment for pool liabilities.**

A statement of APEI's latest financial position can be made available to you if you wish to examine it.

If you wish us to proceed to place this coverage with the APEI, please so indicate by signing the authorization below and returning one copy of your authorization for our records.

A new authorization will be required for each new placement and for each renewal.

Best regards,

David R. Hale  
President

---

**AUTHORIZATION – TO BE RECEIVED FROM CITY**

To: Hale & Associates, Inc.

Policy Reference Number: TBA

Policy Period From July 1, 2017 to July 1, 2018

I refer to the above request and approve the use of APEI and hereby authorize you to complete the placement of my coverages with this assessable risk retention pool.

Signed \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Company CITY OF VALDEZ

Date \_\_\_\_\_

**SIGN HERE**

Acknowledgement Statement

This proposal is not to be construed as an exact or complete analysis of the policies, or as legal evidence of insurance. The provisions of the actual policies in current use by the insurance company(ies) being quoted or proposed will prevail.

We have attempted to identify for your consideration the coverages available, subject to the terms and conditions of the applicable policy in accordance with your instructions. Please review this proposal and its attachments carefully, and if our understanding meets with your approval, please sign and return a copy of this acknowledging your approval.

Very truly yours,

David R. Hale  
President  
Hale & Associates

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Acknowledged and approved on:

Date: \_\_\_\_\_

**SIGN HERE**