

***City of Valdez  
Valdez City School District***

***BROKERAGE SERVICES PROPOSAL***

*Effective  
From: 07/01/2019 To: 07/01/2020*

*Presented by:*

David R. Hale  
President



100 Cushman Street, Suite 200  
Fairbanks, AK 99701

Phone: (907) 456-6671  
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 07/01/2019 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 06/27/2019.

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  
Fax: (907) 452-5214

*David Hale*  
*President*  
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*Michael Hale*  
*Account Executive*  
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**CITY OF VALDEZ / VALDEZ CITY SCHOOL DISTRICT  
PREMIUM SUMMARY**

	City - AML/JIA		
	2019-20	2018-19	Change
Coverage	AML/JIA	AML/JIA	
GL & Public Officials	\$63,121	\$63,345	(\$224)
Workers' Compensation	\$197,636	\$188,779	\$8,857
Business Auto	\$42,072	\$38,175	\$3,897
Police Professional	\$12,650	\$12,000	\$650
Loss Control Discount	(\$6,303)	(\$8,830)	\$2,527
3-Year Agreement	(\$15,774)	(\$14,959)	(\$815)
Sub Total	<b>\$293,402</b>	<b>\$278,510</b>	<b>\$14,892</b>
Marine - Zurich American	<b>\$80,837</b>	<b>\$65,040</b>	<b>\$15,797</b>
Property & Boiler & Machinery- Affiliated FM Ins.Co.	<b>\$178,536</b>	<b>\$157,162</b>	<b>\$21,374</b>
Public Employee Crime	<b>\$5,364</b>	<b>\$5,364</b>	<b>\$0</b>
Bonds (est.)	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$0</b>
Brokerage Fee	<b>\$36,000</b>	<b>\$36,000</b>	<b>\$0</b>
<b>Grand Total</b>	<b>\$599,139</b>	<b>\$547,076</b>	<b>\$52,063</b>


<u>City:</u>	<u>Renewal:</u>	<u>Last Year:</u>
Reported Payroll:	\$9,220,852	\$8,679,833
Auto Count:	90	81
Marine: Est Gross Receipts	\$1,856,414	\$1,467,856
Total Property Premium (City + S.D.):	\$271,242	\$233,656

Optional Terrorism Insurance Coverage:

Marine: Premium shown includes additional premium charge of \$1,793  
Property: Premium shown includes additional premium charge of \$7,500.

***City of Valdez***  
***AMLJIA Package***

## MEMORANDUM

DATE: May 13, 2019  
TO: AMLJIA Members  
FROM: Kevin Smith, Executive Director   
RE: FY2020 Notice of Contribution

Your FY2020 Notice of Deposit Contribution is enclosed. Your contribution is based on the current exposure data provided in the renewal questionnaire(s) due to us last month. 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 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 FY2019 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. Some years, about two-thirds of members elect 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.

Another factor is the cost the association pays for reinsurance. For each line of coverage the association takes the initial risk up to a certain point. Over that point the association purchases reinsurance to cover losses that could put our financial stability in jeopardy. The cost of this reinsurance has increased in the police professional liability coverage due to police professional losses. Property reinsurance has substantially increased this renewal due catastrophic losses suffered in the lower 48 in the past two years. The year 2017 was the worst on record for catastrophic losses (hurricanes, tornados, floods, and wild fires) and 2018 was also severely impacted. This has resulted in a hardening of the property re-insurance market in general. On the bright side, both workers' compensation and general liability rates are down this year As a result of this, the membership as a whole will see an overall flat rate.

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 2020

Tuesday, June 25, 2019

## 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

**\$63,121**

General Liability Deductible: \$0

Reported Payroll: \$9,220.852

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: \$9,220,852

**\$197,636**

Workers' Comp Broker Fees: \$0

#### 4. AUTO LIABILITY

Auto Liability Limits: \$15,000,000

**\$19,350**

Auto Liability Deductible: \$0

Auto Liability Broker Fees: \$0

Total Number of Vehicles: 90

Scheduled Values: \$3,413.186

Comp. and Collision Premium: \$22,722

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

**\$12,650**

PPL Deductible: \$0

PPL Broker Fees: \$0

Reported Police Payroll: \$1,100,000

Accreditation Discount Percent: 0%

**\$0**

THIS IS NOT A BILL - Actual Invoices are sent out June 2019

Building on Tradition Protecting Your Future.





<b>7. Total Enhancement Contribution:</b>		<b>\$0</b>
Crime Coverage Limits:	\$100,000	
EC Broker Fees:	\$0	
Loss Control Incentive Program Discount:		<b>(\$6,303)</b>
Rate Stabilization Fund Used:		<b>\$0</b>
	<b>TOTAL CONTRIBUTION</b>	<b>\$309,176</b>
3 Year Agreement Rate Discount:		<b>(\$15,774)</b>
	<b>TOTAL CONTRIBUTION WITH 3 YEAR AGREEMENT</b>	<b>\$293,402</b>

THIS IS NOT A BILL - Actual Invoices are sent out June 2019

Building on Tradition Protecting Your Future.



# Alaska Municipal League Joint Insurance Association, Inc.

## General Liability DETAIL REPORT

FY 2020

Monday, May 13, 2019

### 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	\$0.599	GL Variable	\$0
POL/E and O Rate	\$0.194	Expense Contri.	\$55,233
ADM*	0	POL/E and O Contri.	\$17,888
<i>*School Districts Only</i>		Base GL Contribution	\$63,121
<b>Total Payroll</b>	<b>\$9,220,852</b>	GL Broker Fee	\$0
GL Experience Modifier	0.800	<b>General Liability Contribution</b>	<b>\$63,121</b>
<b>GL Note:</b>			

# Alaska Municipal League Joint Insurance Association, Inc.

## Workers' Compensation DETAIL REPORT

FY 2020

Monday, May 13, 2019

### Workers' Compensation - Scheduled Payroll

**City of Valdez**

Member ID: 122

CODE	DESCRIPTION	# VOL	PAYROLL	RATE	CONTRIBUTION
5509	Street/Road Excavation/Paving	0	\$477,505	\$3.29	\$15,710
6836	Harbor Employees	0	\$621,851	\$2.82	\$17,536
7520	Water Works	0	\$172,911	\$2.19	\$3,787
7580	Sewage Disposal Plant	0	\$172,911	\$2.40	\$4,150
7710	Fire Fighters and Drivers	0	\$787,395	\$2.96	\$23,307
7711	Fire Fighters and Drivers - Volunteer	22	\$0	\$2.96	\$1,302
7720	Police Officers/Public Safety	0	\$1,318,807	\$2.61	\$34,421
8810	Clerical/Professional Employees	0	\$2,569,110	\$0.23	\$5,909
8831	Animal Control Officer	0	\$154,002	\$1.48	\$2,279
9015	Building/Maintenance/Operations	0	\$433,419	\$3.69	\$15,993
9102	Parks/Recreation/Ice Rinks	0	\$555,417	\$2.99	\$16,607
9154	Theater NOC - Operations and Man	0	\$203,228	\$1.78	\$3,617
9403	Refuse	0	\$356,933	\$4.44	\$15,848
9410	General Municipal Employees	0	\$1,397,363	\$2.66	\$37,170

### Workers' Compensation Contribution Calculation

Total Payroll	\$9,220,852	WC Variable	\$0
WC Experience Modifier	0.80	Base WC Contribution	\$197,636
Employee Federal ID #	926000143	WC Broker Fee	\$0
		<b>Total WC Contribution</b>	<b>\$197,636</b>

WC Note:

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

Wednesday, May 29, 2019

FY 2020

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
390336	1992	Chevrolet	Pickup	121365	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390337	1997	Ford	Pickup F350	42814	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390338	2000	Ford	Expedition	67769	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390339	2001	Ford	Expedition	44919	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390340	2001	Ford	Expedition	44920	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390341	2003	Ford	Expedition	98198	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390342	2003	North Star	Murv	64751	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390343	2004	Crane Carrier	Trash Truck	CAK4864T04	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390344	2004	Ford	F150 Pickup	63723	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390345	2004	Ford	F250 Super Duty	70141	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390346	2004	Ford	Truck w/ van body	93933	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390347	2005	Ford	Escape	30833	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390348	2005	Ford	Escape	90834	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390349	2005	GMC	2WD Crew Cab	E4E1285F52	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390350	2006	Ford	Expedition	PU165X6LA3	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390351	2006	Ford	F250 Super Duty	54058	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390352	2006	Ford	Pickup	68123	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390353	2007	Ford	Ambulance	42858	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390354	2007	Ford	Expedition	35596	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390355	2007	Ford	Expedition	65185	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390356	2008	Ford	F350	VX315X8EC2	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390357	2008	Ford	F550	AX57Y58EE2	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390358	2008	Ford	Pickup	VX14528KE7	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390359	2008	Peterbilt/Heil	Front End Loader	18458	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390360	2009	Elgin/NISSIA	Sweeper	PC81L79AF7	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390361	2009	Ford	F150	/X14V99KC7	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020

# 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
390362	2009	Peterbilt	Truck	TL40X49D78	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390363	2010	Ford	Ambulance-Ems 1	VF3HRXAEB	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390364	2010	Ford	Expedition	JU1G53AEB5	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390365	2010	Heil /Peterbilt	28 Yd Trash Truck	ZL00X2AF71	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390366	2010	Peterbilt	367 Truck w/ Dum	TL40X7AD79	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390367	2011	Ford	Expedition	JU1G52BEF4	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390368	2011	Ford	F150	7X1EF9BKD9	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390369	2011	Ford	F250	3F2B6XBEB0	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390370	2011	Mack/HEIL	Garbage Truck	AU02C4BM00	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390371	2012	Ford	Expedition	JK1J50CEF0	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390372	2012	Ford	Expedition	JU1G52CEF5	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390373	2012	Ford	F250	7X2B65CEC3	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390374	2012	Ford	F350	3X3G6XCEC9	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390375	2012	Ford	F350	RF3H60CEC5	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390376	2012	Ford	F350	3W3B67CEC3	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390377	2012	International	Truck W/ STELLA	VCAAR4CJ08	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390378	2013	Ford	Escape	CU9GX5DUC	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390379	2013	Ford	Escape	CU9GX7DUC	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390380	2013	Ford	Expedition	JU1G55DEF3	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390381	2013	Ford	Expedition	JU1G58DEF4	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390382	2013	Ford	Expedition	JU1G5XDEF4	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390383	2013	Ford	F350	3W3B68DEB3	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390384	2013	International	Vactor 2100 Plus	VNAZT3DJ29	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390385	2014	Chevrolet	3500 Express	0G2CG8E111	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390386	2014	Ford	F150	7X1EF7EKE7	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390387	2015	Chevrolet	Silverado	3KYCG4FF55	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390388	2015	Chevrolet	Tahoe 1500	SK3EC7FR29	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390389	2015	Chevrolet	Tahoe 1500	SK3EC8FR29	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390390	2015	Ford	Crew Cab	3W3B66FED1	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390391	2015	Ford	Escape	CU9GX6FUC	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390392	2015	Ford	Escape	CU9GX8FUC	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390393	2015	Ford	F250	7X2B64FED1	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390394	2015	Ford	F250	7X2B68FEA8	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020

# 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 Contr.	AL Contr.	Date Start	Date End
390395	2015	GMC	Sierra	421CG2FF51	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390396	2015	GMC	Sierra 3500	521CG0FZ12	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390397	2015	Peterbilt	Labrie/Wittke	ZL70X7FF27	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390398	2016	Chevrolet	Tahoe	SKFEC6GR32	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390399	2016	GMC	Sierra 3500HD	42VCG9GF16	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390400	2017	Chevrolet	Express	ZGGFG2H128	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390401	2017	Chevrolet	Express	SGSCG4HN00	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390402	2017	Chevrolet	Tahoe	SKFECXHR33	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390403	2017	Elgin	Vacuum Street Swe	MV41024	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390404	2018	Chevrolet	2500 D/C W/T	2KUEG2JZ32	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390405	2018	Chevrolet	2500 HD Crew	1KUEG2JF25	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390406	2018	Chevrolet	2500 HD Crew	1KUEG5JF25	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390407	2018	Chevrolet	Silverado 2500	1KUEG8JF28	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390408	2018	Chevrolet	Tahoe	SKFECXJR35	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390409	2018	Ford	Escape	CU9GD0JU3	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390410	2018	GMC	3500 Savana	007RFG2J1160	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
390411	2018	Peterbilt	520 Truck	DL70X8JF160	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
391213	2012	Pierce	Pumper/Velocity C	CV01D2CA01	\$595,526	Yes	\$500	\$1.50	\$4,466	\$215	7/1/2019	7/1/2020
391214	2013	Peterbilt	Tanker Truck-T4	TL4EX1DD20	\$399,915	Yes	\$500	\$1.50	\$2,999	\$215	7/1/2019	7/1/2020
391674	1995	Emer One	Fire Truck	4886	\$40,000	Yes	\$1,000	\$1.20	\$240	\$215	7/1/2019	7/1/2020
391675	2009	Peterbilt	Fire Truck-T3	TLU0X09D77	\$227,426	Yes	\$1,000	\$1.20	\$1,365	\$215	7/1/2019	7/1/2020
391676	2010	Pierce	Pump Tanker-E2	CV01H6AA01	\$511,671	Yes	\$1,000	\$1.20	\$3,070	\$215	7/1/2019	7/1/2020
391677	2016	Ford	Ambulance	JF5HT3GEC7	\$177,196	Yes	\$1,000	\$1.20	\$1,063	\$215	7/1/2019	7/1/2020
391678	2016	Pierce	Rescue Pumper	AHGF5GA01	\$758,235	Yes	\$1,000	\$1.20	\$4,549	\$215	7/1/2019	7/1/2020
391679	2018	Pierce	Velocity Pumper	AAGF0KA01	\$703,217	Yes	\$1,000	\$1.20	\$4,219	\$215	7/1/2019	7/1/2020
392253	2019	Ford	Escape SE	CU9GD2KUB	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
392557	2019	Chevrolet	Tahoe SSV	SKFEC6KR34	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
392558	2019	Chevrolet	Tahoe SSV	SKFEC2KR35	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
392559	2019	Chevrolet	Tahoe SSV	SKFKC0KR35	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
392560	2019	Chevrolet	Silverado 1500	JYAEF9KZ31	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020
392561	2019	Chevrolet	Silverado 1500	JYAEF7KZ31	\$0	No	\$0	\$0.00	\$0	\$215	7/1/2019	7/1/2020

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

<b>Auto Liability Limit</b>	<b>\$15,000,000</b>	<b>Auto Liability Deductible</b>	<b>\$0</b>
Scheduled Values	\$3,413,186	Total Number of Vehicles	90
Non-Owned/Hired	\$750	Base AL Contribution	\$19,350
Base C/C Contribution	\$22,722	AL Brokerage Fee	\$0
C/C Brokerage Fee	\$0		
<b>Auto C/C Contribution</b>	<b>\$22,722</b>	<b>Auto Liability Contribution</b>	<b>\$19,350</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

FY 2020

Monday, May 13, 2019

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:	\$1,100,000
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:	(\$77,000)
PPL Base Contribution:	\$12,650
PPL Broker Fee:	\$0

<b>Total Police Professional Liability Contribution:</b>	<b>\$12,650</b>
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Note:

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***City of Valdez***  
***Marine***



05/17/2019

Quote # 6836546-01

TO: Hale & Associates, Inc  
ATTN: JoAnna Lewis

Renewal of MAR354554717

FROM: Team Riske

Proposed Eff Date: 07/01/2019  
Proposed Exp Date: 07/01/2020

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

We are pleased to offer the following Quotation:

**CARRIER: Zurich American Insurance Co (Admitted) 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, 2019 to July 01, 2020  
Cyber Exclusion Clause  
No Flat Cancellation, 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 Workman  
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 \$1,856,414  
Terrorism coverage offered at \$1,793 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	\$	79,044.00
<b>Total Gross Amount</b>	<b>\$</b>	<b>79,044.00</b>

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

**25.0% MINIMUM RETAINED PREMIUM IN THE EVENT OF CANCELLATION. NO FLAT CANCELLATIONS.**

Fees are 100% Fully Earned. 100% fully earned premiums must be disclosed to finance companies as 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:

\$1,793      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***



05/28/2019

Quote # 6831201-01

TO: Hale & Associates, Inc  
ATTN: Brittany Hale

Renewal of TK998

FROM: Kyle R Jansen

Proposed Eff Date: 07/01/2019  
Proposed Exp Date: 07/01/2020

**INSURED: City of Valdez and Valdez City Schools**

We are pleased to offer the following Quotation:

**CARRIER: Affiliated FM Insurance Co (Admitted) AM Best Rating: A+ XV**

**Perils Insured:** 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 Location Schedule.

**Property  
Location:**

**Location Schedule:**

1. 212 Chenega Avenue, Valdez, AK, 99686, Index No. 092099.25
2. 212 Pioneer Drive, Valdez, AK, 99686
3. 212 Tatitlek Street, Valdez, AK, 99686
4. 212 Fairbanks Drive, Valdez, AK, 99686, Index No. 092099.27
5. 217 Egan Drive, Valdez, AK, 99686, Index No. 092099.27
6. 211 Fairbanks Drive, Valdez, AK, 99686
7. 110 Clifton Drive, Valdez, AK, 99686, Index No. 092099.28
8. 1465 Mineral Creek Loop Road, Valdez, AK, 99686
9. 311 Dylan Drive, Valdez, AK, 99686
10. USS 411 Mineral Creek Canyon & USS 641 West Egan, Valdez, AK, 99686
11. 436 South Hazelet, Valdez, AK, 99686
12. 300 Valdez Airport Road, Valdez, AK, 99686, Index No. 092099.30
13. 1109 Meals, Valdez, AK, 99686, Index No. 092099.33
14. 5040 Richardson Highway, Valdez, AK, 99686
15. 124 River Drive, Valdez, AK, 99686
16. 414 West Hanagita Street, Valdez, AK, 99686, Index No. 092099.32
17. 1001 Meals Avenue, Valdez, AK, 99686, Index No. 092099.33
18. 319 Robe River Drive, Valdez, AK, 99686, Index No. 092004.32
19. 1109 West Klutina Street, Valdez, AK, 99686, Index No. 092004.34
20. 1112 West Klutina Street, Valdez, AK, 99686, Index No. 092004.34
21. 911 Meals Avenue, Valdez, AK, 99686, Index No. 092099.33
22. 1104 West Egan, Valdez, AK, 99686
23. 1555 Mineral Creek Loop Road, Valdez, AK, 99686
24. 500 South Sawmill, Valdez, AK, 99686, Index No. 002625.98
25. 276 East Egan, Valdez, AK, 99686, Index No. 092099.27
26. 597 East Egan Drive, Valdez, AK 99686
27. 602 West Egan, Valdez, AK, 99686
28. 613 West Egan, Valdez, AK, 99686
29. 357 Robe River Drive, Valdez, AK, 99686, Index No. 092004.32
30. 555 West Egan, Valdez, AK, 99686

**Limits:**

**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.

**Sublimits:**

**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 annual aggregate 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 annual aggregate as respects Errors & Omissions, Off-Premises Data Services, Off-Premises Service Interruption, Unnamed Property and Supply Chain combined.
2.       \$10,000,000     Flood annual aggregate 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 annual aggregate 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
4.       \$500,000       Cyber event annual aggregate as respects Data Restoration and Owner Network Interruption combined.
5.       \$500,000       Cyber event annual aggregate for loss or damage to stock in process or finished goods manufactured by or for the Insured caused by or resulting from cyber event that impacts the processing, manufacturing, or testing of such property or while it is otherwise being worked on.

**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 annual aggregate
\$500,000	Data, Programs or Software annual aggregate
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	Fine Arts not to exceed \$10,000 per item for irreplaceable Fine Arts
\$50,000	Green Coverage not to exceed 25% of the amount of the property damage loss
\$50,000	Land and Water Clean Up Expense annual aggregate
\$100,000	Locks and Keys
\$100,000	Money and Securities
\$2,500,000	Newly Acquired Property
\$50,000	Off-Premises Data Services - Property Damage annual aggregate
\$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 annual aggregate but not to exceed \$100,000 annual aggregate for Property Removed from a Location, Unnamed Property and Flood
\$500,000	Transit not to exceed \$250,000 for Business Interruption
\$1,000,000	Unnamed Property
\$500,000	Valuable Papers and Records not to exceed \$10,000 per item for irreplaceable Valuable Papers and Records

**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
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NOT COVERED	Civil or Military Authority
\$100,000	Communicable Disease - Business Interruption annual aggregate for a 12 Month Period of Liability
\$250,000	Computer Systems Non-Physical Damage annual aggregate
\$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 annual aggregate
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
Included in Cyber Event Limit	Owned Network Interruption - annual aggregate

**Deductible:**

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:  
 #21. 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. \$100,000 Flood (per location for all coverages provided) at location:  
 #21. 911 Meals Avenue, Valdez, AK, 99686

3. Communicable Disease Property Damage and Business Interruption:

Qualifying Period: This Company will not be liable for loss or damage unless access is limited, restricted or prohibited in excess of 48 hours.

Should this time be exceeded, the insured loss or damage will be calculated beginning from the time of loss subject to a deductible of:

A. Property Damage: \$100,000

B. Business Interruption Day Equivalent Deductible:

The business interruption deductible will be determined by multiplying the one hundred percent day equivalent (DEQ) by 2.

The day equivalent is the 100% actual annual business interruption value that would have been earned had no loss occurred at the location where the physical damage happened plus that proportion of the 100% annual business interruption value at all other locations where business interruption loss ensues, divided by the number of annual working days.

4. Owned Network Interruption:

Qualifying Period: This Company will not be liable for 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, unless the Period of Liability exceeds 48 hours.

The Qualifying Period for the cost to temporarily protect under Item 4. b) shall be waived.

Should this time be exceeded, the insured loss or damage will be calculated beginning from the time of loss subject to a Business Interruption Day Equivalent Deductible:

The business interruption deductible will be determined by multiplying the one hundred percent day equivalent (DEQ) by 2.

The day equivalent is the 100% actual annual business interruption value that would have been earned had no loss occurred at the location where the physical damage happened plus that proportion of the 100% annual business interruption value at all other locations where business interruption loss ensues, divided by the number of annual working days.

5. Data Restoration:

Qualifying Period: This Company will not be liable for loss or damage caused by the malicious introduction of a machine code or instruction, unless the time to recreate or restore physically damaged property exceeds 48 hours.

Should this time be exceeded, the insured loss or damage will be calculated beginning from

the time of loss subject to a deductible of:

- A. Property Damage: \$100,000
- B. Business Interruption Day Equivalent Deductible:

The business interruption deductible will be determined by multiplying the one hundred percent day equivalent (DEQ) by 2.

The day equivalent is the 100% actual annual business interruption value that would have been earned had no loss occurred at the location where the physical damage happened plus that proportion of the 100% annual business interruption value at all other locations where business interruption loss ensues, divided by the number of annual working days.

6. Data Service Provider Property Damage and Business Interruption:

Qualifying Period: This Company will not be liable for loss or damage unless the Period of Liability exceeds 48 hours.

Should this time be exceeded, the insured loss or damage will be calculated beginning from the time of loss subject to a deductible of:

- A. Property Damage: \$100,000
- B. Business Interruption Day Equivalent Deductible:

The business interruption deductible will be determined by multiplying the one hundred percent day equivalent (DEQ) by 2.

The day equivalent is the 100% actual annual business interruption value that would have been earned had no loss occurred at the location where the physical damage happened plus that proportion of the 100% annual business interruption value at all other locations where business interruption loss ensues, divided by the number of annual working days.

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

Qualifying Period: This Company will not be liable for loss or damage unless the Period of Liability exceeds 24 hours.

Should this time be exceeded, 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.

8. \$100,000 All Other Losses.

**Terms:**

**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):  
#21. 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):  
#21. 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, except at a described location but not within the 1,000 feet extension provided by the PROPERTY INSURED wording.
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 - PRO 207 (4/15)  
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.

**To Bind:**

**REQUIRED AT BINDING:**

- SIGNED TRIA FORM
- INSPECTION CONTACT



**Forms:** Per Policy, including but not limited to the following:  
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)  
Specific Earth Movement Exclusion - PRO 125 (1/17)  
Specific Flood Exclusion - PRO 128 (1/17)  
Transmission and Distribution Systems Exclusion - PRO 132 (1/19)  
Motor Vehicle Coverage - PRO 141 (1/17)  
Cyber Event Endorsement - PRO CYBER EVENT 4100 (6/9)  
Supplemental United States Certified Act of Terrorism Endorsement 7312 (1/15)

**Exclusions:** Per Policy.

**TRIA:** Terrorism coverage is available to purchase for an additional premium of \$7,500 plus applicable fees.

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

**Remarks:** HOME STATE IS AK.

**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.**

Annual Premium	\$	263,742.00
<b>Total Gross Amount</b>	<b>\$</b>	<b>263,742.00</b>

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

**25.0% MINIMUM RETAINED PREMIUM IN THE EVENT OF CANCELLATION. NO FLAT CANCELLATIONS.**

Fees are 100% Fully Earned. 100% fully earned premiums must be disclosed to finance companies as fully earned.

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

**This Quotation is valid for 30 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 NRRA), 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



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

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.**

AFM Premium and US Taxes

## City of Valdez and Valdez City Schools

Account: 1-60939

Policy No.: TK998RQ-00

Policy Term: 01-July-2019 - 01-July-2020

Currency of Premium and Taxes: Reported in US Dollars

Values as of May 29, 2019

Location							Premium and US Taxes	
Loc no.	Address	City	State	County	Post Code	Country	Total Premium	Total US Taxes
001	212 Chenega Avenue	Valdez	AK	Valdez-Cordova	99686	USA	5,331	0.00
002	212 Pioneer Drive	Valdez	AK	Valdez-Cordova	99686	USA	2,282	0.00
003	212 Tatitlek Street	Valdez	AK	Valdez-Cordova	99686	USA	446	0.00
004	212 Fairbanks Drive	Valdez	AK	Valdez-Cordova	99686	USA	3,695	0.00
005	217 Egan Drive	Valdez	AK	Valdez-Cordova	99686	USA	4,120	0.00
006	211 Fairbanks Drive	Valdez	AK	Valdez-Cordova	99686	USA	866	0.00
007	110 Clifton Drive	Valdez	AK	Valdez-Cordova	99686	USA	5,194	0.00
008	1465 Mineral Creek Loop Road	Valdez	AK	Valdez-Cordova	99686	USA	2,580	0.00
009	311 Dylan Drive	Valdez	AK	Valdez-Cordova	99686	USA	2,580	0.00
010	USS 411 Mineral Creek Canyon & USS 641 West Egan	Valdez	AK	Valdez-Cordova	99686	USA	1,707	0.00
011	436 South Hazelet	Valdez	AK	Valdez-Cordova	99686	USA	1,897	0.00
012	300 Valdez Airport Road	Valdez	AK	Valdez-Cordova	99686	USA	17,008	0.00
013	1109 Meals	Valdez	AK	Valdez-Cordova	99686	USA	11,147	0.00
014	5040 Richardson Highway	Valdez	AK	Valdez-Cordova	99686	USA	477	0.00
015	124 River Drive	Valdez	AK	Valdez-Cordova	99686	USA	554	0.00
016	414 West Hanagita Street	Valdez	AK	Valdez-Cordova	99686	USA	2,027	0.00
017	1001 Meals Avenue	Valdez	AK	Valdez-Cordova	99686	USA	2,941	0.00
018	319 Robe River Drive	Valdez	AK	Valdez-Cordova	99686	USA	29,089	0.00

School District



Values as of May 29, 2019

Location							Premium and US Taxes		
Loc no.	Address	City	State	County	Post Code	Country	Total Premium	Total US Taxes	
019	1109 West Klutina Street	Valdez	AK	Valdez-Cordova	99686	USA	24,156	0.00	School District
020	1112 West Klutina Street	Valdez	AK	Valdez-Cordova	99686	USA	2,472	0.00	School District
021	911 Meals Avenue	Valdez	AK	Valdez-Cordova	99686	USA	81,720	0.00	
022	1104 West Egan	Valdez	AK	Valdez-Cordova	99686	USA	2,434	0.00	
023	1555 Mineral Creek Loop Road	Valdez	AK	Valdez-Cordova	99686	USA	2,454	0.00	
024	500 South Sawmill Drive	Valdez	AK	Valdez-Cordova	99686	USA	2,605	0.00	
025	276 East Egan	Valdez	AK	Valdez-Cordova	99686	USA	2,351	0.00	
026	597 East Egan Drive	Valdez	AK	Valdez-Cordova	99686	USA	1,098	0.00	
027	602 West Egan	Valdez	AK	Valdez-Cordova	99686	USA	2,585	0.00	
028	613 West Egan	Valdez	AK	Valdez-Cordova	99686	USA	5,806	0.00	School District
029	357 Robe River Drive	Valdez	AK	Valdez-Cordova	99686	USA	25,885	0.00	School District
030	555 West Egan	Valdez	AK	Valdez-Cordova	99686	USA	8,235	0.00	

**255,742**

Terrorism 7,500  
Eng Fee 8,000  
**Grand Total 271,242**

**POLICYHOLDER DISCLOSURE  
NOTICE OF TERRORISM INSURANCE COVERAGE**

Insured Name: **City of Valdez and Valdez City Schools**

Date: **05/24/2019**

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 **07/01/2019**, 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 **USD \$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.

\_\_\_\_\_  
Policyholder/Applicant Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

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

**Carrier Name:** Hartford Fire Insurance Company  
**Policy Number:** 52 FA 0233687 19  
**Effective Date:** 7/1/19 at 12:01 a.m. standard time, at location of property insured  
**Expiration Date:** 7/1/20 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>\$5,364</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”.

*Optional Services*

OPTIONAL SERVICES LIST	
Return to Work Program	
Business Continuity Planning	
Experience Mod Reduction & Management	
Employee Manuals & Handbooks	
OSHA Benchmarking, Compliance Guides & Programs	
Toolbox Talks (Safety Meetings)	
Fleet & Driver Safety Policies	
Workplace Visitor Guides	
Ergonomics Policies	
Drug Free Workplace Policies	
Whistleblower Policies	
Industry Specific Risk Insight	
Data Breach Response Policy	
Telecommuting Policy	
Policy & Coverage Review	
SubContract Agreement	
Bonding	
Consulting	

*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: \_\_\_\_\_

***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.

## ***Signature Pages***



*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: \_\_\_\_\_

Date: July 1, 2019

Policy Reference Number: 122 Policy Period From: July 1, 2019 To July 1, 2020

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 CLIENT**

To: Hale & Associates, Inc.

Policy Reference Number: 122

Policy Period                      From July 1, 2019 To July 1, 2020

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                      CITY OF VALDEZ

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:

\$1,793      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.

**POLICYHOLDER DISCLOSURE  
NOTICE OF TERRORISM INSURANCE COVERAGE**

Insured Name: **City of Valdez and Valdez City Schools**

Date: **05/24/2019**

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.

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**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 **07/01/2019**, 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 **USD \$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.

\_\_\_\_\_  
Policyholder/Applicant Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date