

Aleutians East Borough
June 18, 2013
10:00 A.M.

CALL TO ORDER

Mayor Mack called the June 18, 2013 Special Assembly meeting to order at 10:00 a.m. by teleconference in each community.

ROLL CALL

Mayor Stanley Mack	Present
Paul Gronholdt	Present
Carol Foster	Present
Marvin Mack	Present
Bill Cumberlidge	Absent-Excused
Ken McHugh	Present
Joe Bereskin, Sr.	Present
Brenda Wilson	Absent-Excused

Advisory Members:

Nikki Hoblet, False Pass	Absent-Excused
Harold Kremer III, Cold Bay	Present
Justine Gundersen, Nelson Lagoon	Absent-Excused

A quorum was present.

Staff Present:

Rick Gifford, Administrator
Roxann Newman, Finance Director
Tina Anderson, Clerk
Ernie Weiss, Resource Director
Laura Tanis, Communications Manager
Anne Bailey, Community Development Coordinator
Linda Mack, Administrative Clerk

Adoption of Agenda:

MOTION

Carol moved to adopt the agenda as presented and second by Ken. Hearing no objections, the agenda is approved.

Community Roll Call and Public Comment on Agenda Item:

All communities were present. No public comments.

Proposed insurance coverage comparison/approval of contract:

MOTION

Carol moved to adopt AML/JIA insurance proposal for three years and second by Ken.

DISCUSSION

The Administrator said that the AEB's insurance broker, Brandon Allen, went out and sought insurance coverage proposals for the Borough and received one from Alaska Municipal League Joint Insurance Association (AML/JIA) and Alaska Public Entity Insurance (APEI). The Administrator disclosed that he is also a Board of Director on AML/JIA. He went on to explain that both proposals have been reviewed by staff members and both proposals are very close in price. One difference is in property coverage found on page 4. APEI has a lower deductible for earthquake and flood, however not as important because state will assist when insurance doesn't provide coverage. AML/JIA also provides building replacement costs. If you don't have replacement coverage, you potentially would have to come up with the additional cost to replace. Employment Practices Liability, APEI has \$10,000 deductible and AML/JIA none.

Given the differences and given the fact that the School District is with AML/JIA, AEB already coordinates a lot through AML/JIA. The cities in AEB also have AML/JIA for docks, harbors. So, based on this, recommend to purchase a three year insurance contract from AML/JIA.

Paul said page 13 shows total amount of premiums and noted the cost difference between a one - year and three- year option premium. Page 13 shows AML a little higher and asked Mr. Allen to summarize the difference. In Mr. Allen's opinion a couple thousand is not a material difference. Last year there was contention over a tent loss. AML/JIA did pay that claim and paid it to AEB satisfaction. He feels that is an important data point in making your decision. They showed evidence to protecting and paying the claims when they are due.

ROLL CALL

Carol-yes, Marvin-yes, Joe-yes, Ken-yes, Paul-yes. Advisory: Harold-yes. MOTION PASSED.

ADJOURNMENT

Paul moved to adjourn and second by Carol. Hearing no more the meeting adjourned at 10:18 a.m.



Mayor Date



Clerk Date 8/16/13