

Leg. Finance - Finance Comte Files (1971-72) 8879

HB 733 cont., 739

consider deductibles ranging as high as \$100,000 (or even as high as \$250,000 per occurrence, if economically attractive). Catastrophe coverage is needed, not maintenance insurance, as small losses will ultimately be reflected in premium over a number of years. The ideal way to cover this exposure is to simply delete the "care, custody or control" exclusion from the airport liability policy.

The insurer may cancel the policy by mailing 30 days written notice to the named insured. At least 60 days notice should be allowed and 90 days would be preferable, because of the extreme difficulty that could be encountered in remarketing this coverage.

E. Aircraft Risks

Risks inherent in the operation of owned and non-owned aircraft may be categorized as follow:

- Physical damage to owned aircraft hulls
- Liability arising out of ownership, operation, maintenance or use of aircraft.

1. Risk Analysis

The State presently owns and operates a fleet of 13 aircraft. Although no hull insurance is purchased, these are relatively low value aircraft and retention of the hull risk is well within the State's risk-assumption capabilities.

With regard to the liability risk, no claims have been reported during the period recorded by the Division of Supply (i. e., since January 1, 1967). Past experience, however, should not be relied on in evaluating this risk. The potential liability is of a catastrophic nature.

Mid-air collision with a commercial jet caused by a State pilot's error in operating an owned or non-owned aircraft could result in liability of \$50 million or more. Crash of a State owned or operated aircraft into a school or other heavily populated building or area is another example of possible catastrophic liability exposure.

2. Existing Insurance

Details of the current liability policy covering owned aircraft are shown on Chart N. The limits of liability are inadequate and the policy fails to provide any coverage at all for liability arising out of the use of aircraft not owned by the State.

3. Comments and Recommendations

In Part II of this report a broad blanket excess liability program is recommended covering the State against all liability risks to a limit of at least \$50 million per occurrence. Excess liability underwriters will require primary policies covering the different categories of risk with limits varying from perhaps as low as \$1 million to as high as \$10 million.

Your present aircraft underwriters (USAIG) indicate that their member companies can provide liability capacity to \$20 million without touching

the excess market. Therefore, since it will require some time to properly design and market an excess liability program, the following immediate action is recommended:

- Increase coverage under the current aircraft policy to \$20 million combined single limit per occurrence (bodily injury, property damage and passenger liability).
- Purchase non-owned aircraft liability coverage to the same limit, either by endorsement to the current policy or separate policy.

With regard to the current policy covering owned aircraft, the following coverage changes are recommended:

- (a) Automatic coverage should be provided for any newly acquired or temporary substitute aircraft.
- (b) The pilot warranties should be deleted.
- (c) Exclusion (b) provides that none of the coverages apply while the aircraft is (1) maintained or used for any purpose other than as stated in the Declarations or (2) operated, while in flight, by other than the pilot or pilots as stated in the declarations. These portions of this exclusion should be deleted.
- (d) The policy territory should be amended to apply "worldwide".
- (e) Exclusion (c), which relates to contractual liability, should be deleted.
- (f) The insurer presently may cancel this policy by mailing 10 days written notice to the named insured, which is the Department

of Fish and Game. At least 60 days written notice should be required and the notice should also go to the Commissioner, Department of Administration.

(g) The "Named Insured" should be changed to include the State of Alaska and any of its departments, agencies or other subsidiary entities. Coverage should not be restricted only to the Department of Fish and Game.

(h) Many aircraft underwriters no longer include in their policies the so-called governmental regulation exclusions. Therefore, exclusions (a) and (b)(3) should be deleted.

F. Personal Accident Insurance

The State purchases two special personal accident insurance policies, the details of which are summarized in charts O and P.

1. Special Hazard Personal Accident Insurance

This insurance covers certain specifically named employees of the Department of Fish and Game, Department of Natural Resources and the Department of Labor. Legislative authority for this insurance is found in Section 39.30.130 of the Alaska Statutes. The intent is to provide additional benefits to selected employees of any State Department who are exposed to "special hazards" in connection with their employment.

Coverage applies only to accidental death or dismemberment

- while the employee is actually engaged in performing assigned duties of his employment with the State of Alaska, and
- when the Alaska Workmen's Compensation Board has issued its order finding a valid claim against the State under the Alaska Workmen's Compensation Act.

The effect of this is to provide a means whereby workmen's compensation benefits may be increased for certain selected employees or groups of employees. The law does not define "special hazards", which presumably means the commissioner of any state department may interpret this term, more or less, as he sees fit.

Although the law does not set a limit on the amount of special hazard insurance that may be purchased, the current insurance policy provides a maximum limit per employee of only \$10,000. This benefit is well within the State's risk retention capabilities.

It is recommended that this insurance be discontinued upon expiration, July 1, 1972. Funding of this risk can best be accomplished by treating it as a workmen's compensation risk. Whether the State continues to fund the workmen's compensation risk under the ALPAC retention plan or decides to self-insure, in either case we have recommended purchase of excess insurance to protect against the remote, but possible, catastrophe involving multiple deaths and injuries.

Treating this benefit in the same manner as the workmen's compensation risk will accomplish the following:

- Ensure that claims will be paid promptly, a most important consideration.
- Reduce long-term costs, since administrative and claim adjustment expenses under either the ALPAC plan or a self-insurance plan will be substantially less than under the present arrangement.
- Eliminate disputes over coverage interpretations.

Over a long period of time, insuring this benefit under a separate personal accident insurance policy will result in premium payments of close to \$2 for every \$1 paid out for losses. Very serious loss frequency would likely result in either cancellation (or refusal to renew) or substantial rate increases. Swapping dollars with underwriters is not a profitable practice in the long run.

2. Personal Accident Insurance for Special Officers of the Department of Public Safety

This policy covers specifically named special officers of the Department of Public Safety while on official business of this department. These are special police officers who serve without pay and are not considered to be eligible for workmen's compensation benefits. Purchase of this insurance is required by A.S. 18.65.010.

Even though these persons receive no pay, it may be possible for circumstances to arise, creating an employe relationship. An injury under

such circumstances might fall within the scope of the workmen's compensation act. Since there is no workmen's compensation exclusion in this personal accident policy, it would be possible for the injured person (or his heirs) to collect both workmen's compensation and personal accident benefits. This would not seem equitable, as benefits under this personal accident policy exceed those payable under the "special hazard" policy.

Our recommendations are:

- Amend the personal accident policy to exclude workmen's compensation.
- Provide voluntary workmen's compensation benefits to these persons under the ALPAC policy effective 7-1-72 and do not renew the personal accident policy. If workmen's compensation is self-insured, benefits for these persons should also be self-insured.

G. Marine Risks - Alaska State Ferries

1. Risk Analysis

The major risks inherent in the ownership and operation of the ferry fleet are:

- Direct loss of or damage to hull and machinery
- Loss of revenues arising out of damage or destruction of the vessel
- Liability for injury or death of employees
- Liability for bodily injury or property damage to members of the public.

(a) Direct Loss - Hull and Machinery

Current insured values range from \$330,000 for the Chilkat to \$8,000,000 for the Wickersham. It is believed that the insured values are close to actual cash value (or market value), but substantially below replacement cost. Furthermore, plans call for lengthening of at least one of the Malaspina-class vessels, which currently carry an insured value of \$7 million. The cost to lengthen one of these vessels will exceed \$6 million. After lengthening it would have a replacement value of probably close to \$17 million. The only way to precisely determine the true replacement values of these vessels is to arrange for marine surveys.

In the event of total loss of one of these vessels, undoubtedly the State would want to purchase a replacement vessel. One exception might be the Chilkat, which we are told would probably not be replaced. Another is the Wickersham which is scheduled to be sold within the next several years.

(b) Loss of Revenues

The Alaska Marine Highway is a subsidized system and is not intended to be a profit-making venture. Since 1964 the system has operated at deficits ranging from \$1 million in FY 1968 to approximately \$4.5 million in FY 1971. In the event of total loss of one of the large ferries, or major partial loss requiring many months to repair, crews and other personnel could very likely be released, thereby reducing continuing expenses, so that the net effect might very well

be a reduction in the deficit. In other words, the reduction of expenses would probably approach or exceed the loss of revenues.

On the other hand, if a vessel were damaged at the beginning of the summer season to the extent that it was out of service only during the period from the beginning of June to the end of August, it would be necessary to keep the crew on the payroll and significant revenues would be lost. Figures furnished by the Division of Marine Transportation indicate the following estimated revenues from a Malaspina class vessel on the southeastern route (Rupert to Skagway):

June	\$280,000
July	380,000
August	<u>370,000</u>
	\$1,030,000

These are calendar year 1971 dollars, taking into consideration the tariff increase in April.

Therefore, we believe loss of use of a large ferry during the summer months would have the effect of increasing the ferry system deficit. Loss of use of a vessel during the balance of the year would not be detrimental financially, because of excess passenger capacity during the winter.

(c) Employer's Liability

Seamen or members of the crew of the ferry vessels normally would have remedy under the Jones Act, which is a federal act covering

injuries including death anywhere within admiralty jurisdiction, including the high seas within a marine league from shore. There may also be instances where seamen would have relief under the High Seas Death Act which applies to the death of any person "caused by wrongful act, neglect or default occurring on the high seas beyond a marine league from the shore of any state."

Under certain circumstances there may exist an overlap between the two acts allowing the plaintiff the right to invoke either statute. Usually, in any such case, the seaman will choose the Jones Act in order to obtain a jury trial. Quoting a former Attorney General, there may also be "...injuries that occur or fall within the 'twilight zone' between local and federal jurisdiction."

Injuries to other ferry system employees may fall within the scope of the Longshoremen's and Harbor Worker's Act, which is a federal act applying to maritime workers where the state compensation law does not apply. Persons normally included under this act are stevedores, ship repairmen, ship scalers, tallymen, ship painters, etc. It applies only when the injury occurs on the water or over it. Thus, a worker going on and off a boat during his day's work passes from state to federal jurisdiction and back again each time. It seems likely, then, that there may be many borderline cases between state compensation coverage and the Longshoremen's and Harbor Worker's Act.

Maritime law allows crew members the right to maintenance and cure for the duration of the voyage and as long thereafter as is reasonable, in addition to which, a seaman has a right to damages resulting from unseaworthiness of the vessel. The Jones Act, unlike the state compensation law and the Longshoremen's and Harbor Worker's Act, does not have a fixed schedule of benefits. It allows the crew member to sue his employer for an unlimited amount. Even under the L & H Act, although it provides scheduled benefits as an exclusive remedy, it may be possible for an employee to sue the ship for unseaworthiness with the result being a liability case for many times the amount of a compensation case.

All of this leads us to believe the employer's liability potential could be significant, particularly in the event of an accident involving multiple deaths and injuries to crew members and other employees. Since the Wickersham carries a crew of 53 and the Malaspina-class vessels carry 46 crew members, it appears that the employer's liability loss potential may exceed \$5 million.

(d) Third Party Liability

There is no limit to the liability of the vessel owner for losses due to negligence, unless he is able to invoke the law and obtain a limitation of liability to the value of the vessel after the collision or accident. This is a very technical subject of admiralty law. In general, limitation of liability may be granted by admiralty courts if it can be

clearly established that the owner is completely free from contributory negligence. This is usually so in collision cases, the negligence being imputed to the master, mariners of the pilot.

Disregarding momentarily the possibility that the State may limit its liability after an accident, let us consider the potential for loss of life and property in the event of a major accident involving one of the large vessels. The Wickersham carries a crew of 53, can carry as many as 100 automobiles, and has a maximum passenger capacity of 1,300. Normally, the Wickersham will carry only 500 passengers, but end of the season 'mini-cruises' will load 850 passengers, or more. A Malaspina-class vessel presently has a passenger capacity of about 500. After lengthening, a Malaspina-class vessel will have a passenger capacity of more than 750 and vehicle capacity of 183 standard-size vehicles.

Clearly, a serious collision or grounding could result in substantial loss of lives and property, with potential liability far exceeding the value of the vessels. Such a catastrophe might involve death and serious injuries to hundreds of passengers. It would certainly receive widespread, even worldwide, publicity. The very best of plaintiff's attorneys would likely be retained in bringing suit against the State on behalf of the injured passengers.

Under such circumstances, it is suggested that the State may not succeed in limiting its liability; but even if limitation of liability were successful, the political repercussions could be rather unpalatable, as it would seem contrary to current social goals to deny just compensation to persons injured by the State (or agents of the State) solely because of the technicalities and traditions of admiralty law.

Certainly, it seems conceivable that under some circumstances, it might be possible for plaintiffs to prove contributory negligence on the part of the State and thereby secure settlements in an aggregate amount far in excess of the vessel's insured value.

Potential liability, therefore, is of catastrophic potential. Loss of the Wickersham with a full load of passengers could impose liability exceeding \$50 million. For example, loss of 500 passengers at an average settlement of \$100,000, is exactly \$50 million.

2. Existing Insurance

Details of the insurance covering the ferry fleet are summarized on Charts Q and R. The principal policy (shown on Chart Q) provides both hull and machinery coverage and protection and indemnity coverage. The insured values for hull and machinery range from \$330,000 for the Chilkat to \$8 million for the Wickersham. The P & I limits are the same as the amounts of insurance carried on the hull and machinery, except for the Wickersham, for which an excess P & I policy has been

for \$340,000 excess of \$8 million (required by Federal Maritime Commission).

The P & I coverage has been extended to "...cover also the liability of the assured, in respect of the within named vessel, for claims under the Longshoremen's and Harbor Worker's Compensation." This would appear to represent an overlap in coverage, as the ALPAC workmen's compensation policy also provides coverage under the L & H Act. However, the marine policy grants permission for the insured to have another policy in effect providing coverage under the L & H Act and further states that any and all claims under said Act for which the insurers are liable under the terms of the marine policy are "to be paid without regard to such other policy of insurance."

It would appear then that the reason for providing L & H coverage under the marine policy is to take care of the rare case when an injury to a crew member might fall within the scope of the L & H Act rather than maritime law. In such a case, apparently it is intended that the marine policy would be primary and the ALPAC policy would only come into play in the remote situation where the P & I limits were exhausted as the result of a catastrophic accident. For the record, it would seem worthwhile to ask the servicing agents to furnish written explanations of this subject, so that there would not be any misunderstandings or disputes in the adjustment of a major incident involving multiple deaths and/or injuries.

There is another apparent conflict in coverage between the ALPAC workmen's compensation policy and the P & I coverage provided under the marine policy. The ALPAC policy provides employer's liability coverage for masters and members of the crew of vessels less than 2,000 tons. Also, the voluntary compensation endorsement attached to the ALPAC policy provides benefits under the Alaska Workmen's Compensation Act to volunteer workers described as "Maritime - under 2,000 tons."

According to the explanation contained in paragraph 3, page 2 of bid specifications dated April 15, 1971 . . . "This serves to make the coverage inapplicable to State-owned and operated ferry boats." However, registry records show the ferry boat "Chilkat" to have a gross tonnage of only 256 tons and this vessel is part of the ferry fleet for which P & I coverage is provided under the marine policy.

The same situation appears to apply to the E. L. Bartlett, as registry records show this vessel to have a gross tonnage of 934 tons. These apparent redundancies in coverage should be corrected by appropriate changes in coverage wording under the ALPAC policy.

Aside from the above apparent coverage conflicts or redundancies, the coverage provided under the ferry fleet policies for both hull and machinery and protection and indemnity appears to be technically well arranged. Also, the current premium rate of 2.04861% is favorable.

H. Marine Risks - Department of Fish and Game

1. Risk Analysis

The Department of Fish and Game owns and operates a fleet of fifteen small and medium-size vessels. The major risks are:

- Direct loss of or damage to hull and machinery
- Liability for injury or death of employees
- Liability for bodily injury or property damage to third parties.

(a) Direct Loss - Hull and Machinery

The total insured value of the fifteen vessels is \$892,907. Values of the individual vessels range from \$15,000 to \$380,969. Loss experience during the past five years has been excellent, as losses incurred since July 1, 1966 represent only 50.7% of premiums paid.

(b) Employer's Liability and Third Party Liability

These vessels are used primarily for patrol duty in enforcing Fish and Game regulations. Other duties include the carrying of biologists and gear in scientific investigation. Many of the smaller vessels are manned and operated by a captain only. Other vessels are manned by two to five crew members.

Collision of the largest vessel, the "Resolution", with another vessel of similar size could result in potential liability in excess of \$1 million, estimated as follows:

Death of crew and two biologists (7 at \$100,000)	\$ 700,000
Destruction of other vessel	400,000

Death of other vessel's crew	<u>\$ 700,000</u>
	\$1,800,000

2. Existing Insurance

Details of the hull and machinery and protection and indemnity policies covering the Department of Fish and Game fleet are summarized on Charts S and T.

Although the ferry fleet policy contains a "held covered" clause, these policies do not. The policies contain trading warranties which clearly define the geographic areas of operation to which the vessels are restricted. If a vessel should be involved in an accident outside of the areas defined by the trading warranty coverage would not apply. A "held covered" clause would provide that, in the event a warranty is breached, the vessel would be "held covered" at a premium to be agreed upon.

There are only three of these vessels insured for significant amounts:

Resolution	380,969
Montague	210,548
Kittiwake	68,000

The values for the balance of the vessels range from \$15,000 to \$28,500. For these smaller vessels, depreciated "book values" are considerably less, ranging from only \$4,200 to \$13,092.

The deductible with respect to the Resolution is \$7,620. The Montague is subject to a deductible of \$4,210. Coverage on each of the other vessels is subject to a \$1,500 deductible.

The Protection and Indemnity policies exclude "liability to the crew and/or employees of the assured and/or to cargo". Employer's liability coverage is provided under the ALPAC workmen's compensation policy, subject to a limit of \$1,000,000 per occurrence. Presumably cargo of others would not be carried on these vessels and any owned equipment or other cargo on board these vessels would be of relatively low value. In general, the State does not insure personal property.

3. Comments and Recommendations

In Part II of this report an excess liability program is recommended to adequately protect the State against all liability risks, including marine liability and employer's liability. Current P & I limits are inadequate.

With the exception of the Resolution, loss of any single vessel in this fleet would not be catastrophic. Nevertheless, an occurrence, such as a tidal wave following an earthquake, could involve the loss of more than one vessel. If these were the Resolution, Montague and Kittiwake, the total loss could exceed \$650,000. The other vessels are of relatively insignificant value. Therefore, it is recommended that hull and machinery coverage be continued on the three large vessels, but that this coverage be dropped with regard to other vessels upon expiration of the current policy. If this is done, the collision liability coverage presently provided under the hull policy would have to be picked up under the P & I policies.

SCHEDULE I

FISCAL YEAR LOSS DEVELOPMENT

(INSURED LOSSES ONLY)

<u>TYPE OF COVERAGE</u>	<u>FY 71</u>	<u>FY 70</u>	<u>FY 69</u>	<u>FY 68</u>	<u>FY 67</u>
Workmen's Compensation*	\$ 430,712	\$ 354,817	\$354,817	\$247,273	\$ 167,644
General Liability*	106,787	131,732	131,732	85,396	845,757**
Automobile Liability*	168,547	31,553	31,553	50,390	13,875
Professional Malpractice Liability	-0-	-0-	-0-	-0-	-0-
False Arrest Liability	5,000	15,736	-0-	-0-	-0-
Airport Liability	33,202	6,036	118,953	13,386	9,500
Aircraft Liability	-0-	-0-	-0-	-0-	-0-
Ferry Fleet - Hull	482,314	134,090	-0-	-0-	33,101
Ferry Fleet - Protection & Indemnity	156,991	191,250	45,798	58,625	15,672
Fish & Game Fleet - Hull/P&I	-0-	-0-	-0-	42,000	30,050
Special Hazard Life & Accident	10,000	20,000	-0-	20,000	-0-
Life & Accident - Special Police	-0-	-0-	-0-	-0-	-0-
Property (buildings only)	60,488	388,320	23,002	212,397	87,986
Crime Risks	-0-	-0-	13,812	-0-	1,000
Total	<u>\$1,454,043</u>	<u>\$1,273,534</u>	<u>\$719,667</u>	<u>\$729,467</u>	<u>\$1,204,085</u>
MARINE	<u>\$ 639,305</u>	<u>\$ 325,340</u>	<u>\$ 45,798</u>	<u>\$100,625</u>	<u>\$ 78,823</u>
NON-MARINE	<u>\$ 814,738</u>	<u>\$ 948,194</u>	<u>\$673,869</u>	<u>\$628,842</u>	<u>\$1,125,262</u>

* Because of policy cancellations eff. 2/17/69, records do not show exact loss breakdown for fiscal years 1968 and 1969. For the purpose of fiscal year loss development, total losses for each of these coverages for the period 7/1/68 to 7/1/70 are averaged, showing equal amounts for each fiscal year.

** This amount includes one large outstanding reserve of \$325,000 and may include other losses in excess of \$100,000. Complete details not available.

WARREN, MCV EIGH & ASSOCIATES

SCHEDULE II

BUILDING LOSSES BY FISCAL YEAR

AMOUNTS RECOVERED FROM INSURANCE

Location	Type of Loss	Date of Loss	AMOUNTS RECOVERED FROM INSURANCE				
			FY 67	FY 68	FY 69	FY 70	FY 71
Valdez	wind	12/ 5/66	\$ 2,462	\$	\$	\$	\$
Chignik Lagoon	explosion	12/18/66	85,025				
Delta Jct. School	explosion	4/ 3/67	280				
Adak School	fire	5/ 9/67	219				
Pauloff Harbor	fire	8/26/67		4,000			
Sitka Armory	wind	9/18/67		501			
Nikolski School	fire	9/23/67		4,135			
Aniak School	fire	10/25/67		5,960			
Dillingham F&G Garage	fire	10/25/67		200			
Cold Bay	fire	11/15/67		315			
Glenallen	fire	1/16/68		200			
Aurora School	wind	1/31/68		8,136			
Bakna Av.	fire	4/28/68		3,812			
Circle School	fire	5/ 8/68		111,852			
Glenallen	fire	1/16/68		72,286 ⁽¹⁾			
Juneau Subport	wind	12/23/68			1,502		
Umiat Airport	fire	5/29/69			21,500		
Anc. McLaughlin Y.C.	fire	10/ 1/69				684	
Huslia School	fire	11/15/69				1,104	
Juneau Comm. Bldg.	fire	1/27/70				6,180	
Metlakatla School	Fire	2/20/70				325,127	
Juneau Museum	wind	3/18/70				23,980	
Seward Skill Center	fire	5/12/70				31,245	
Healy School	fire	9/18/70					57,488
Delta Jct. School	fire	10/20/70					(2)
Delta Jct. Trailer	wind	11/ 2/70					(2)
Anaktuvuk School	wind	11/17/70					(2)
Various	wind	1/15/71					3,000
Fair. McKinley School	explosion	1/19/71					(3)
McGrath F & G	fire	2/16/71					(2)
			<u>\$87,986</u>	<u>\$212,397</u>	<u>\$23,002</u>	<u>\$388,320</u>	<u>\$60,488</u>

WARREN, McVEIGH & ASSOCIATES

(1) Includes \$7,733 in rental value.

(2) No insurance recovery - less than \$25,000 deductible.

(3) Hot steam line exploded resulting in damage estimated at \$275,000. Coverage declined by carrier. This may be litigated.

SCHEDULE III

PROPERTY PREMIUM AND LOSS EXPERIENCE

(BUILDINGS ONLY)

<u>Policy Period</u>	<u>Premium Paid</u>	<u>Losses Incurred</u>	<u>Loss Ratio</u>	<u>No. of Claims</u>
7/1/66 to 7/1/67	\$ 173,538	\$ 87,706	50.5%	4
7/1/67 to 7/1/68	212,726	212,397	99.8	11
7/1/68 to 7/1/69	280,276	23,002	8.2	2
7/1/69 to 7/1/70	346,196	388,320	112.1	6
7/1/70 to 7/1/71	<u>414,328</u>	<u>60,488</u>	<u>14.6</u>	<u>2</u>
	\$1,426,964	\$771,913	54.0%	25

SCHEDULE IV

WORKMEN'S COMPENSATION AND LIABILITY EXPERIENCE

<u>POLICY PERIOD</u>	<u>EARNED PREMIUM</u>	<u>INCURRED LOSSES</u>	<u>LOSS RATIO</u>	<u>NUMBER OF CLAIMS</u>
<u>Workmen's Compensation</u>				
8/1/66 to 7/1/67	\$ 277,737	\$ 167,644	60.0%	399
7/1/67 to 7/1/68	279,992	247,273	88.9	367
7/1/68 to 2/17/69	183,100	369,036	201.5	397
2/17/69 to 7/1/70	811,931	340,598	41.9	724
7/1/70 to 7/1/71	440,392	430,710	97.8	549
	<u>\$1,993,152</u>	<u>\$1,555,261</u>	<u>77.8%</u>	<u>2,385</u>
<u>General Liability</u>				
8/1/66 to 7/1/67	\$ 35,684	845,257	2369.0%	46
7/1/67 to 7/1/68	69,282	85,396	123.2	17
7/1/68 to 2/17/69	44,352	76,807	173.1	47
2/17/69 to 7/1/70	132,142	186,657	141.3	25*
7/1/70 to 7/1/71	124,955	106,789	85.4	20
	<u>\$ 406,415</u>	<u>\$1,300,906</u>	<u>320.1%</u>	<u>155</u>
<u>Auto Liability</u>				
8/1/66 to 7/1/67	\$ 66,557	\$ 13,875	20.8%	38
7/1/67 to 7/1/68	55,907	50,390	90.1	63
7/1/68 to 2/17/69	39,997	26,821	67.0	46
2/17/69 to 7/1/70	142,218	36,286	25.5	100*
7/1/70 to 7/1/71	309,579	168,547	54.4	108
	<u>\$ 614,258</u>	<u>\$ 295,919</u>	<u>48.1%</u>	<u>355</u>
*Estimated - combined auto and general liability claims totaled 125				
<u>Combined General and Auto Liability</u>				
8/1/66 to 7/1/67	\$ 102,241	\$ 859,132	840.3%	84
7/1/67 to 7/1/68	125,189	135,786	108.5	80
7/1/68 to 2/17/69	84,349	103,628	122.8	93
2/17/69 to 7/1/70	274,360	222,943	81.2	125
7/1/70 to 7/1/71	434,534	275,336	63.3	128
	<u>\$1,020,673</u>	<u>\$1,596,825</u>	<u>156.4%</u>	<u>510</u>
<u>Combined Workmen's Compensation & Liability</u>				
8/1/66 to 7/1/67	\$ 379,978	\$1,026,776	270.2%	423
7/1/67 to 7/1/68	405,181	383,059	94.5	456
7/1/68 to 2/17/69	267,449	472,664	176.7	490
2/17/69 to 7/1/70	1,086,291	563,541	51.8	849
7/1/70 to 7/1/71	874,926	706,046	80.6	677
	<u>\$3,013,925</u>	<u>\$3,152,086</u>	<u>104.5%</u>	<u>2,895</u>
7/1/68 to 7/1/71	<u>\$2,228,666</u>	<u>\$1,742,251</u>	<u>78.1%</u>	<u>2,016</u>

SCHEDULE V

POLICE PROFESSIONAL LIABILITY INSURANCE

PREMIUM & LOSS EXPERIENCE

<u>Policy Period</u>	<u>Number Employees Covered</u>	<u>Annual Prem. per Cap.</u>	<u>Prem. Paid</u>	<u>No. of Claims</u>	<u>Loss Experience</u>			
					<u>Out-standing</u>	<u>Paid</u>	<u>Expenses</u>	<u>Total</u>
7/1/69-70	162	\$41.30	\$6,691	3	\$11,000	\$2,000	\$2,736	\$15,736
7/1/70-71	165	41.00	6,765	1	---	5,000	---	5,000
7/1/71-72	197	53.10	10,461	--	---	---	---	---

This was a new coverage as of 7/1/69

SCHEDULE VI

SPECIAL HAZARD PERSONAL ACCIDENT INSURANCE

PREMIUM AND LOSS EXPERIENCE

<u>Policy Period</u>	<u>Nc. of Employees Covered</u>	<u>Premium Paid</u>	<u>Losses Incurred</u>
7/1/66-67	140	\$13,600	-0-
7/1/67-68	116	9,450	20,000
7/1/68-69	161	13,350	-0-
7/1/69-70	185	21,407	20,000
7/1/70-71	249	<u>26,329</u>	<u>10,000</u>
		\$84,136	\$50,000

SCHEDULE VII

PERSONAL ACCIDENT INSURANCE - SPECIAL POLICE OFFICERS

PREMIUM AND LOSS EXPERIENCE

<u>Policy Period</u>	<u>No. of Employees Covered</u>	<u>Premium Paid</u>	<u>Losses Incurred</u>
7/1/66-67	21	\$2,884	-0-
7/1/67-68	39	3,074	-0-
7/1/68-69	48	3,588	-0-
7/1/69-70	58	4,575	-0-
7/1/70-71	72	<u>4,385</u>	<u>-0-</u>
		\$18,506	-0-

SCHEDULE VIII

MARINE COVERAGES - HULL/PROTECTION AND INDEMNITY

PREMIUM AND LOSS EXPERIENCE

<u>Policy Year</u>	<u>Net Premium Paid</u>	<u>Net Losses Incurred</u>	<u>Loss Ratio</u>	<u>No. of Claims (Files Processed)</u>	
				<u>Hull</u>	<u>P&I</u>
<u>ALASKA STATE FERRIES</u>					
7/1/66 to 7/1/67	\$ 320,517	\$ 48,773	15.2%	2	10
7/1/67 to 7/1/68	331,651	58,625	17.7	0	28
7/1/68 to 7/1/69	574,152	45,798	8.0	0	41
7/1/69 to 7/1/70	670,175	325,340	48.5	5	75
7/1/70 to 7/1/71	671,970	639,304	95.1	2	154
	<u>\$2,568,565</u>	<u>\$1,117,840</u>	<u>43.5</u>	<u>9</u>	<u>308</u>

VESSEL FLEET - DEPARTMENT OF FISH AND GAME

7/1/66 to 7/1/67	\$ 26,565	\$ 30,050	113.1%		
7/1/67 to 7/1/68	18,694	42,000	224.6		
7/1/68 to 7/1/69	21,466	-0-	-0-		
7/1/69 to 7/1/70	25,722	-0-	-0-		
7/1/70 to 7/1/71	<u>49,480</u>	<u>-0-</u>	<u>-0-</u>		
	\$ 141,927	\$ 72,050	50.7%		

SCHEDULE IX

ALASKA STATE FERRIES - LOSS RECORD

<u>Policy Year</u>	<u>Losses</u>	<u>Hull</u>	<u>P & I Dock Damage</u>	<u>P & I Personal Injury & Misc.</u>	<u>Total Hull & P & I</u>
7/1/66 to 7/1/67	Paid	\$ 33,101	\$ 2,405	\$ 3,266	
	Outstanding	--	--	10,000	
				<u>\$ 13,266</u>	\$ 48,773
7/1/67 to 7/1/68	Paid	--	\$ 9,491	\$ 36,134	
	Outstanding	--	--	13,000	
				<u>\$ 49,134</u>	58,625
7/1/68 to 7/1/69	Paid	--	\$ 1,710	\$ 24,238	
	Outstanding	--	000	14,850	
			<u>\$ 1,710</u>	<u>\$ 39,088</u>	45,798
7/1/69 to 7/1/70	Paid	\$ 92,090	\$ 3,381	\$ 35,769	
	Outstanding	42,000	34,000	118,100	
		<u>\$134,090</u>	<u>\$37,381</u>	<u>\$153,869</u>	325,340
7/1/70 to 7/1/71	Paid	\$433,813	\$14,668	\$ 12,073	
	Outstanding	48,500	14,000	116,250	
		<u>\$482,313</u>	<u>\$28,668</u>	<u>\$128,323</u>	639,304

SCHEDULE X

AIRPORT AND AIRCRAFT LIABILITY
PREMIUM AND LOSS EXPERIENCE

<u>Policy Year</u>	<u>Premium Paid</u>	<u>Losses Incurred</u>	<u>Loss Ratio</u>
<u>AIRPORT LIABILITY</u>			
7/1/66 to 7/1/67	\$ 70,542	\$ 9,500	13.4%
7/1/67 to 7/1/68	70,542	13,386	18.9
7/1/68 to 7/1/69	71,542	118,953	166.2
7/1/69 to 7/1/70	312,550	6,036	1.9
7/1/70 to 7/1/71	<u>312,550</u>	<u>33,202</u>	<u>10.6</u>
	\$837,726	\$181,077	21.6%
<u>AIRCRAFT LIABILITY</u>			
1/8/67 to 1/8/68	\$ 1,466	\$ -0-	-0-
1/8/68 to 1/8/69	1,795	-0-	-0-
1/8/69 to 1/8/70	3,018	-0-	-0-
1/8/70 to 1/8/71	3,834	-0-	-0-
1/8/71 to 1/8/72	<u>4,346</u>	<u>-0-</u>	<u>-0-</u>
	\$ 14,459	\$ -0-	-0-

BLANKET PROPERTY INSURANCE

Named Insured	State of Alaska and/or Alaska State Housing Authority and/or Alaska State-Operated School System
Insurer	Insurance Company of North America, policy no. GX-10X742 through Shuttuck Agency
Term	From July 1, 1971 until cancelled
Annual Premium	\$793,700 for first annual premium. Renewal premium subject to negotiation, based principally on losses and insurable values. Insurer indicates this is "loss rated" plan, based on 40% permissible loss ratio.
Amounts of Insurance	All property except that owned by ASHA: \$116,250,000, except newly acquired/leased location & any building in course of construction \$ 500,000 only as respects any newly acquired/leased location & any building in course of construction \$ 5,000 or 10% of actual cash value of any building, whichever is less, as respects "Additional Expense" Property leased by State of Alaska from ASHA: \$18,750,000, except as respects newly leased locations \$ 500,000 as respects newly leased locations only \$ 5,000 or 10% of replacement cost value of any building, whichever is less, as respects "Additional Expense"
Deductibles	As respects all property, except that owned by ASHA: \$100,000 each loss occurrence As respects property leased by State of Alaska from ASHA: \$25,000 each loss occurrence Above deductibles are subject to "Aggregate Stop-Loss" clause, which states, in part "... after disregarding all losses of \$10,000 or less, the Insured shall not be required to bear more than \$250,000 in aggregate unallowed losses in any one annual period."
Property covered	Direct physical loss or damage to following property: (1) All buildings owned by State of Alaska; (2) All buildings and equipment of following Federal Programs -- (a) U.S. Military Bases, (b) U.S. F.A.A. installations, (c) Community owned station and (d) U.S. Dept. of Interior - Bureau of Indian Affairs; (3) Real property leased by State of Alaska from ASHA. Also covers "Additional Expense" on all above property and "Rental Value" on ASHA property.
Additional property covered	Coverage is extended to apply to (1) property of others in care, custody or control of insured for which insured may be held legally liable or has assumed liability prior to loss; (2) personal property of officers and employees of insured; (3) cost of (a) debris removal, (b) Fire Department service charges, (c) destruction of property at order of civil authority at time of and for purpose of preventing spread of fire; (4) newly acquired or leased locations, provided insured's interest not covered under any other policy; (5) contents of Governor's mansion; (6) docking structures and transfer bridges used in connection with Alaska Ferry System.
Property excluded	Property at nuclear reactor power plants, installations, etc. (including installations using "substantial quantities of radioactive isotopes or other products of nuclear fission"). Land, trees, shrubs, plants, lawns and growing crops. Aircraft, watercraft, vehicles licensed for highway use and contents of foregoing. Animals, birds and fish. Accounts, bills, currency, deeds, evidence of debt, trading stamps, money and security. Books of record, manuscripts, drawings, film, tapes, card index systems and other records in excess of cost of blank materials plus actual cost of labor in transcribing or copying such records. On electronic data processing media, to not exceed cost of such media in unexposed or blank form. Objects of rarity, historical value or artistic merit. Inflatable or air supported buildings. Property in due course of transit. Buildings in course of construction and materials, equipment and supplies used for construction of same, when otherwise specifically insured. Bridges, approaches, causeways, subways, culverts, viaducts and other highway and roadway construction (except docking and transfer bridges used in connection with Alaska Ferry System, which are insured). Gas transmission/distribution lines and systems; electrical transmission wires and systems in open and underground, except those within first conductor span beyond buildings, structures, etc. Architects' or engineering fees; except cost of supervision during construction or reconstruction, which is insured. All property of Univ. of Alaska and ASHA except where insured has specifically assumed liability. Piers, pipes, flues and drains which are underground. Piling, which is wholly submerged or wholly underground, except piling included in the foundations of buildings located in "Perma Frost" area, which is insured. Underground tunnels. Leased trailers, used by Dept. of Education, located at Bethel, Togiak, Manokotak, Suntrana and Tanana. All personal property, except that defined as "buildings," or personal property of others on which insured has assumed liability prior to loss, or personal property on which insured has liability imposed by law, or contents of Governor's Mansion, which exceptions are covered. Foundations (brick, stone or concrete) below undersurface of lowest basement floor, or, where no basement, which are below surface of ground inside building walls. Portions of walks, roadways and other paved surfaces outside of & more than 25 feet from any building/structure. Cost of excavations, grading and filling. Any building with actual cash value of loss less than \$10,000, except buildings housing equipment for supplying electricity or pumping water for direct service to a principal building covered and buildings for which insured has, prior to loss, specifically assumed liability, which are insured.
Perils insured	Fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles, and smoke and (with respect to ASHA property only) vandalism and malicious mischief.
Perils excluded	War, insurrection, rebellion, revolution, civil war, etc. Nuclear reaction, radiation or radioactive contamination (except direct loss by fire resulting therefrom). Explosion, rupture or bursting of (a) steam boilers and pipes, steam or gas turbines and steam, gas or internal combustion engines, or (b) moving or rotating parts of machinery caused by centrifugal force or mechanical breakdown, and (c) property undergoing test (ensuing fire covered). Enforcement of ordinance/law regulating construction, repair or demolition of structures. Electrical current artificially generated. As respects rental value &/or additional expense: (1) Suspension, lapse or cancellation of lease, license, contractor order, and (2) interference by strikers or other persons with rebuilding, repairing or replacing property.
Cancellation	Insurer may cancel policy by giving 30 days written notice.
Valuation	ASHA property valued at replacement cost, if such property replaced on same premises (except buildings located in the "Perma Frost" area may be replaced elsewhere) and intended for the same occupancy and use; otherwise, the actual cash value. All other property valued at "actual cash value".
Coinsurance	Insurer liable for no greater proportion of any loss than amount insured bears to 90% of value of the property and 100% of the rental values, at time of loss.
Fire Protection Clause	Any fire extinguishing system, watchman service or alarm service in existence at policy inception must not be discontinued unless insurer notified.
Vacancy	Insurer not liable for loss/damage caused by vandalism or malicious mischief which occurs after a period of 30 consecutive days of vacancy.
Loss Occurrence	The term "loss occurrence" means the total loss by any peril or combination of perils insured against arising out of a single event. When the term applies to loss or losses from windstorm, hail, riot, riot attending a strike, or civil commotion, it shall include those losses occurring or commencing during a period of 72 consecutive hours. When filing proof of loss, the insured may elect the moment which the 72-hour period shall commence.

Coverage

PROPERTY INSURANCE - ALASKA FERRY TERMINAL
PRINCE RUPERT, BRITISH COLUMBIA

Named Insured	Her Majesty The Queen in right of Canada represented by the honorable Minister of Public Works and the State of Alaska
Policy Period	November 15, 1969 to November 15, 1971
Insurers	Subscription Policy no. BC 15717 through Reed Shaw Osler Limited. Insurers and their percentages are: Great American Ins. Co. 25% Fireman's Fund Ins. Co. 30 Guardian Assurance Co. Ltd. 15 Northern Assurance Co. Ltd. 10 Canadian Indemnity Co. 10 Reliance Insurance Co. 10 <u>100%</u>
Amounts of Insurance	\$240,000 on customs and immigration building including adjacent car ports 237,000 on wharf, loading ramp and mooring berth known as Alaska Ferry Terminal <u>\$477,000 total</u>
Annual Premium	\$1,973.70
Perils Insured	Fire, lightning, explosion, impact by aircraft or vehicles, riot, smoke, leakage from fire protective equipment, windstorm or hail, riot, vandalism or malicious acts.
Coinsurance	80%
Valuation	Actual cash value.

Comments: Required by contract between Canada and Alaska dated 3/6/63

Named Insured	State of Alaska		
Insurers & Amounts of Insurance	<u>Policy No.</u>	<u>Insurer</u>	<u>Amt. of Insurance</u>
	13-00-69	Eagle Star Insurance Co.	\$117,419.37
	EF-10064-79	Employers Commercial Union	117,419.37
	F6858644	Continental Insurance Co.	117,419.37
	52FS169022	Hartford Fire Insurance Co.	117,419.37
	36-67-51	Westchester Fire Insurance Co.	117,419.38
	8428984	Travelers Indemnity Co.	117,419.38
	12311	Union Insurance Society of Canton	117,419.38
	F2565956	U.S. Fidelity & Guaranty Co.	117,419.38
		Total Amount of insurance	\$939,355.00
	Issued through Shattuck Agency		
Term	July 1, 1970 to July 1, 1973		
Annual Premium	\$1690.84 (annual rate is \$.18 per \$100 of insured value).		
Deductible	None		
Coverage	Property Covered	IBM "360" Computer and related equipment located in Alaska Office Building, Juneau, Alaska	
	Perils Insured	Fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles, smoke vandalism and malicious mischief.	
	Perils Excluded	<ol style="list-style-type: none"> 1. Nuclear reaction or radiation, radioactive contamination, war risks. 2. Electrical injury or disturbance to electrical appliances, devices, fixtures or wiring caused by artificially generated electrical currents (ensuing fire loss covered). 3. Loss caused by or resulting from power, heating or cooling failure unless such failure results from physical damage to power, heating or cooling equipment situated on premises where property covered is located. 4. Loss by explosion of steam boilers/pipes/turbines/engines. 5. Sonic boom, electric arcing, rupture/bursting of rotating/moving parts of machinery caused by centrifugal force or mechanical breakdown, water hammer, rupture or bursting of water parts, rupture or bursting due to expansion or swelling of building contents, caused by water, rupture/bursting/operation of pressure relief devices. 6. Flood, surface water, waves, tidal waves, overflow of streams, water which backs up through sewers or drains, underground water. 	
Coinsurance	Insurer liable for no greater proportion of any loss than amount of insurance bears to 100% of actual cash value of property at time of loss.		
Valuation	Property valued at "actual cash value" at time of loss.		
Cancellation	Insurer may cancel policy by giving 5 days' written notice.		

SCHEDULED PROPERTY FLOATER - STATE MUSEUM

Named Insured	State of Alaska and Samuel Johnson, as their interests may appear.
Insurer	New Hampshire Insurance Co. policy no. SPF 874129 through Dawson & Co. - McLean
Policy Period	January 9, 1971 to January 1, 1972
Amount of Insurance	\$37,000
Subject of Insurance	Art collection on loan to State Museum
Coverage	Policy incomplete - insuring form not attached.
Annual Premium	\$185.00

Named Insured & Oblige		State of Alaska
Persons Bonded		Any person while in the employ of the insured during the bond period who is not required by law to furnish an individual bond to qualify for office and who is a member of the staff or personnel of the insured. Does not include any Treasurer or Tax Collector (but this is interpreted to mean "head of department.")
Insurer		The American Insurance Company, Bond no. HO-617-34-74 through Dawson & Co. - McLean
Bond period		From July 1, 1967 until cancelled
Limit of Liability		\$20,000 on each employee (\$25,000 on Director of Office of Economic Opportunity)
Annual premium		\$2947
Coverage		Loss caused to insured through failure of employee to perform faithfully his duties or to account properly for all monies and property received by virtue of his position or employment.
Exclusions	Prior Dishonest Acts	Coverage does not apply with respect to any employee after insured/oblige discovers any act on the part of such employee which would constitute a liability under this bond.
	Exoneration or indemnification	Coverage does not apply to any loss under circumstances whereby and to the amount which insured/oblige voluntarily undertakes or is required by law to exonerate or indemnify any employee against liability incurred by them in the performance of their duties.
	Federal food stamps	Federal food stamps are excluded from coverage.
Conditions	Cancellation	Insurer may cancel bond by mailing 30 days written notice to insured/oblige.
	Payroll deduction funds	Loss of payroll deduction funds through acts or defaults committed by employees, while handling or having possession of such funds, shall be deemed an insured loss whether or not insured is legally liable therefor.

PUBLIC OFFICIAL SCHEDULE BOND
 DEPT. OF FISH & GAME LICENSING OFFICERS

Obligee	State of Alaska	
Persons Bonded	License officers for the Department of Fish & Game, State of Alaska, as specifically named in schedule attached to bond.	
Insurer	The American Insurance Co., bond no. SO 617-3428 through Dawson & Co. - McLean	
Bond period	From July 1, 1967 until cancelled	
Limits of liability	Various amounts ranging from \$1000 to \$5000 per named officers	
Annual premium	\$2,399 based on rate of \$3.50 per \$1,000	
Coverage	Loss caused to insured through failure of bonded person to faithfully discharge duties of his office and promptly account for and pay over, according to law, all money and property received by him by virtue of such office, or, in default thereof.	
Important Conditions	Prior Dishonest Acts	Coverage does not apply with respect to any bonded person after obligee discovers or becomes aware of any default committed by such person.
	New officers	Any new license officer, upon succeeding to a position vacated during preceeding 30 days by bonded officer, is covered automatically for first 60 days of service for same amount as predecessor, but no more than \$5,000.
	Cancellation	Insurer may cancel bond or coverage with respect to any bonded person by giving 30 days written notice to obligee.

WARREN, MCVIEGH & ASSOCIATES

PUBLIC OFFICIAL SCHEDULE BOND

MOTOR VEHICLE COMMISSION AGENTS

Obligee	State of Alaska
Persons Bonded	Motor vehicle commission agents, as specifically named in schedule attached to bond.
Insurer	The American Insurance Co., bond no. SO617-3429 through Dawson & Co. - McLean
Bond period	From July 1, 1967 until cancelled
Limits of Liability	Various amounts ranging from \$1,000 to \$20,000 per named agents
Annual premium	\$777 based on rate of \$3.50 per \$1,000
Coverage	Loss caused to insured through failure of bonded person to faithfully discharge duties of his office and promptly account for and pay over, according to law, all money and property received by him by virtue of such office, or, in default thereof.
Prior Dishonest Acts	Coverage does not apply with respect to any bonded person after obligee discovers or becomes aware of any default committed by such person.
New officers	Any new license officer, upon succeeding to a position vacated during preceeding 30 days by bonded officer, is covered automatically for first 60 days of service for same amount as predecessor, but no more than \$5,000.
Cancellation	Insurer may cancel bond or coverage with respect to any bonded person by giving 30 days written notice to obligee.

WARREN, McVEIGH & ASSOCIATES

STATUTORY BONDS - PUBLIC OFFICIALS

The following public official bonds are in effect for period 7/1/68 to 7/1/72,
as required by statute:

<u>Person Bonded</u>	<u>Amount of Bond</u>	<u>Annual Premium</u>
Commissioner of Revenue	\$200,000	\$1250
Director, Division of Lands	150,000	525
Commissioner of Administration	10,000	35
Commissioner of Labor	10,000	35
Legislative Auditor	10,000	35
Adjutant General	20,000	70
		<u>\$1950</u>

Named Insured	State of Alaska and Alaska State Operated School System	
Insurer	Alaska Pacific Assurance Company, policy no. 0771-31808-113 through Shattuck Agency	
Term	July 1, 1971 to July 1, 1974	
Annual premium	<p>\$518,486 - first year's advance premium based on composite rate of \$.5579065 per \$100 of remuneration. For billing purposes, this policy and general liability policy combined at composite rate of \$1.0386920 per \$100 of remuneration. Final three year premium for this policy, the general liability policy and the malpractice liability policy is determined in accordance with the</p> <p>standard premium (est.) \$1,133,132 Tax multipliers: Retention fee (% of standard) 19.0% Workmen's compensation . . . 1.038 Loss conversion factor (% of 113.5% Liability 1.042 incurred losses) Max. Loss Adjusted Premium . . . 100% of standard</p> <p>Final premium is calculated by adding together the retention fee and converted losses and multiplying this sum by the tax multiplier, but the final premium will not exceed the standard premium in any one year. Endorsement #15 provides for "prospective" rate adjustment in the event of (1) ". . . increase or decrease in severity of the Alaska Workmen's Compensation Act as a result of statutory changes in that Act as determined and certified in writing by the National Council on Compensation Insurance and shall be applicable under the policy from the effective date of the statutory change. (2) the expense in any one annual period is sufficient to create an underwriting loss of greater than 10% of the projected annual premium."</p>	
Coverage and Limits of Liability	A-Workmen's Compensation	Statutory benefits required by Alaska Workmen's Compensation Act and U.S. Longshoremen's and Harbor Workers' Compensation Act.
	B-Employer's Liability	Legal liability for work injury or occupational disease of employees, subject to limit of \$1,000,000.
	C-Voluntary Compensation	Provides for payment of benefits equivalent to Alaska Workmen's Compensation Act to following groups of "volunteer workers": (1) volunteer firemen, (2) snow removal in Canada, (3) maritime - under 2000 tons Subject to the following limits of liability: Bodily injury by accident - \$1,000,000 each employee/\$1,000,000 each accident Bodily injury by disease - \$1,000,000 each employee/\$1,000,000 aggregate
	Maritime Endorsement	Extends coverage under Coverage B-Employer's Liability to masters and members of crew of vessels less than 20' tons, subject to the following limits: Bodily injury by accident - \$1,000,000 each employee/\$1,000,000 each accident Bodily injury by disease - \$1,000,000 each employee/\$1,000,000 aggregate
	Universal Endorsement	1. Coverage A-Workmen's Compensation extended to apply to workmen's compensation law of any state, district, or territory of the U.S. except Nevada, No. Dakota, Ohio, Washington, West Virginia and Wyoming. 2. Insurer will indemnify employer for obligations under workmen's compensation laws of above states & any province of Canada, provided loss accrues prior to employer's knowledge he is subject to workmen's compensation law of such state or province & is required to contribute to or insure in the fund thereof.
Important Exclusions	Contractual	Under Coverage B, to liability assumed under any contract or agreement.
	Punitive damages	Under Coverage B, (1) to punitive or exemplary damages on account of injury to employee employed in violation of law, or (2) with respect to any employee employed in violation of law with knowledge or acquiescence of insured or any executive officer thereof.
	Maritime	Under Coverage B, to any injury or death sustained by any employee who is master or member of crew of any vessel, except as specifically provided by "Maritime" endorsement (vessels under 2000 tons). Coverage under "Maritime" endorsement does not apply to liability of insured to provide transportation, wages, maintenance and cure to any employee
	University of Alaska	All employees of University of Alaska are excluded from coverage under this policy.
Conditions	Cancellation	Policy may not be cancelled during its term except for non-payment of premium.
	Boards & Commissions	Endorsement #5 extends coverage under policy to ". . . members of Alaska State Boards and Commissions but solely during which they receive per diem for serving on said Boards and Commissions."

WORKMEN'S COMPENSATION & EMPLOYER'S LIABILITY

Named Insured	State of Alaska					
Additional Insureds	Alaska State Housing Authority, as respects all premises leased from them.					
	Salvation Army, United Presbyterian Church, and Co-Trustees of the William Duncan Trust, as respects their property at Metlakatla, Alaska being used temporarily for school purposes by the State Dept. of Education.					
	Tamgass Harbor Club, Inc., as respects building #311B, Annette School lease DB131-4-29031, Annette, Alaska.					
	Elective or appointed officials of the named insured, but only while acting in the capacity of such.					
	Various specifically named home school coordinators and liaison officers, but only as respects the use of their automobiles on State business.					
	Alaska State Operated School System, as respects all premises leased from them.					
Insurer	Alaska Pacific Assurance Company, policy no. 0771-31808-213 through Shattuck Agency.					
Term	July 1, 1971 to July 1, 1974.					
Annual premium	\$507,139 -- first year's advance premium, based on composite rate of \$.4807855 per \$100 of remuneration exclusive of professional malpractice liability. Final premium determined by "retention plan," as described in Chart I. This policy and workmen's compensation policy are combined for billing purposes at composite rate of \$1.0386920 per \$100 of remuneration.					
Limits of liability		Bodily Injury			Property Damage	
			Per Person	Per Occurrence	Aggregate	
	General Liability	\$2,500,000	\$2,500,000	\$2,500,000	\$1,000,000	\$1,000,000
	Auto Liability	2,500,000	2,500,000		1,000,000	
	Contractual Liability	2,500,000	2,500,000		1,000,000	1,000,000
Personal Injury Liability	2,500,000		2,500,000			
Coverage	General & auto liability	Legal liability for bodily injury or property damage caused by an occurrence, as defined.				
	Contractual liability	Legal liability for bodily injury or property damage caused by an occurrence, as defined, by reason of liability assumption under written contracts.				
	Personal injury liability	Legal liability for false arrest, detention or imprisonment, malicious prosecution, publication or utterance of a libel or slander or of other defamatory or disparaging material, or publication or utterance in violation of an individual's right of privacy, wrongful entry or eviction or other invasion of right of private occupancy.				
Major Exclusions	General, auto and contractual liability	<ol style="list-style-type: none"> Property owned, occupied by or rented to or used by the insured; property in care, custody or control of insured or as to which insured is for any purpose exercising physical control; property transported by insured. War, workmen's compensation, employer's liability, failure of products to serve their purpose, product recall, liquor liability, pollution (unless sudden & accidental). Inboard motor boats and vessels and aircraft; outboard motorboats where such watercraft are used to carry persons for a charge or while rented to others. University of Alaska, with respect to general liability portion of policy. All State-owned &/or operated airports, with respect to general liability portion of policy. With respect to contractual liability, property damage included within explosion, collapse or underground property damage hazards. Contractual liability arising out of operations within 50 feet of any railroad property, affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass or crossing. Contractual liability for professional services of architects, engineers or surveyors. 				
	"Personal injury" liability	<ol style="list-style-type: none"> Contractual liability. Wilful violation of a penal statute or ordinance committed by or with knowledge or consent of any insured. Personal injury sustained by any person as a result of an offense directly or indirectly related to the employment of such person by the named insured. 				
Conditions	Cancellation	Policy may not be cancelled except for non-payment of premium.				
	Sovereign immunity	Insurer will not avail itself of defense that insured is not liable because of the performance of governmental function.				
	Policy territory	Worldwide.				
	Occurrence	"Occurrence" means an accident, including injurious exposure to conditions, which results, during the policy period, in bodily injury or property damage neither expected nor intended from the standpoint of the insured.				

COMPREHENSIVE AUTO AND GENERAL LIABILITY

"PROFESSIONAL MALPRACTICE" LIABILITY

Named Insured	State of Alaska
Additional Insureds	Individual personnel of Dept. of Health & Welfare of State of Alaska, but only while engaged in the performance of their duties as employees of the State of Alaska. "...any executive officer, stockholder or member of the board of trustees, directors or governors of the named insured while acting within the scope of his duties as such."
Insurer	Alaska Pacific Assurance Company, policy no. 0771-31808-613 through Shattuck Agency.
Term	July 1, 1971 to July 1, 1974
Annual Premium	\$36,806--first year's advance premium, based on composite rate of \$.0348935 per \$100 of remuneration. Final premium determined by "retention plan," as described in Chart I.
Limits of liability	\$100,000 each claim/\$300,000 aggregate.
Coverage	"Professional Malpractice" Liability Covers legal liability for injury to any person arising out of the rendering of or failure to render, during the policy period, the following professional services: (a) medical, surgical, dental or nursing treatment ... including furnishing of food or beverages in connection therewith, (b) furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances if injury occurs after named insured has relinquished possession thereof to others, (c) handling of or performing post-mortem examinations on human bodies, or (d) service by any person as a member of a formal accreditation or similar professional board or committee of the named insured, or as a person charged with duty of executing directives of any such board or committee.
	Defense Insurer provides defense, but not obligated to defend any suit after limit of liability exhausted. Written consent of insured required for settlement of any claim or suit.
Exclusions	Work Injury Bodily injury to employee arising out of and in course of his employment by insured.
	Workmen's Compensation Legal obligations under any workmen's compensation, unemployment compensation or disability benefits law, or any similar law.
	Vehicles Ownership, maintenance, operation, use, loading or unloading of any motor vehicle, trailer, watercraft or aircraft.
	Individuals No coverage applies to individual personnel in connection with any activities or services not directly connected with their employment by the State of Alaska.
	Health Service Contractors Coverage does not extend to contractors of health service, unless specifically endorsed on the policy.
First Aid Expenses incurred by insured for first aid at time of an accident.	
Conditions	Cancellation Policy may not be cancelled, except for non-payment of premium.
	Sovereign Immunity Insurer will not avail itself of defense that insured is not liable because of the performance of governmental functions.
Policy territory	(1) U.S.A., its territories or possessions, or Canada. (2) International waters or air space, provided injury does not occur in course of travel or transportation to or from any other country, state or nation.

WARREN, McVEIGH & ASSOCIATES

"PROFESSIONAL MALPRACTICE" LIABILITY

Named Insured	Alaska State Police and Alaska Dept. of Revenue Alcoholic Beverage Control Board
Additional Insureds	State of Alaska, solely with respect to liability for damages for which an "insured" as defined in the policy is also liable. All paid full and part time individual law enforcement officers of named insured.
Insurer	American Home Assurance Company, policy no. PPL 2714722 through James F. Jackson's Assoc., Inc.
Term	July 1, 1971 to July 1, 1972
Limits of Liability	\$100,000 each person/\$300,000 each incident/\$500,000 aggregate.
Annual Premium	\$10,460.70 (subject to audit based on total number of officers during term).
Coverage	A-Personal Injury Legal liability because of false arrest, erroneous service of civil papers, false imprisonment, malicious prosecution, libel, slander, defamation of character, violation of property rights and, if committed while making or attempting to make an arrest or while resisting an overt attempt to escape by a person under arrest before such person has been or could have been brought before a magistrate or like official authorized to hold a preliminary hearing, assault and battery--all if committed in regular course of duty by insured.
	B-Bodily Injury Legal liability for bodily injury, caused accidentally by any act of insured in making or attempting to make an arrest while acting within scope of his duties as a law enforcement officer.
	Defense and Supplementary Payments Insurer provides defense and pays supplementary expenses, but insurer not required to defend any suit after limit of liability exhausted by payment of judgments or settlements.
Exclusions	<ol style="list-style-type: none"> 1. Workmen's compensation; personal injury or bodily injury sustained by any law enforcement officer of named insured related to his employment by named insured. 2. Willfull violation of penal statute or ordinance committed by or with knowledge of any insured; acts of fraud committed by or at direction of insured with affirmative dishonesty or actual intent to deceive or defraud. 3. Contractual liability, property damage, land motor vehicles designed for use principally on public highways, aircraft, watercraft. 4. Bodily injury to any person occurring while such person is in custody of insured or any municipal, state or federal authority.
Conditions	Cancellation Insurer may cancel by mailing 60 days written notice (10 days for non-payment of premium).
	Other Insurance Insurance under this policy is excess insurance over any other valid and collectible insurance available to the insured.
	Subrogation Insurer subrogated to all of insured's rights of recovery against any person or organization.

WARREN, McVEIGH & ASSOCIATES

POLICE PROFESSIONAL LIABILITY

Named Insured	State of Alaska	
Additional Insured	Any elective or appointive official or employee of Named Insured, but only while acting within the scope of his duties as such.	
Insurer	United States Aviation Underwriters, Inc., policy no. LG-9159. Agent: Dawson & Co. - McLean	
Term	July 1, 1969 to July 1, 1972	
Limits of Liability	With respect to Anchorage and Fairbanks International Airports: \$20,000,000 combined single limit per occurrence for bodily injury and property damage liability With respect to all other airports and seaplane facilities: \$5,000,000 combined single limit per occurrence for bodily injury and property damage liability	
Coverage	Liability	Covers legal liability for bodily injury or property damage, caused by an occurrence, arising out of ownership, maintenance or use of all airports and seaplane facilities owned or operated by the State of Alaska, including all operations necessary or incidental thereto. Also covers automobile liability with respect to an occurrence on airport premises.
	Defense	Insurer provides defense, but not obligated to defend after limit of liability exhausted by payment of judgments or settlements.
	Supplementary Payments	In addition to applicable limit of liability, insurer will pay (1) premiums on appeal bonds, (2) first aid expenses and (3) reasonable expenses incurred by insured at insurer's request. Insurer also will pay expenses incurred by insurer, costs taxed against insured in suits defended by insurer, and interest on judgments, but with respect to any suit in Alaska insurer not obligated to pay greater proportion of prevailing party's attorney's fees taxed against insured than that part of any judgment payable by insurer under policy bears to entire amount of judgment.
Annual Premium	\$312,550, subject to negotiation and amendment at each anniversary date due to "changes in the risks, liabilities, coverages and conditions then existing."	
Principal Exclusions	Aircraft	(1) Bodily injury or property damage arising out of ownership, maintenance, operation, use, loading or unloading of (a) aircraft owned by, rented to, loaned to or held for demonstration or sale by the Insured (b) aircraft in flight by or for the account of the Insured (2) Property damage to: (a) aircraft in care, custody or control of Insured or as to which Insured is for any purpose exercising physical control (does not apply to property damage to aircraft when the Insured's control is solely traffic control over movement of such aircraft); (b) any aircraft while aircraft is being serviced or fueled by Insured.
	Appropriation	Property damage arising out of appropriation or taking of property/property rights in fact or by formal exercise of governmental power.
	Contests & Exhibitions	Bodily injury or property damage due to any airmet, air race or air show or to conduct of any contest or exhibition involving racing of automobiles or motorcycles, parachute jumping or sky diving, permitted, sponsored or participated in by the Insured.
	Riots	Bodily injury or property damage arising out of riot, civil commotion or mob action or out of any act or omission in connection with prevention or suppression of foregoing.
	Other Insurance	That portion of any loss arising out of ownership, maintenance or use of aircraft or automobiles with respect to which insured has other valid and collectible primary or excess insurance.
	Contractual	Liability assumed under any contract or agreement, except an "incidental agreement." (This exclusion does not apply to product warranties or warranties that work performed by or on behalf of named insured will be done in workmanlike manner).
	Watercraft	Liability arising out of ownership, maintenance, operation, use, loading or unloading of any watercraft, if bodily injury or property damage occurs away from premises owned by, rented to or controlled by Named Insured. (This exclusion does not apply to products or completed operations hazards, operations performed by independent contractors or liability assumed under "incidental contracts.")
	Other exclusions	War, nuclear energy, workmen's compensation, employer's liability, failure of products to serve their purpose, product recall.
Conditions	Cancellation	Insurer may cancel by mailing to Named Insured 30 days written notice.
	Sovereign immunity	Insurer will not use, either in adjustment of claims or in defense of suits against insured, the immunity of insured from tort liability, unless requested by insured to interpose such defense.
	Definition of occurrence	"Occurrence" means an accident, including injurious exposure to conditions, which results, during the policy period, in bodily injury or property damage neither expected nor intended from the standpoint of the insured.

AIRPORT LIABILITY

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Named Insured	Department of Fish and Game, State of Alaska
Additional Insureds	Any executive officer, director or employee of the Named Insured while acting within the scope of his duties, as such, except an employee with respect to injury or another employee of the Named Insured injured in the course of such employment.
Insurer	United States Aircraft Insurance Group, policy no. 400-9075 through Dawson & Co. - McLean
Term	January 8, 1971 to January 8, 1972
Limits of Liability	Bodily injury liability excluding passengers: \$100,000 each person/\$300,000 each occurrence Property damage liability: \$50,000 each occurrence Passenger bodily injury liability: \$50,000 each person/\$50,000 each occurrence (except for the two Grumman amphibians and the DeHavilland Beaver, for which the per occurrence limit is \$400,000 and \$150,000 for the Cessna 180)
Annual premium	\$1336 (initial premium of \$3834 plus \$512 charged under endorsement #9)
Coverage	Legal liability for bodily injury and property damage caused by an occurrence and arising out of the ownership, maintenance or use of the following aircraft described in the policy and endorsements (through #10) attached: 1963 Cessna 180F, #N4604U 1956 Grumman G21-A, #N7811 1956 Grumman G21-A, #N7251 1951 DeHavilland Beaver, #N7023 1960 Piper PA-18, #N3398Z 1953 Piper PA-18, #N7051 1961 Piper PA-18, #N7590P 1963 Piper PA-18, #N68382 1968 Piper PA-18, #N7052 1968 Piper PA-18, #N7053 1970 Piper PA-18, #N7054 1970 Piper PA-18, #N7055 1970 Piper PA-18, #N7056
Airworthiness Certificate	Any aircraft not registered under a "Standard" Category Airworthiness Certificate issued by the FAA or any aircraft in flight while such Airworthiness Certificate is not in full force and effect. Exception to this exclusion is made with respect to the two Grumman amphibians and Piper PA-18#N7051, whose Airworthiness Certificate category has been changed to "Non-Public Aircraft."
Purpose of use	No coverage applies while aircraft is maintained or used for any purpose other than "Non-Commercial"
Special permit or waiver	No coverage applies while aircraft is in flight under any conditions requiring a special permit or waiver from FAA even though such permit or waiver has been granted. An exception to this provides coverage for non-commercial operations of the aircraft as are permitted under FAA Certificate of Waiver or Authorization issued by the Alaskan Region and dated 12/11/71
Pilots	No coverage applies while aircraft is operated, while in flight, by other than following pilots: (a) With respect to Grumman Goose aircraft Pilots holding FAA Commercial Pilot Certificates with multi-engine rating and such other ratings as are required by FAA for flight involved, each of whom shall have flown a minimum of 1,000 hours as pilot in command, at least 100 hours of which shall have been in multi-engine aircraft including 100 hours of Alaskan flight experience. (b) With respect to DeHavilland Beaver Pilots holding an FAA Commercial Pilot Certificate who have flown a minimum of 2,500 hours as pilot in command, at least 100 hours of which shall have been within the State of Alaska. (c) With respect to aircraft other than above Any pilot holding an FAA Private or Commercial Pilot Certificate with proper ratings as required by the FAA for the flight involved, each of whom shall have flown a minimum of 200 hours, including 100 hours of Alaskan flight experience.
Contractual	Liability assumed by any insured under any contract or agreement except liability assumed by Named Insured under an Airport Contract
Intentional Injury	Intentional injuries, except assault & battery committed for purpose of preventing dangerous interference with operation of aircraft.
Other exclusions	Workmen's compensation, injury to any aircraft covered under this policy, property in care, custody or control of insured.
Cancellation	Insurer may cancel policy by mailing or delivering 10 day written notice.
Definition of Occurrence	"Occurrence" means an accident, or a continuous or repeated exposure to conditions, which results in injury during the policy period, provided the injury is neither expected, nor intended from the standpoint of the insured. All damages arising out of such exposure to substantially the same general conditions shall be deemed to arise out of one occurrence.
Defense, Settlement and Supplementary Payments	In addition to applicable limit of liability, Insurer provides defense, pays attachment & appeal bond premiums, pays costs and interest accruing after judgment, pays immediate medical and surgical expenses and reimburses insured for reasonable expenses incurred at insurer's request.
Definition of "Non-Commercial"	"Non-Commercial" means any use of the aircraft except a use for which a charge is made to others.
Territory	Policy applies to occurrences which happen during policy period while aircraft is within U.S.A., its territories or possessions, or Canada, or while the aircraft is dismantled and being transported between ports within these lands.

AIRCRAFT LIABILITY

Insureds	Specifically named employees of State of Alaska, Department of Fish & Game, Department of Natural Resources and Department of Labor	
Legislative Authority	Sec. 39.30.130. Alaska Statutes, 1970, reads: "Special Hazard Insurance, Upon the request of any state department, the Department of Administration may procure insurance, in addition to workmen's compensation insurance, for employees of the department against accidental death or dismemberment occasioned by special hazards in connection with their employment."	
Capitol Sum Insured	\$10,000 any one person	
Term	July 1, 1971 to July 1, 1972	
Annual premium	\$24,738 based on employees scheduled at policy inception Rates per person: Occasional flying - \$31.50 Substantial flying - 84.00 Pilot - 168.00 Scuba divers - 168.00	
Insuring agreement	Pays capitol sum for accidental death or multiple dismemberment or total loss of sight (only 50% of capitol sum for loss of one eye or one limb) providing injury or death is sustained by employee: (1) while actually engaged in performing assigned duties of his employment with State of Alaska, and (2) when the Alaska Workmen's Compensation Board has issued its order finding a valid claim against this employer under the Alaska Workmen's Compensation Act.	
Exclusions	1. Water skiing, skiing and underwater activities apart from those persons undertaking diving duties for the insured and so declared to underwriter. 2. War, suicide, disease (except where treatment rendered necessary by bodily injury caused by accident). 3. Riding in or on any aircraft used for any purpose such as crop dusting, seeding, skywriting, racing or testing; riding in any kind of race.	
Conditions	Cancellation	Insurer may cancel by mailing 5 days written notice to insured.
	Mysterious disappearance	Disappearance constitutes a claim under policy, if after "reasonable period of time" has elapsed and insurer, having examined all evidence available, shall have no reason to believe other than that an accident has occurred which has resulted in death of insured employee.
	Territory	Worldwide.

SPECIAL HAZARD PERSONAL ACCIDENT INSURANCE

Assured	State of Alaska Department of Public Safety	
Insured Persons	Specifically named special officers of the Department of Public Safety, State of Alaska, while on official business of the Department of Public Safety including going to and from duty by any conveyance.	
Legislative Authority	Required by A. S. 18.65.010	
Insurer	Underwriters at Lloyd's London through Pitts & Associates, Inc. (surplus line broker) Certificate of insurance no. PA4219 - Agent: Shattuck Agency	
Term	July 1, 1971 to July 1, 1972	
Annual Premium	\$4,670 (premium and taxes) based on rate of \$62.50 per insured officer - subject to minimum premium of \$4,000.	
Insuring Agreement	Pays scheduled benefits for accidental bodily injury causing death or disablement to insured person.	
Benefits	\$25,000 for death, multiple dismemberment or total loss of sight or permanent total disablement \$12,500 for loss of one limb or sight of one eye \$15,000 for medical expense	
Exclusions	<ol style="list-style-type: none"> 1. War, invasion or civil war; or insured person engaging in or taking part in naval, military or air force service or operations. 2. Riding or driving in any kind of race. 3. Air travel other than for transportation only 4. Suicide, attempted suicide or intentional self injury, or an insured person's own criminal or felonious act, or injury sustained while insured person is in state of insanity. 5. Disease or natural causes, or medical or surgical treatment (except where such treatment rendered necessary by bodily injury caused by accident within scope of policy) 6. While operating, learning to operate or serving as member of crew of aircraft. 7. While in aircraft other than a civil aircraft having valid airworthiness certificate from the C.A.B. or from governmental authority having jurisdiction over private aircraft in the country of its registry and flown by a licensed pilot. 	
Conditions	Cancellation	The cancellation clause has been deleted.
	Disappearance	Disappearance constitutes claim if body not found within 1 year and sufficient evidence is produced satisfactory to Underwriters, but if person subsequently found living money must be refunded.
	Exposure to elements	Bodily injury by exposure to elements covered if result of an accident.
	Greater risk	There is no coverage if insured person engages in occupation in which greater risk is incurred, if no notice is given in writing to underwriters and their written permission obtained.
	Territory	Worldwide

MARINE INSURANCE -- ALASKA STATE FERRIES
HULL & MACHINERY -- PROTECTION & INDEMNITY

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Named Insured	Department of Public Works, State of Alaska, and with regard to M/V "Wickersham" Marine Highways, Inc., owner, and Department of Public Works, State of Alaska, charterer		
Additional Insureds	Letter from servicing agent dated 6/27/71 states: "An endorsement clearly extending the definition to include officers and employees, is forthcoming." This endorsement was not available at time this report was prepared. The assumption is that such endorsement would extend liability coverage to officers and employees, as additional insureds. Affiliated agencies of insured by their owners, subsidiaries, or inter-related agencies, and as bare-boat charterers, or charterers or sub-charterers or operators in whatever capacity.		
Insurers	Coverage is placed with various domestic and foreign insurers as set forth in Certificate of Insurance no. ROE71/1809 issued by Robert O. Fleming & Co., Inc.		
Term	July 1, 1971 to July 1, 1972		
Amounts of Insurance	Vessel	Amounts of Insurance	
		Hull	P & I
	Wickersham	\$ 8,000,000	\$ 8,000,000
	Malaspina	7,000,000	7,000,000
	Taku	7,000,000	7,000,000
	Matanuska	7,000,000	7,000,000
	Tustumena	5,750,000	5,750,000
	E. L. Bartlett	3,200,000	3,200,000
	Chilkat	330,000	330,000
		<u>\$38,280,000</u>	<u>\$38,280,000</u>
Deductibles	Hull & Machinery: \$1,000 each accident Protection & Indemnity: \$1,000 each accident in respect of loss/damage to ferry slips, landing stages, wharves, piers, dolphins and all other appurtenances thereto or contents thereof. \$250 each accident in respect of every other claim, including claims for loss of life or personal injury and illness.		
Annual premium	Rate: 2.04861% Premium: \$784,207.91 (Bid indicates additional premium of \$7,319.50 will be billed for pollution endorsement)		
COVERAGE Hull and Machinery Insuring Clauses	Property covered	The subject of insurance is the vessel itself, including hull, body, tackle, apparel, machinery, boilers, etc., ordnance, munition, stores, artillery, boats and other furniture of and in the vessel. Also covers electronic and equipment and other communication, navigation or safety apparatus or equipment, refrigeration machinery and insulation, passenger fittings, equipment, stores, boats and other furniture including bar stores, equipment for passengers' amusement, saloon and passenger cabin fittings, equipment, furnishings and decorations, as well as spare bunkers and all other stores and supplies, including stocks in shops.	
	Basic perils	Coverage is broad and includes perils of the sea, fire, lightning, earthquake, thieves, jettisons, barratry of master and mariners and "all other like perils."	
	Additional perils	Insurance also covers cost of repairs or loss of or damage to hull or machinery directly caused by accidents in loading, discharging or handling cargo, railroad equipment, automobiles, trucks, trailers, etc., or in bunkering or in taking in fuel, or caused through negligence or error of judgment of master, mariners, engineers or other servants or employees of the shipowners or charterers or operators or leasees, pilots, servants or employees of port, harbour or dock authorities, stevedores, ship repairers, labourers, tradesmen or other persons employed in, near or about the ship, or through contact with aircraft, or objects falling therefrom, accidents in going on or off, or while on drydocks, graving docks, ways, gridirons or pontoons, explosions, bursting of boilers, breakage of shafts, breakdown of motors, generators, any latent defect in the machinery or hull, or from riots or other causes of whatsoever nature arising either on shore or otherwise, howsoever, causing loss of or injury to the property hereby insured, provided such loss or damage has not resulted from want of due diligence by the owners of the ship, or any of them, or by the manager, and to cover all risks incidental to steam or motor navigation, or in graving docks. Seaworthiness of vessel admitted as between assured and assurers.	
	Collision liability	This clause provides that, in the event one of the insured vessels is in collision with another ship or vessel, and if the insured vessel is liable for the collision, the amount of insurance carried on the insured vessel is also available to pay for the liability to the other vessel involved in the collision. The principles involved in this clause also apply to the case where both vessels are the property of same owners or charterers. Clause includes coverage for collision liability assumed under towage contracts.	
	Sue and labor	Affirmative agreement that insured shall perform duty of protecting insured property and saving it from further damage after loss has occurred and expenses incurred thereby are recoverable in proportion to sum insured.	
	General average and salvage	General average, salvage & special charges payable as provided in contract of affreightment, or (if no such provision or contract) in accordance with laws and usages of port of San Francisco or of port of destination, if properly demanded by cargo owner. Railroad equipment, automobiles, trucks, trailers, etc., & their contents and passenger effects not liable to contribution in general average, salvage and salvage charges.	
	Protection & indemnity	Claims and expenses in respect of a vessel in the following categories: 1. Loss/damage to another ship or cargo, where coverage not provided by collision liability clause 2. Other damage to property 3. Loss of life or personal injury and payments made on account of life or other salvage 4. Damage to harbors, docks, etc. 5. Activities involving insured vessel, if wrecked 6. Any other unspecified liabilities which are or have heretofore been recoverable or undertaken by the West of England Steam Ship Owners' Protection and Indemnity Association, Ltd. 7. Liability under Longshoremen's and Harbor Workers' Compensation Act	

(continued on next page)

Other Important Clauses	Free of capture & seizure	Policy does not cover: 1. Claims caused by capture, seizure, arrest, restraint or detainment 2. All consequences of hostilities or warlike operations 3. Collision with mines or torpedoes 4. Civil war, revolution, rebellion, insurrection or civil strife arising therefrom, or piracy
	Sovereign immunity	Insurer will not claim exemption from liability on ground of sovereign immunity
	Pollution exclusions	Policy does not insure against any loss/damage/cost/liability/expense in consequence of, or with respect to, the actual or potential discharge, emission, spillage or leakage upon or into the seas, waters, land or air, of oil, petroleum products, chemicals or other substances of any kind or nature whatsoever. With respect to coverage under "full collision and sister ship collision clause," endorsement specifically excludes liability for removal of obstructions under statutory powers, for injury to harbors, wharves, etc., consequent on such collision, or in respect of the cargo or engagements of insured vessel or for loss of life, or personal injury, or for the discharge, spillage, emission or leakage of oil, petroleum products, chemicals, or other substances of any kind or description whatsoever, but this exclusion pertaining to oil, petroleum products, etc. shall not apply to injury to other vessels or property thereon, except to extent such injury arises out of any action taken to avoid, minimize or remove any discharge, spillage, emission or leakage described in said exclusion.
	Subrogation	Insurer has no right of subrogation (except through general average) against: (1) any carrying vessel or craft owned by insured or subsidiary/affiliated agency of insured, (2) the insured or any subsidiary or affiliated agency.
	Excess or increased value	Privilege granted to insure excess or increased value of hull & machinery or other P. P. I. ("policy is proof of interest"), F. I. A. ("full interest admitted") insurances to amount not exceeding 25% of insured valuation of vessel.
	Cancellation	Insured has right to cancel only in event vessel sold or transferred to new management and insurer will refund pro rata premium. Policy may otherwise be cancelled only by mutual agreement.
Trading warranties	Warranties contained in policy specifying geographical limits within which vessels must operate in order for coverage to apply, but "held covered" in the event of any breach or warranty, or deviation from the conditions of the policy, at an equitable premium to be arranged.	

MARINE INSURANCE - ALASKA STATE FERRIES

EXCESS PROTECTION & INDEMNITY

Named Insured	Marine Highways, Inc., owner, and Department of Public Works, State of Alaska, Charterer
Insurers	Coverage is placed with Underwriters in London through Robt. Bradford (Overseas) Ltd. as per Certificate of Insurance no. ROF71/1816 issued by Robert O. Fleming & Co., Inc. (83.37% with Underwriters at Lloyd's London and 16.63% with companies in London)
Term	July 1, 1971 to July 1, 1972
Annual Premium	\$170
Amount of Insurance	\$340,000 excess of \$8,000,000
Coverage	Excess protection and indemnity on M/V Wickersham - all terms, clauses, agreements, warranties and settlements as and to follow the underlying policies covering hull and machinery and protection and indemnity.

Named Insured	State of Alaska, Department of Fish and Game						
Insurers and Amounts of Insurance	Certificate of Insurance #ROF 71/1817 issued by Robert O. Fleming & Co., Inc.						
	Insurers	Amount of Insurance					
	United Pacific Insurance Co.	\$178,500					
	Employers Commercial Union	148,818					
	St. Paul Fire & Marine Ins. Co.	148,818					
	Continental Insurance Co.	89,291					*Underwriters at Lloyds 33.5% of \$148,817
	The Home Insurance Co.	89,291					British Companies 66.5% of \$148,817
	General Security Insurance Co.	89,291					
	*Underwriters in London through Robt. Bradford (Overseas) Ltd.	148,817					
		\$992,907					
Term	July 1, 1971 to July 1, 1972						
Annual Premiums and Deductibles	Vessel	Insured for/ Valued At	Rate	Premium	Deductible	Franchise % of Hull Value	
	D/V "Resolution"	\$380,969.00	3.54%	\$13,480.30	\$7,620.00	2%	
	D/V "Montague"	210,548.00	3.54%	7,453.40	4,210.00	2%	
	D/V "Shad"	26,000.00	5.43%	1,411.80	1,500.00	3%	
	D/V "Puffin"	18,000.00	5.43%	977.40	1,500.00	3%	
	D/V "O'Kisutch"	15,000.00	5.43%	814.50	1,500.00	3%	
	D/V "Capea"	15,000.00	5.43%	814.50	1,500.00	3%	
	D/V "Cutthroat"	20,000.00	5.43%	1,086.00	1,500.00	3%	
	D/V "Smolt"	18,000.00	5.43%	977.40	1,500.00	3%	
	D/V "Kittiwake"	68,000.00	5.43%	3,692.40	1,500.00	3%	
	D/V "Auklet II"	28,000.00	5.43%	1,520.40	1,500.00	3%	
	D/V "Grizzly Bear"	28,500.00	5.43%	1,547.55	1,500.00	3%	
	D/V "Bertram #1"	15,000.00	5.43%	814.50	1,500.00	3%	
	D/V "Bertram #2"	15,000.00	5.43%	814.50	1,500.00	3%	
	D/V "Bertram #3"	15,000.00	5.43%	814.50	1,500.00	3%	
	D/V "Bertram #4"	19,890.00	5.43%	1,080.03	1,500.00	3%	
		\$992,907.00		\$37,305.18			
Coverage	Property covered	The subject of insurance is the vessel itself including hull, launches, lifeboats, tackle, fittings, equipment, machinery, etc. Policy covers only direct losses and not loss of use or freight.					
	Basic perils	The number of perils against which the policy insures is quite broad, including loss or damage due to perils of the seas, fire, lightning, earthquake, swarming thieves, jettisons, barratry of the master and mariners and "all other like perils."					
	Additional perils (Inchmaree)	This clause extends policy to cover loss or damage to the vessel directly caused by: (1) accidents in loading, discharging, or handling cargo or in bunkering; (2) accidents in going on or off, or while on dry docks, graving docks, ways, gridirons or pontoons; (3) explosions on shipboard or elsewhere; (4) breakdown of motor generators or other electrical machinery and electrical connections thereto, bursting of boilers, breakage of shafts, or any latent defect in machinery or hull (excluding the cost and expense of replacing or repairing the defective part); (5) breakdown of or accidents to nuclear installations or reactors not on board the insured vessel; (6) contact with aircraft, rockets or similar missiles, or with any land conveyance; (7) negligence of charterers and/or repairers, provided such charterers and/or repairers are not an assured hereunder; (8) negligence of masters, officers, crew or pilots. The foregoing are covered only if such loss or damage does not result from want of due diligence by the owners, although masters, officers, crew or pilots are not considered owners within the meaning of this clause.					
	Collision liability	This clause provides that, in the event one of the insured vessels is in collision with another ship or vessel, and if the insured vessel is liable for the collision, the amount of insurance carried on the insured vessel is also available to pay for the liability to the other vessel involved in the collision.					
	Sue and labor	Affirmative agreement that insured shall perform duty of protecting insured properly and saving it from further damage after loss has occurred and expenses incurred thereby are recoverable in proportion to sum insured.					
Conditions	General average and salvage	General average and salvage charges payable according to applicable laws.					
	Cancellation	Policy may be cancelled only in event of non-payment of premium or mutual agreement of insured & insurer.					
	War, strikes & related exclusions	This clause excludes various "war risks" and also loss from . . . any mine, bomb or torpedo not carried as cargo on board vessel . . . civil war, revolution, rebellion, insurrection, civil strife arising therefrom, piracy . . . strikes, lockouts, political or labor disturbances, civil commotions, riots, martial law, military or usurped power, malicious acts or vandalism.					
Trading warranties	Warranties are attached to policy specifying geographical limits within which vessels must operate in order for coverage to apply.						

MARINE INSURANCE - DEPT. OF FISH & GAME
HULL & MACHINERY

MARINE INSURANCE - DEPT. OF FISH & GAME

PROTECTION & INDEMNITY - PRIMARY AND EXCESS

Named Insured	State of Alaska, Department of Fish and Game
Insurers and Amounts Insurance	<p>Primary: \$100,000 limit of liability Utica Mutual Insurance Co. "interim cover note" issued by Robert O. Fleming & Co., Inc. (limit applies to each & every vessel as if a separate policy were issued for each)</p> <p>Excess: (1) \$200,000 excess of \$100,000-Certificate #ROF71/1819 issued by Robert O. Fleming & Co., Inc. Applies to D/V Montague (2) \$200,000 excess of \$100,000-Certificate #ROF71/1818 issued by Robert O. Fleming & Co., Inc. Applies to D/V Resolution.</p> <p>The above excess insurance is placed with Underwriters in London through Robt. Bradford (Overseas) Ltd. Underwriters at Lloyd's London--83.37%. Companies in London--16.63%.</p>
Term	July 1, 1971 to July 1, 1972
Annual premium	Primary \$10,000 Excess (Montague) 550 Excess (Resolution) 750 \$11,300
Coverage	Covers legal liability risks in ownership and operation of the vessels, but excluding liability to crew and/or employees of the insured and/or to cargo.
Deductibles	\$1,000 public liability 250 property damage
Insured Vessels	Primary policy covers following scheduled vessels: Resolution O-Kisutch Kittiwake Montague Clupea Auklet II Shad Cutthroat Grizzly Bear Puffin Smolt Bertram #1, #2, #3, #4
Trading warranties	Warranties are attached to policies specifying geographical limits within which vessels must operate in order for coverage to apply.



REGORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James D. Smith
Signature of Camera Operator

4/4/89
Date

Introduced: 3/15/72
Referred: Commerce and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 733

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a self-insurance fund, providing
7 for its administration; and providing for an effective
8 date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 44.21.020 is amended by adding a new paragraph to read:

11 (11) administer the state self-insurance fund.

12 * Sec. 2. AS 44.21 is amended by adding new sections to read:

13 Sec. 44.21.150. SELF-INSURANCE FUND. (a) There is established a
14 state self-insurance fund, administered by the Department of Administra-
15 tion. The fund consists of

16 (1) appropriations;

17 (2) damages, settlements, or other amounts which may be
18 received by the state as a result of claims to which the state is a
19 party and which the Department of Administration considers proper to
20 apply to purposes of the fund;

21 (3) interest;

22 (4) reserves for unpaid losses, liabilities, and administra-
23 tive expenses.

24 (b) The self-insurance fund shall be applied to insure the state
25 against potential losses and liabilities which are the customary subject
26 of insurance contracts and for settlement and defense of claims for
27 these liabilities. Specific areas to which the fund may be applied
28 include but are not limited to workmen's compensation claims, claims
29 against the state under AS 09.50.250 - 300, and property damage or loss.

1 The Department of Administration may determine which potential losses
2 and liabilities are to be covered by the fund.

3 (c) The Department of Administration shall contract with the
4 attorney general for legal defense and related services for liabilities
5 covered by the fund.

6 * Sec. 3. This Act takes effect July 1, 1972.
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RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James D. Smith
Signature of Camera Operator

4/4/89
Date

Committee Report

HOUSE OF REPRESENTATIVES

3/23/72

_____ Date

Mr. Speaker

The Committee on FINANCE has had HE 739

under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that
CS for _____ do pass
- (and) recommends it be referred to the _____
committee
- reports it back without recommendation
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

_____	_____	_____
<i>Walter H. ...</i>	<i>...</i>	_____
_____	_____	_____
_____	_____	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ CHAIRMAN

Introduced: 3/17/72
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 739

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act appropriating to the Department of Public
7 Works, Division of Buildings; and providing for an
8 effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. The sum of \$25,000 is appropriated from the general fund to
11 the Department of Public Works, division of buildings for the insurance
12 deductible payment associated with the Fairbanks highway large vehicle warm
13 storage building fire of December 24, 1971.

14 * Sec. 2. The sum of \$5,000 is appropriated from the general fund to the
15 Department of Public Works, division of buildings for design fees associated
16 with the Fairbanks highway large vehicle warm storage building fire.

17 * Sec. 3. This Act takes effect on the day after its passage and approval
18 or on the day it becomes law without approval.

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STATE OF ALASKA

WILLIAM A. EGAN, GOVERNOR

DEPARTMENT OF ADMINISTRATION

DIVISION OF BUDGET & MANAGEMENT / POUCH C — JUNEAU 99801

June 14, 1972

Mr. Jay Hogan, Director
Legislative Finance
Pouch WF
Juneau, Alaska 99801


Dear Mr. Hogan:

It is my understanding that the Free Conference Committee has concurred in the particular Senate amendment to HB 739 which appropriates \$1,310,000 for Teachers Retirement.

The Senate version appropriates this amount to the Department of Administration. Historically the annual appropriation for the state share of teacher retirement has been made to the Department of Education.

We would appreciate it if the final version of the bill would continue past precedents and make the appropriation to the Department of Education.

Sincerely,



M. R. Charney, Director



Alaska State Legislature
Senate

JUNEAU ALASKA

TO: Mr. George Hohman, Chairman
House Finance Committee

FROM: Rich Guthrie
Senate Fiscal Analyst

SUBJECT: Fiscal Note Request

DATE: 5/2/72

The following House bills are now in the Senate Finance Committee for consideration:

<u>Bill No.</u>	<u>Title</u>
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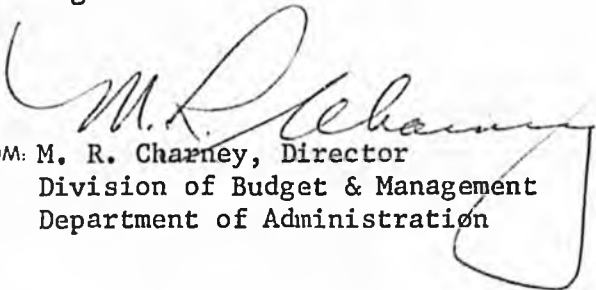
HB 739

The Senate Finance Committee would appreciate receiving eight copies of the fiscal note and other pertinent materials that will assist them as they consider these bills.

STATE
of ALASKA

MEMORANDUM

TO: Jay Hogan, Fiscal Analyst
Legislative Finance


FROM: M. R. Charney, Director
Division of Budget & Management
Department of Administration

DATE : April 4, 1972

SUBJECT: HB - 739
"An Act appropriating to the
Department of Public Works,
Division of Buildings."

As requested March 25, 1972, attached is backup material on the fire damage associated with the Fairbanks highway large vehicle warm storage building on December 27, 1971.

Attachment.

Statement of Loss

State of Alaska
 Fairbanks Highway Complex
 Large Vehicle Warm Storage
 Bldg. No. 700-ASH-360
 Fire Loss of December 24, 1971

	<u>Value</u>	<u>Loss</u>
Item - Building, one story, wood frame Garage containing 7747 square feet.		
Replacement cost (estimated)	\$285,000.00	
Depreciation	nil	
Actual Value	<u>\$285,000.00</u>	\$285,000.00
Loss as Determined::		
Rehabilitate fire damage as per specifications prepared by Philleo Engineering and Architectural Service. Low competitive bid Tate & Company	\$72,400.00	
(Bid Tabulation attached)		
Supervision (estimated 5%)	3,620.00	
Repairs by Department of Highways (Electric heaters)	1,457.43 ✓	
Total cost of permanent repairs	<u>\$77,477.43</u>	\$77,477.43
Item - Additional expense:		
Necessary expense incurred to reduce loss. Limit of Liability \$5,000 or 10% of actual insurance of involved building whichever is less.		
Expense incurred:		
Materials	\$2,061.12	
Vehicle Rental	23.92	
Labor	2,594.93	
	<u>\$4,679.97</u>	
Total		<u>4,679.97</u>
Less deductible		<u>\$2,157.40</u> <u>-25,000.00</u>
Total - Value and Loss	<u>\$285,000.00</u>	<u>\$57,157.40</u>



Professional Building - 529 Sixth Avenue
 Telephone: 456 - 5144 - P. O. Box 464

December 27, 1971

Mr. Carl Johnson
 Director, Division of Buildings
 Pouch P
 Juneau, Alaska 99801

Dear Carl:

In response to your phone call of this morning, December 27, 1971, I accompanied Joe Easley and Gerry George to the large vehicle warm storage building at the Interior District Highway Complex to observe and comment on the results of the fire of early Friday morning, December 27, 1971.

The fire started in a road grader and burned, according to the estimates I have, for approximately 30 to 45 minutes before being discovered. It was reported at approximately 4:00 a.m. The Highway Department has a night patrol of the grounds by the porter engineer at the Illinois Street site on a two hourly basis. He had punched in at the large vehicle warm storage building at approximately 3:00 a.m. and was due again at 5:00 a.m. The discovery of the fire by a grader operator coming off duty was extremely fortunate.

The grader operator played it pretty smart and instead of opening the doors to see what was going on, called the Fire Department. In my opinion, this was one of the factors contributing to the relatively small amount of damage. If the doors had been opened and a fresh supply of oxygen allowed into the building, the damage could have been much greater. The fire was apparently suffering from a lack of combustion air due to the tightness of the door seals. The interior of the building shows a very high temperature build-up at the upper portion and indicates the presence of a great deal of smoke.

Estimates of the building damage range from 50,000 to 100,000 dollars. Without going into too much detail let me sort of itemize the things which suffered and make a brief comment on them.

DEPT. OF PUBLIC WORKS
 RECEIVED
 DEC 28 10 41 U
 DIVISION OF BUILDINGS

1. The ceiling directly above the fire origin got extremely hot and charred the furring strips and lower chords of the truss joists. It is very difficult to say whether or not the gypboard ceiling actually was penetrated by the fire or the charring was the result of very high temperatures. At any rate, about twelve (12) truss joists were damaged to some degree, varying to one lower chord being burnt in two at a panel point to mere surface damaging on those farther away from the fire.
2. The underside of the roof deck (5/8' plywood) was charred for an area of about 100 square feet. This charring did not appear to have penetrated beyond the first lamination. No damage to the roofing membrane itself is expected.
3. The doors immediately adjacent to the fire source actually appeared to have been in flames on the interior surfaces. As their distance from the fire increased, the doors suffered decreasing damage. The paint was pretty well shot on all of them. The glass in all the doors was cracked at least. About 10 or 12 door leaves will probably have to be replaced. Note, however, that even the most severely burned doors are still operable and the building is still weather tight. An example of the temperature stratification is given by the weather strip on the most severely burnt door. It is still soft and flexible at floor level to about three feet, while being completely destroyed above approximately eight feet.
4. The entire interior surface has been smoke blackened or heat blistered to some extent.
5. The electrical system suffered severe damage, if not a total loss. The heat caused the insulation within the conduits to fuse. The breakers in the panels were blistered and deformed by the heat. One panel is shorted out, the other is still holding a very minimum load. The telephone mounted on the wall adjacent to the panels was melted into a "Dali-like" creation.
6. The unit heaters were, of course, put out of commission through the electrical failure and the plastic parts (controls, etc.) which were destroyed by the heat.
7. The air compression and exhaust system equipment which are mounted at the ceiling are also out of commission.

I am going to avoid making any really concrete recommendations at this time. However, I will make a few general comments. I have been in touch with the truss joist manufacturer and he assures me that we can replace the lower chords of the damaged units or get new units to fit beside the existing ones. The electrical system can be abandoned in the truss space and new conduit run on the surface without too much trouble. The interior re-finish will depend upon the degree of "beauty" desired. Some insulation, vapor barrier, furring and gypboard, will have to be replaced where removed in the process of fighting the fire and inspecting damage.

The Highway Department has installed shoring in the area of severest damage and at this time the building is in operation with temporary wiring.

The presence of a fire detection and alarm system might have been advantageous in this instance, but, I think, only if it were a type which could have alerted the fire department directly through some telephone hook-up.

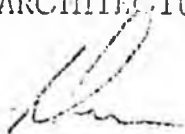
It will take some time to assess all of the damage, as all of it is not readily apparent at this time, nor are the solutions.

Two more sort of extraneous comments: if we had had overhead doors in this building, they would probably have to have been destroyed to gain access. The permalume coating over the sheet rock did not burn, in fact, it proved considerably more resistant than the paint on the doors.

I sincerely hope this report, supplemented by your local people's report and pictures, will give you a reasonable insight to the present situation. We will be happy to do anything you feel necessary to resolve the situation. Just give us a call.

Very truly yours,

PHILLO ENGINEERING AND
ARCHITECTURAL SERVICE



Donald W. Stetson, AIA

DWS:bv

STATE OF ALASKA

WILLIAM A. EGAN, GOVERNOR

DEPARTMENT OF PUBLIC WORKS

DIVISION OF BUILDINGS / POUCH P — JUNEAU 99801

March 9, 1972

Re: Fire Damage Renovations
Fairbanks Highway
Project No. DB-14-0322

Gentlemen:

We are enclosing for your information one copy of the Bid Tabulation on the above referenced Project. The bids have been taken under advisement.

Very truly yours,

Robert *W. Race*

William H. Race, P.E.
Chief of Construction

Enclosure

cc: 4-16 on Planholders List
All Bidders

12. Gas transmission and distribution lines and systems; electrical transmission and distribution wires and systems in the open and underground except those within the distance of the first conductor span beyond buildings, structures, generating stations and outdoor substations; meter installations on customer's premises.
13. Bridges, approaches, causeways, subways, culverts, viaducts and other highway and roadway construction; except docking structures and transfer bridges used in connection with the Alaska Ferry System, which are insured hereunder;

14. Architects or engineering fees; except the cost of supervision during construction or reconstruction, which is insured hereunder; *Exp. under insurance policy*

15. Personal property in which parties other than the Insured also have an insurable interest when the Insured's interest in said property is otherwise covered by insurance;
16. All property of the University of Alaska and the Alaska State Housing Authority except where the Insured has specifically assumed liability, in which case such property is insured hereunder;
17. Piers, pipes, flues and drains which are underground;
18. Piling, which is wholly submerged or wholly underground except piling included in the foundations of buildings located in the "Perma Frost" area, which is insured hereunder;
19. Underground tunnels;
20. Leased trailers, used by the Department of Education, located at Bethel, Togiak, Manokotak, Suntrana and Tanana;
21. All personal property; except that which is defined as "buildings", or personal property of others on which the Insured has assumed liability prior to loss, or personal property on which the Insured has liability imposed by law, or contents of the Governor's Mansion, which exceptions are covered hereunder

COMMENTS:

FO:

FROM:

APR 3 '72

RESERVED
MILLER & BROWN



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James D. Smith
Signature of Camera Operator

4/4/89
Date

Committee Report

SENATE

REC- 5/2/73

July 10 1973 Date

Mr. President:

The Committee on FINANCE has had HR 734
(Public Works approp. "Hill-Long-Price")
under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for HR 737 and that
CS for HR 737 do pass
- (and) recommends it be referred to the _____
committee
- reports it back without recommendation
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

[Signature]
CHAIRMAN

Original sponsor: Rules Committee by
request of the Governor

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR HOUSE BILL NO. 739

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act appropriating for certain debts of the state;
7 and providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. The sum of \$25,000 is appropriated from the general fund to
10 the Department of Public Works, division of buildings for the insurance
11 deductible payment associated with the Fairbanks highway large vehicle warm
12 storage building fire of December 24, 1971.

13 * Sec. 2. The sum of \$2,379,925 is appropriated from the general fund
14 to the Department of Natural Resources for payment of 1970 and 1971 fire
15 suppression costs to the U.S. Bureau of Land Management.

16 * Sec. 3. The sum of \$1,310,000 is appropriated from the general fund to
17 the Department of Administration for additional matching state contributions
18 to the teachers' retirement system.

19 * Sec. 4. This Act takes effect on the day after its passage and approv-
20 al or on the day it becomes law without approval.

Original sponsor: Rules Committee by
request of the Governor

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR HOUSE BILL NO. 739

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act appropriating for miscellaneous items; and
7 providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. The sum of \$25,000 is appropriated from the general fund to
10 the Department of Public Works, division of buildings for the insurance
11 deductible payment associated with the Fairbanks highway large vehicle warm
12 storage building fire of December 24, 1971.

13 * Sec. 2. The sum of \$2,379,925 is appropriated from the general fund
14 to the Department of Natural Resources for payment of 1970 and 1971 fire
15 suppression costs to the U.S. Bureau of Land Management.

16 * Sec. 3. The sum of \$1,310,000 is appropriated from the general fund to
17 the Department of Administration for additional matching state contributions
18 to the teachers' retirement system.

19 * Sec. 4. This Act takes effect on the day after its passage and approv-
20 al or on the day it becomes law without approval.

Balance & Unexpended Retirement Funds

1971-1972

3.25 million 1971-72

1971-72 5.2 million

1972-73 7

1973-74 1

Total 1971-72 6.1 million

10491

Unexpended 3.00 million

1972-73 1.30

TOTAL 1972 Need 3.30 million

Less: Budgeted 1972 2.50 million

Actual 1972 Deficit: 0.80 million

Plus: 1972 Funds Used
in Prior Year Deficit 0.51

Total 1971-72 Need 1.31 million
Add to Prior Supp. bill

by Amend

... ..
... ..

4.6 million
1.71

... ..
... ..
New ... (3324)
1.10
3.53 million

Less: Budget Request 5.20 million

Total Budget Shortfall 3.53 million

Total Budget Not Requested 3.58 million

Introduced: 3/17/72
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 739

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act appropriating to the Department of Public
7 Works, Division of Buildings; and providing for an
8 effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. The sum of \$25,000 is appropriated from the general fund to
11 the Department of Public Works, division of buildings for the insurance
12 deductible payment associated with the Fairbanks highway large vehicle warm
13 storage building fire of December 24, 1971.

14 * Sec. 2. The sum of \$5,000 is appropriated from the general fund to the
15 Department of Public Works, division of buildings for design fees associated
16 with the Fairbanks highway large vehicle warm storage building fire.

17 * Sec. 3. This Act takes effect on the day after its passage and approval
18 or on the day it becomes law without approval.

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Introduced: 3/17/72
Referred: State Affairs and
Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 739

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act appropriating *for fire damage*
7 ~~to the Department of Public Works, Division of Buildings;~~ and providing for an
8 effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. The sum of \$25,000 is appropriated from the general fund to
11 the Department of Public Works, division of buildings for the insurance
12 deductible payment associated with the Fairbanks highway large vehicle warm
13 storage building fire of December 24, 1971.

14 * Sec. 2. The sum of \$5,000 is appropriated from the general fund to the
15 Department of Public Works, division of buildings for design fees associated
16 with the Fairbanks highway large vehicle warm storage building fire.

17 * Sec. ~~43~~ 43. This Act takes effect on the day after its passage and approval
18 or on the day it becomes law without approval.

19
20 * ~~Sec. 3.~~ The sum of ~~\$2,370,000~~ *2,379,925*
21 is appropriated from the general fund to
22 the Department of Natural Resources for
23 payment of 1970 and 1971 fire suppression
24 costs to the US Bureau of Land Management.
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