

1 ST. AUGUSTINE - ST. JOHNS COUNTY AIRPORT AUTHORITY

2 Special Meeting

3 held at 4796 U.S. 1 North

4 St. Augustine, Florida

5 on Monday, April 28, 2008

6 from 4:05 p.m. to 4:36 p.m.

7 \* \* \* \* \*

8 BOARD MEMBERS PRESENT:

- 9 RANDY BRUNSON
- JOHN "JACK" GORMAN
- 10 SUZANNE GREEN, Chairman
- KELLY BARRERA, Secretary-Treasurer

11 BOARD MEMBER ABSENT:

12 WAYNE GEORGE

13 \* \* \* \* \*

14 ALSO PRESENT:

15 DOUGLAS N. BURNETT, Esquire, Rogers, Towers, Bailey,  
 16 Jones & Gay, P.A., 170 Malaga Street, St. Augustine,  
 FL, 32084, Attorney for Airport Authority.

17 EDWARD WUELLNER, A.A.E., Executive Director.

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JANET M. BEASON, RPR, RMR, CRR, FPR

22

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1           P R O C E E D I N G S

2           CHAIRMAN GREEN: All right. I'll call the  
3 meeting to order. I was not here, so this is a  
4 workshop or is this a regular meeting?

5           MR. WUELLNER: It is a special meeting.

6           CHAIRMAN GREEN: Special meeting. Okay. So,  
7 we'll have to stand for the Pledge.

8           (Pledge of Allegiance.)

9           3. - AGENDA APPROVAL

10          CHAIRMAN GREEN: Okay. We have a special  
11 agenda today. It's just the insurance, as far as  
12 I know. Any exceptions or additions or deletions  
13 to the special agenda of the special meeting?

14          MR. WUELLNER: That's it. It's only  
15 insurance.

16          CHAIRMAN GREEN: Okay.

17          MR. BRUNSON: I would just like to remind us  
18 that this is a meeting of the insurance only.

19          CHAIRMAN GREEN: Right. Just a special

20 meeting for that. Okay.

21 MR. GORMAN: Thank you.

22 CHAIRMAN GREEN: Not hearing any exceptions

23 or objections, the agenda will stand for insurance

24 only.

25 4. PUBLIC COMMENT

1 CHAIRMAN GREEN: I don't have a -- was there  
2 public comment after that I saw on there?

3 MR. WUELLNER: I'm guessing we didn't print  
4 anything. Other than what you got e-mails. Did  
5 you -- did you -- and you're not -- yeah, okay.

6 Tell you what; give me two seconds and I'll throw  
7 it on the printer for everybody.

8 MR. TINSETH: I actually have a hard copy of  
9 mine, if that helps.

10 CHAIRMAN GREEN: I can see. Just change the  
11 screen. I just wanted -- I think it said public  
12 comment next.

13 MS. BARRERA: It did.

14 CHAIRMAN GREEN: Yeah.

15 MR. WUELLNER: Actually all I have of yours,  
16 anyway, is the -- whatever you sent me Friday.

17 CHAIRMAN GREEN: So, it -- we would open up  
18 for public comment just on the insurance alone at  
19 this point in time, Ed? For the agenda?

20 MR. WUELLNER: Yes.

21 CHAIRMAN GREEN: Okay. Any public comment on  
22 the insurance issue?

23 (No public comment.)

24 CHAIRMAN GREEN: All right. Seeing none, I  
25 think next is the actual presentation.



1 MR. WUELLNER: Yeah.

2 CHAIRMAN GREEN: Okay.

3 MR. WUELLNER: And unfortunately, it's not in  
4 the order that -- the slides aren't in the order  
5 of the -- what's on the screen right now.

6 First one on the list, let me confirm here  
7 real quick. Okay. First -- first thing we were  
8 doing was reviewing the criteria real quick of  
9 what we asked for so you have some idea how we  
10 applied the whole thing up, so that in theory  
11 everybody was quoting the same thing.

12 Went to full replacement value, stating we  
13 weren't particularly interested in actual cash  
14 values as that would consider depreciation in all  
15 the values. And that conclude -- included  
16 component pieces such as older roofs. If you  
17 remember, there was one proposal that had an  
18 actual cash value associated with roofs that were  
19 older than 1986 or something to that effect, and

20 it was -- reentered the actual cash value in the

21 mix.

22 So, we eliminated all actual cash values from

23 the discussions, used the \$10,000 deductible per

24 occurrence for buildings and contents, five

25 percent for named storms with no minimum required

1 participation by the Authority after such an  
2 event. Eliminated any requirement of the  
3 insurance to have flood insurance. Now, it's  
4 still -- you may add flood insurance if you wish,  
5 but it's not -- it's not a requirement of any  
6 insurance.

7 Picked up the typical extensions of coverage,  
8 which everybody seemed to have. We continued to  
9 keep the \$1 million of business income insurance  
10 in there payable at 1/12ths, should it happen.  
11 Included utility services coverage so if something  
12 were to happen along that line.

13 I referenced some details that was in one of  
14 the reports, and I think that got provided to  
15 everybody. And I make the statement that we  
16 will -- in order to demystify some of the things  
17 that were in some proposals and out of others, is  
18 we decided we would quote automobile, general  
19 liability, workers' comp, public officials, and

20 any -- any of the other little pieces and parts  
21 separately. So, we will do those independent of  
22 this.  
23 So, today, we are only talking about the  
24 property insurance at this point. So, with that,  
25 it became, in theory, apples to apples, assuming

1 everyone quoted that, which at least to this point  
2 we did.

3 So, I would invite Ralph Klein up right now,  
4 if you want to walk through -- as I said, your  
5 slides won't look anything like you're expecting  
6 them, because they're in my format.

7 5.A. - RALPH KLEIN - HERBIE WILES INSURANCE

8 MR. KLEIN: Hello. Okay. I'm Ralph Klein  
9 from Herbie Wiles.

10 First slide here just shows some of the -- I  
11 think I have two slides of properties, but there  
12 are two indicated in red there. We are providing  
13 replacement cost on all the properties, except  
14 there are three exceptions to that. One is  
15 hangars E and F, which are built --

16 MR. WUELLNER: Port-a-ports.

17 MR. KLEIN: Right. They are built older than  
18 35 years old, and on any property that is older  
19 than 35 years old, the company is going to provide

20 functional replacement cost. And there'll be an  
21 explanation of that in a few minutes.

22 The other property is 220 Gun Club Road,  
23 which is also older than 35 years.

24 MR. WUELLNER: Okay.

25 MR. KLEIN: Obviously, as I said, we have

1 replacement cost valuation. All the properties  
2 are -- are covered that way. The three exceptions  
3 to that are the functional replacement costs. And  
4 basically what that does, with functional  
5 replacement cost, is it gives the company the  
6 option that if there were a loss, if it were a  
7 total loss, they would pay the lesser of the limit  
8 that's shown in a statement of values or a limit  
9 that is less costly to build than what you  
10 currently have.

11 And to be honest with you, I probably don't  
12 think that -- that you could build a building like  
13 that, that type of structure, metal structure like  
14 that, for less than what you've got in the -- in  
15 the schedule of values, anyway. So, it  
16 essentially becomes a moot point from that  
17 standpoint.

18 And if there was a partial loss, they would  
19 repair the damage in the same style with less

20 costly materials, if possible.

21 We are including business income, including

22 extra expense coverage. And then there's just an

23 explanation of the utility services coverage,

24 also, that was requested by Ed last week in -- in

25 the RFP.



1        These are our extensions of coverage. We're  
2        providing valuable -- some valuable papers  
3        coverage, 10 percent coverage for debris removal,  
4        outdoor property. Any newly acquired buildings,  
5        there's temporary coverage up to \$500,000. And  
6        for newly acquired personal property, that would  
7        be \$250,000.

8        There are some other coverages in there that  
9        some of those might come into play. Probably one  
10       of the bigger items is building ordinance and law  
11       coverage, that if you have a building ordinance or  
12       law that's -- that goes into effect that requires  
13       that you build it differently than the way that  
14       you had it built originally, there's additional  
15       coverage there to meet those -- those new  
16       requirements.

17       The last item on that page there is the  
18       off-premises utility coverage. And we're  
19       providing that at a hundred thousand dollars,

20       whereas in the RFP, you had indicated \$250,000 as  
21       being quoted by someone else.

22           We're still providing coverage through the  
23       same carrier, Lloyds of London, Lantana, and  
24       National Fire. The total building limit at \$24  
25       million; contents at a million, two; the business

1 income at 1/12th. The extra expense coverage is a  
2 hundred -- hundred thousand.

3 There is no -- there's coinsurance at a  
4 hundred percent, but when the statement of values  
5 is signed, that essentially puts you on -- the  
6 schedule of values is what is agreed upon by the  
7 company. So, if there were a total loss to one of  
8 the buildings that's valued at a half million  
9 dollars, they would replace it at half a million  
10 dollars.

11 The functional replacement cost, as I  
12 mentioned earlier, is on any building that is over  
13 35 years old.

14 On the deductibles, we do have the five  
15 percent wind and hail -- named storm wind and  
16 hail. We are still -- we still have a minimum of  
17 a hundred thousand per occurrence, which is a  
18 deviation from the RFP. But if you think about  
19 it, if we have a named storm, hurricane, that's

20 going to do damage to this area, with the values  
21 that we have on these buildings, you're probably  
22 going to be at a million -- at a minimum of a  
23 hundred thousand, anyway, at the values of these  
24 buildings.

25 And we do have an all other wind deductible,

1 which is a nonnamed storm deductible, of \$50,000,  
2 and that would be -- that reduces that five  
3 percent limit. And in addition to that, it --  
4 it's for nonhurricane related, such as a  
5 nor'easter or something like that.

6 Our all other perils deductible is \$10,000.  
7 Flood and earthquake are not covered. And last  
8 but not least is our premium. Any questions?

9 CHAIRMAN GREEN: Jack?

10 MR. GORMAN: If -- if, in fact, the  
11 deductible was raised from 10K up, would there be  
12 any substantial savings?

13 MR. KLEIN: I -- I'd have to ask the company.  
14 I -- I mean, I -- I don't want to speculate, but I  
15 mean, it'd only be a couple of thousand dollars,  
16 I'm sure. Not -- probably not talking \$10,000 or  
17 \$15,000, you know.

18 MR. GORMAN: That's probably my answer, you  
19 know, \$2,000, but not \$10-

20 MR. KLEIN: I would -- I would probably

21 say --

22 MR. GORMAN: And that's a scientific guess.

23 I mean, I understand --

24 MR. KLEIN: I would guess probably somewhere

25 around \$5,000.

1 MR. GORMAN: -- that's probably a scientific

2 guess, but -- right. Thank you.

3 CHAIRMAN GREEN: Any other? Kelly?

4 MS. BARRERA: And this premium would be good

5 for starting May 1st through --

6 MR. KLEIN: Through May of next year.

7 MS. BARRERA: May of next year. So, it's a

8 12-month premium.

9 MR. KLEIN: Yes, it is.

10 CHAIRMAN GREEN: And not in the middle of

11 hurricane season for renewal.

12 MR. KLEIN: Right. No.

13 CHAIRMAN GREEN: Anything else?

14 MR. WUELLNER: Ralph, what's the slight

15 difference in the insured value from what we gave

16 you, or is that --

17 MR. KLEIN: The value should be exactly the

18 same. They should -- they're the same, that --

19 the ones you gave me.

20 MR. WUELLNER: I thought I remember on the

21 other slide it was \$25-.

22 MR. KLEIN: Because total values are -- are

23 \$25-.

24 MR. WUELLNER: Okay. Adding in equipment.

25 MR. KLEIN: If you add the contents to it.



1 MR. WUELLNER: Okay. Thanks. That's where  
2 the difference is.

3 CHAIRMAN GREEN: Any other questions from the  
4 board?

5 (No further questions.)

6 MR. WUELLNER: Okay. Andy Norman with  
7 Thompson Bailey (sic)?

8 5.B. - ANDY NORMAN - THOMPSON BAKER AGENCY

9 CHAIRMAN GREEN: Mr. Norman?

10 MR. NORMAN: Thank you. Good afternoon. My  
11 name is Andy Norman, and I'm with Thompson Baker  
12 Agency. We also presented last week, Monday, and  
13 were asked to revamp our proposal based on the new  
14 apples to apples, which we gave.

15 We don't have any deviations from apples to  
16 apples. Our quote is per the -- the TIV of  
17 \$25,892,099, the deductible of \$10,000. The named  
18 wind deductible of five percent, with a zero  
19 minimum on that one. The business income of a

20      hundred -- or, excuse me, of \$1 million, included

21      in -- also is the equipment breakdown coverage.

22      So, we quoted it exactly as is.

23             And our premium for, again, a 12-month period

24      is \$121,772. We also have a two-year option, if

25      you're interested in that. You can lock in the

1 rates for two years. It's therefore expiring

2 5/1/2010, and that option is for \$254,772.

3 A board member last -- last week had asked

4 "Hey, could we do a two-year option?" And the

5 answer is yes. So, it's basically as -- as

6 promised. And there's the premium. There's

7 nothing much more to say about it.

8 Any questions about -- it's full replacement

9 cost value on all buildings.

10 The nonnamed windstorm deductible is that

11 \$10,000 deductible. So, that acts as a normal

12 property loss. So, only a named wind deductible

13 is subject to the 5 percent. Any other peril will

14 be \$10,000, including a nonnamed windstorm.

15 CHAIRMAN GREEN: Who is the carrier?

16 MR. NORMAN: It's actually a trust called

17 PGIT, Preferred Governmental Insurance Trust, very

18 similar to your work comp carriers with FMIT,

19 Florida League of Cities. Same type of setup with

20 governmental-only trust.

21 CHAIRMAN GREEN: Jack, did you have

22 something?

23 MR. GORMAN: Your treatment of the buildings

24 of over 35 years old?

25 MR. NORMAN: Has no bearing on our

1 replacement cost. Every building out there is per  
2 schedule, replacement cost complete, no matter the  
3 age.

4 MR. WUELLNER: Okay. Any other?

5 CHAIRMAN GREEN: Kelly, did you have  
6 something?

7 MS. BARRERA: Wind and hail?

8 MR. NORMAN: Five percent, yes, ma'am.

9 MS. BARRERA: Five percent.

10 MR. NORMAN: It's a named storm --

11 MS. BARRERA: Right. Okay.

12 MR. NORMAN: Five percent.

13 MS. BARRERA: You put it at -- I see.

14 MR. NORMAN: Any other wind and hail.

15 Tornado not as a result of a hurricane, of course,  
16 is subject to that zero minimum and a \$10,000 AOP,  
17 all other peril deductible.

18 MS. BARRERA: Right.

19 CHAIRMAN GREEN: Okay.

20 MR. NORMAN: All right. Thank you.

21 CHAIRMAN GREEN: Thank you.

22 MR. WUELLNER: And last, all I have from you

23 is -- John?

24 MR. TINSETH: Oh, I've got a --

25 MR. WUELLNER: I was hoping you had something

1 better than this.

2 MR. TINSETH: Yeah, I've got hard copies of

3 a --

4 MR. WUELLNER: Oh, okay.

5 MR. TINSETH: -- PowerPoint I sent to you. I

6 e-mailed a PowerPoint actually yesterday.

7 MR. WUELLNER: I don't -- maybe I did. I'll

8 look at it. I'll look for it while you're --

9 I've seen a lot of e-mail in a week and

10 today.

11 5.C. - JOHN TINSETH - LANCE TOLAND ASSOCIATES

12 MR. TINSETH: Basically, the first page is

13 just an introduction to the agency itself.

14 Lance Toland was established in 1975 as an

15 insurance agency specializing in aviation risk.

16 The principal of the company has over 13,000 hours

17 of flying time, both rotor and fixed wing. We've

18 been in the Aviation Insurance Association for 28

19 years. And we have offices in Atlanta, St. Simons

20 Island, and a satellite here in St. Augustine.

21 On the second page, I've listed some of the

22 airports that we write in the past. Savannah

23 Hilton Head; Columbus Metropolitan Airport; Monroe

24 County, Florida; Key West and Marathon airports;

25 Gainesville; and Naples.



1       The carrier that we've worked with on  
2       presenting our proposal is Allianz Aviation, also  
3       known as Fireman's Fund. It's A.M. Best rated A  
4       XV. They're the underwriter of general aviation  
5       airlines, manufacturers, and airports.

6       And the idea is with Allianz, they're an  
7       admitted company; that is, they're not excess and  
8       surplus. And they would be able to write all of  
9       your lines of insurance. You wouldn't have to  
10      part and parcel different coverages in different  
11      places. They would write comp., the liability,  
12      the business auto, D & O, crime, fidelity.

13      Our premiums came in, property, excluding  
14      wind, at \$56,000. Inclusive of all taxes, it was  
15      \$59,8-. We can get to \$50- if you wanted to take  
16      a \$25,000 deductible.

17      I've gone out to the marketplace, and in  
18      excess and surplus to buy the difference in  
19      conditions policy, which would afford you just

20 wind, and due to a very confused marketplace,  
21 excess and surplus companies have quoted this for  
22 another broker. They were confused. And at this  
23 point, what I have is \$52,500 for a excess and  
24 surplus wind policy with RSUI. But that has got a  
25 \$5 million deductible. They would not kick in

1 until you experience \$5 million to claims. But  
2 they would write what was above that.

3 I am trying to get a primary, the first  
4 \$5 million, and quite frankly, I'll tell you right  
5 now, it doesn't look good. The markets have all  
6 been blocked. And I would say that, you know,  
7 be -- to be very honest with you, I -- I have one  
8 underwriter that's supposed to get back to me  
9 tomorrow.

10 On the last page are our aviation references.  
11 These are folks that you can call who have worked  
12 with us in the past, if they're not currently our  
13 clients right now.

14 Any questions?

15 CHAIRMAN GREEN: Any board questions?

16 MR. BRUNSON: No, I don't.

17 MR. TINSETH: Thank you.

18 CHAIRMAN GREEN: Okay. Kelly, Jack?

19 MR. GORMAN: So, your total -- your total

20 premium is, again?

21 MR. TINSETH: Mine, sir?

22 MR. GORMAN: Your total premium? Your

23 total -- yeah, I'm sorry. Am I looking at the

24 wrong person?

25 MR. TINSETH: I with -- with the --

1 currently, you could add in the spot that I have  
2 To Be Determined on the fourth page, if you would  
3 add in \$52,500 --

4 CHAIRMAN GREEN: A hundred and twelve?

5 MR. TINSETH: If you went at a \$25,000  
6 deductible, we would be at \$102,500. Otherwise,  
7 if you would add the \$59,8- to the \$52,5-, that  
8 would be our total.

9 MR. WUELLNER: Which is \$112,317 or \$102,317.  
10 No, \$102,817.

11 CHAIRMAN GREEN: That's complete replacement  
12 cost? There was no differentiation?

13 MR. TINSETH: Yes, correct. No -- no  
14 exclusion of buildings. They're willing to write  
15 all the buildings. They are -- are working off  
16 the statement or the schedule of values that was  
17 sent to us. So, they -- they -- they were  
18 actually over your values. They were using, I  
19 think, about \$60 a square foot for replacement

20 cost --

21 CHAIRMAN GREEN: Uh-huh.

22 MR. TINSETH: -- which in effect would mean a

23 \$200,000 -- sorry. A \$200,000 hangar, like one of

24 those built in 1969, would have a replacement cost

25 of \$600,000.

1 I would highly recommend, if you looked at  
2 our option, to -- to go with the values that  
3 they're coming to you with. The premiums would be  
4 the same, and you would get a much -- I think a  
5 much better replacement cost.

6 MR. GORMAN: And --

7 CHAIRMAN GREEN: Jack?

8 MR. GORMAN: -- to clarify just once, at  
9 \$112,317, whatever, \$112,000 --

10 MR. TINSETH: Yes, sir.

11 MR. GORMAN: -- you've got the deductible is?

12 MR. TINSETH: Our -- our deductible is going  
13 to be \$10,000, all other perils. Okay? That's  
14 it. That's it. The \$50- -- that's at the -- what  
15 was it, \$50-?

16 MR. BRUNSON: Hold -- hold up just a moment  
17 until they get through, because I'm having a hard  
18 time here.

19 MR. BURNETT: I apologize. I was just making

20       sure we were on track on a legal issue.

21       MR. BRUNSON: Yeah. That's what I --

22       MR. BURNETT: I apologize, Mr. Brunson.

23       MR. BRUNSON: -- thought. If we need to take

24       a moment and you get clarification, I think that

25       would be good.



1 MR. BURNETT: I'm -- I'm fine now.

2 MR. BRUNSON: Okay.

3 MR. BURNETT: I've got it.

4 MR. TINSETH: I'm sorry. The -- the  
5 deductible that we gave you originally was  
6 \$10,000, as was requested. The premium for that,  
7 with all taxes, Florida surcharges, \$59,817. Add  
8 to that \$52,500 for our wind policy. And as I  
9 mentioned, our wind policy is in excess of a  
10 \$5 million primary layer. So, any losses under  
11 \$5 million are not insured.

12 And, currently, what I'm trying to do is find  
13 the primary \$5 million. And as I indicated, I am  
14 not confident that I'll be successful in that.

15 MR. GORMAN: Thank you. I needed that  
16 clarification. Very important.

17 CHAIRMAN GREEN: Yeah. Any other board  
18 comment?

19 MR. BRUNSON: I have questions.

20 CHAIRMAN GREEN: Sure. Absolutely.

21 MR. BRUNSON: Okay. Ed, we -- we all know

22 this is property insurance only. And what other

23 elements of insurance are coming before us in the

24 next near future? Automobiles and --

25 MR. WUELLNER: Yeah. That would include --

1 thanks. That would include over the next few  
2 months -- I believe our liability policy's good  
3 through the end of the fiscal year, so the end of  
4 September. You have automobile insurance. You  
5 have workers' comp insurance that will come up.  
6 Public officials liability, if you choose to do  
7 that. Crime and employment practice liability.

8 We also would probably need to talk at some  
9 point -- especially if commercial service were to  
10 come back into place, you might want to talk about  
11 the terrorism risk insurance layer.

12 MR. BRUNSON: Okay. Can you -- can --  
13 without going into detail, on these other items  
14 that you've got coming up, who do we presently  
15 have most of this with?

16 MR. WUELLNER: Auto is placed through Herbie  
17 Wiles currently. I believe that's Owners?  
18 Auto-Owners, yeah.

19 MR. BRUNSON: Okay.

20 MR. WUELLNER: General liability, I'm not

21 sure who it's placed with, so that was -- I

22 know -- they -- they -- they cover it. I just

23 don't remember who it is that's got the

24 underwriting. Do you remember?

25 MR. KLEIN: It might be Old Republic.

1 MR. WUELLNER: That sounds right. It's

2 Old -- Old Republic has the liability.

3 Workers' comp is currently with the Florida

4 Municipal Trust, which is, again, something akin

5 to the PGIT, only it's not that. But it's

6 strictly governmental risk.

7 I don't believe we're currently covering

8 crime and employment practice liability or

9 board -- excuse me, public officials liability. I

10 don't think you're currently covering that risk.

11 And what was the last one I mentioned?

12 MR. BRUNSON: Okay.

13 MR. WUELLNER: Oh, the terrorism insurance.

14 MR. BRUNSON: That's --

15 MR. WUELLNER: We've currently declined that.

16 MR. BRUNSON: That's what I needed to know.

17 MR. WUELLNER: And then our medical, or

18 health insurance, is actually placed with Thompson

19 Bailey (sic) through UnitedHealth currently.

20 CHAIRMAN GREEN: What's our current premium?

21 MR. WUELLNER: For?

22 CHAIRMAN GREEN: The property.

23 MR. WUELLNER: It's -- do you remember the

24 numbers? Approximately \$250,000 -- I don't know.

25 \$230-something.

1 MS. GLASSER: I'm sorry. I could go look.

2 MR. WUELLNER: I'm sorry. It's

3 \$230-something.

4 CHAIRMAN GREEN: That's okay. Just a

5 ballpark.

6 MR. WUELLNER: It's \$230-something. It's not

7 near the coverage that this is now.

8 CHAIRMAN GREEN: That's what I was trying to

9 compare.

10 MR. WUELLNER: Yeah. It has -- a significant

11 portion of it is actual cash value. There are

12 some exclusions included in there.

13 If you recall last year, we, in order to get

14 the number down, had to gut coverage, because

15 that's where the market was last year.

16 The -- it's probably closer to the

17 equivalent -- I don't know what we asked for --

18 was out there, and that came in at, my memory, was

19 over \$400,000. So, you -- you can see there's

20       been a huge softening of that.

21           CHAIRMAN GREEN: Okay. Any other questions?

22           (No further questions.)

23           CHAIRMAN GREEN: Any board discussion?

24           6. - AUTHORITY DISCUSSION

25           MR. GORMAN: The locking in a policy --



1 considering that both Ed Wuellner and myself were  
2 rather amazed that the policies went down due to  
3 the soft market, the lockability of a policy for  
4 more than -- for two years to me seems like a  
5 rather -- certainly a useful state of affairs.

6 One more set of windstorms like we had about  
7 four years ago, and certainly that will create a  
8 market like both Ed and I thought we were going to  
9 pay \$350,000 this year.

10 So, that said, that's a valuable asset.

11 CHAIRMAN GREEN: Okay. I kind of appreciate,  
12 John, your comments about the wind, but that  
13 concerns me, too, obviously, with the \$5 million  
14 limit. Can't do anything about it, I understand.

15 MR. TINSETH: I understand.

16 CHAIRMAN GREEN: That kind of narrows my  
17 thought process on like the two-year lock-in.

18 MR. BRUNSON: The -- the only comments I have  
19 is similar to -- to Jack's, that we're fortunate

20 to have three excellent representatives. And I  
21 feel so comfortable with who we decide on. And it  
22 just gets down to numbers.  
23 The \$5 million and the probability of not  
24 having a firm quote concerns me, so I'm ready to  
25 make a motion after all discuss --

1 CHAIRMAN GREEN: Entertain a motion.

2 MR. BRUNSON: Okay. I make a motion that we  
3 entertain the -- the proposal of Thompson Bailey  
4 (sic) for the \$121,772, and take advantage of the  
5 option to having a two-year term of the \$254,772.

6 CHAIRMAN GREEN: Is there a second?

7 MS. BARRERA: I'll second it.

8 CHAIRMAN GREEN: Okay. Discussion?

9 The only comment I have, how are those  
10 two-year -- the premium paid?

11 MR. WUELLNER: That's exactly the question.

12 CHAIRMAN GREEN: Is it all up front? Is it  
13 one year, one year?

14 MR. NORMAN: You can do it annual. Annual.

15 CHAIRMAN GREEN: You can do annual. Okay.

16 MR. NORMAN: And we can also finance it  
17 throughout that 12-month, if you like.

18 CHAIRMAN GREEN: Okay. Any other discussion?  
19 Questions?

20 All right. There's a motion on the floor.

21 All in favor -- I'm sorry.

22 MR. NORMAN: I'm sorry. It's Thompson Baker

23 Agency, for the official record.

24 CHAIRMAN GREEN: Thank you.

25 MR. BRUNSON: Oh, that makes a difference.

1 Wait a minute.

2 MR. NORMAN: Never mind.

3 MR. WUELLNER: But I'll keep putting it up  
4 the other way.

5 CHAIRMAN GREEN: It's Bailey on the  
6 paperwork.

7 MR. WUELLNER: Sorry about that.

8 MR. BURNETT: I had to walk over to Matt  
9 Baker and tell him he needed to change his last  
10 name.

11 MR. BRUNSON: I was just kidding on that, by  
12 the way --

13 CHAIRMAN GREEN: There's a motion --

14 MR. BRUNSON: -- Ms. Reporter.

15 CHAIRMAN GREEN: -- on the floor. All in  
16 favor of the motion that's been seconded, say aye.

17 MR. BRUNSON: Aye.

18 CHAIRMAN GREEN: Aye.

19 MS. BARRERA: Aye.

20 MR. GORMAN: Aye.

21 CHAIRMAN GREEN: All opposed?

22 (No Opposition.)

23 CHAIRMAN GREEN: Hearing none opposed, the

24 motion carries.

25 MR. BURNETT: And one quick little comment --

1 and I know y'all are probably aware of this -- we  
2 can't pledge ad valorem tax dollars for more than  
3 two years. This is a two-year agreement. But the  
4 Airport Authority has revenues from other sources  
5 that it certainly could make good on this  
6 obligation, so...

7 CHAIRMAN GREEN: Which is why I asked how it  
8 was to be paid.

9 MS. BARRERA: Thank you. Very good point.

10 MR. WUELLNER: I'd prefer it split over the  
11 two years, two budget years --

12 CHAIRMAN GREEN: Oh, absolutely.

13 MR. WUELLNER: -- because that's why we're  
14 using the accrual.

15 CHAIRMAN GREEN: And monthly, even, maybe,  
16 you know, like you said. Okay. That is all I had  
17 on the agenda.

18 7. - NEXT MEETING DATES

19 MR. WUELLNER: Remind you, your next meeting

20 is the 19th of May. Your meeting after that is

21 June 16th. So much for that's -- that's about the

22 only open date I'm hearing from anybody, is your

23 third Monday --

24 CHAIRMAN GREEN: June 16th.

25 MR. WUELLNER: -- in June. The 16th, isn't



1 it? I believe it's June 16th. What did I say,

2 18th?

3 CHAIRMAN GREEN: No, you said 16th.

4 MR. WUELLNER: And --

5 CHAIRMAN GREEN: All right. And I know you

6 had Authority member comments on here. But since

7 we're limited to the insurance discussion, I think

8 we've all spoken, unless someone feels they want a

9 little more on insurance.

10 8. - AUTHORITY MEMBER COMMENTS

11 MS. BARRERA: Just to thank the people who've

12 come out to make those presentations the second

13 time. I -- I just wanted to make a point of doing

14 that.

15 CHAIRMAN GREEN: Thank you very much.

16 MR. WUELLNER: And then we'll -- we'll

17 definitely do this a little cleaner next time so

18 that everybody has the same stuff well in advance

19 of providing the initial quotes so we have some --

20 you know, we get a little more consistent result.

21 MR. BRUNSON: And -- and I will say, too,

22 that thank you so much. And this is so hard when

23 you know people personally and the -- and the

24 character, that this just gets down to arithmetic

25 and coverage.

1                   9. - ADJOURNMENT

2                   CHAIRMAN GREEN: Okay. Meeting's adjourned.

3                   See you on the 19th.

4                   (Hearing concluded at 4:36 p.m.)

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1           REPORTER'S CERTIFICATE

2

3 STATE OF FLORIDA    )

4 COUNTY OF ST. JOHNS )

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6       I, JANET M. BEASON, RPR-CP, RMR, CRR, FPR,

7 certify that I was authorized to and did

8 stenographically report the foregoing proceedings

9 and that the transcript is a true record of my

10 stenographic notes.

11

12       Dated this 11th day of May, 2008.

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JANET M. BEASON, RPR-CP, RMR, CRR, FPR

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