

Debra Thompson

From: Susan Erickson <susane@p-wins.com>
Sent: Wednesday, November 02, 2016 3:44 PM
To: Stephen Giesbrecht; Debra Thompson
Subject: Papke's and Kupreanof dock insurance issues

Hi Debbie and Steve:

Here is a re-cap of what we discussed:

Property – If the borough would want to insure these for physical damage there is additional cost. Historically the borough has not insured the harbors unless required by a grant.

Liability – at this time there is no additional cost to include these locations under the general liability policy nor the marina operator's legal liability policy. If we start charging for moorage at these locations there will be an additional cost on the marina operator's policy.

Once signed over to the borough, we may be involved in claims related to bodily injury or property damage at these locations. I would advocate immediate signage about using at own risk since there appear to be deferred maintenance issues.

Repairs/Upkeep – since this is public property there is a higher standard/requirement for fitness to the general public if we want to avoid a liability issue. If repairs are not done to current best practices/codes in use by harbors we may be more vulnerable in the event of a claim. I understand that State funds which may accompany the transfer, have a lot of strings attached and we must use an architect, licensed contractor and Davis-Bacon wages for repairs. If volunteers are to be used for some repairs it should be done under the oversight of a licensed contractor.

Volunteers – use of volunteers for repairs (other than general cleaning) is a great idea but again it needs to be under the supervision of someone skilled in this type of construction.

- a) Bodily injury - If a volunteer is injured they would rely on their own medical insurance. The borough has a Secondary Accident policy for volunteers with a cap of \$50,000 for bodily injury claims within one year of an accident.
- b) Property Damage – If a volunteer brings their own equipment/tools or machinery to work on one of these docks and it is damaged or destroyed while working as a volunteer, the borough does not have insurance to replace the item. Since the volunteer will be using their own tools/equipment or permitting others to use them, they assume all liability for loss or damage to their personal items/equipment/machinery.

If there are any other questions that you have just let me know. I will plan on attending the meeting on Monday in case any additional questions should arise regarding the insurance.

Most Sincerely,
Susan Erickson
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