
Gibson County Board of Commissioners
Regular Session
September 17, 2013

The Gibson County Board of Commissioners met on September 17, 2013, at 6:30 PM at the North Annex Meeting Room.

Members Present: President Gerald Bledsoe, Vice-President Alan Douglas, Commissioner Stephen E. Bottoms, Administrative Assistant Kay Vore, County Attorney Jim McDonald, and County Auditor Sherri Smith

The Pledge of Allegiance to the Flag and Welcome was recited and led by President Bledsoe.

Minutes: The minutes from August 20th, 2013, September 3rd, 2013, Regular Sessions, and September 9th, 2013, Special Session, meetings were read and approved through a motion by Commissioner Douglas, seconded by Commissioner Bottoms. Motion carried 3-0.

Claims:

- County General - \$105,104.31
- Courts - \$3,437.28
- Highway - \$51,235.36
- Sheriff - \$34,308.31
- Payroll - \$281,070.05 for September 20, 2013

Commissioner Bottoms made a motion to approve the claims, seconded by Commissioner Douglas. Motion carried 3-0.

Old Business:

EMS Write offs - Commissioner Douglas made a motion to approve the EMS write-offs for August, in the amount of \$97,760.28, seconded by Commissioner Bottoms. Motion carried 3-0.

Covered Bridge Update - Highway Supervisor, Jerry Heldt, stated that both of the covered bridges are completed. One is near Francisco and the other is in Wabash Township.

Warehouse Addendum Agreement - Commissioner Douglas made a motion to approve two Addendums to the Gibson County Warehouse Agreement, seconded by Commissioner Bottoms. Motion carried 3-0. These have been approved by the County Council at a prior meeting. It will now go to the Redevelopment Commission meeting on September 30th at 6:00 PM in the North Annex.

Earthquake Liability Insurance – at the request of Commissioner Bottoms, this segment was typed up word for word. *John Dyer addressed the Commissioners (here is my understanding, that I know that in May or June, we approached Cincinnati Insurance Company about liability,*

property and earthquake coverage. They were unable to provide a quote by July 1. Instead of continuing to work on it, my marketing person dropped it. During that time, they received another proposal, they did quote that and it did provide for the property and full earthquake. As you know the quote we had at renewal only had 2,000,000 of earthquake. This adds the additional earthquake up to full limits and would cover all of the buildings and the business personal contents that the County has exposed to earthquake.)

(We have never, to my knowledge, been without earthquake. So late last week Mr. Bottoms and myself talked, it was agreed between the two of us that we should send a agent of record letter so that we could have access to the Cincinnati quote with earthquake. Now in the process, there is a 10 day "right of rescission" which means the original agent who requested the quote could still have the quote if you rescind the agent of record letter. Ok. So it becomes no foul, life goes on the way it was before. Uh so that is kinda the history on what happened and we do have an agent record up there as I said. We are waiting the 10 day period to pass before the Company will release the quote. Ah I assume the quote is what we understand it is, full coverage full earthquake. Ah and that is currently where we are at on this earthquake issue. So.)

Commissioner Bottoms – Mr. Chairman, I have some questions. Whenever you described your quote, which was for One Beacon (*Yes*) uh and brought up that we have \$2,000,000 that caught my attention (*Sure*) and I asked you at the meeting, I said what would it cost to get full coverage and you mentioned \$47,000 (*Yes*) which (???) I knew I, it would probably be impossible to go to the Council to get that kind of money and we couldn't afford that. So I did approach another Carrier, I just happened to be talking to one of our other insurance carriers about other types of Insurance and I mentioned this and he said that I think we can get something better and I said well would you look into it. So, uh he talked with another agent from another company and he got ahold of me and said look I think we can cover this for \$11,000 (*an additional \$11,000*) an additional \$11,000 lot of difference, right (*huge*) and maybe might be able to do something on \$11,000 where we couldn't for 47, so that caused me to really look at this policy and try to understand it and try to figure it out. For one I mean question why we didn't we get the \$11,000 fee instead of the \$47, why didn't we know that might be done, why didn't we, you have the bid for the property liability. Why didn't you search for that bid and get that \$11,000 bid instead (*we had and as I say my marketing person stopped unbeknownst to me, we were pursuing who we figured would be able to write full earthquake at a reasonable price all of that added.*)

Ok, then looking at the coverage that we have now, I have some questions (*alright*) 1. How is the property coverage form written? Ah I mean, well let me go on, how, as an example, how were our building values determined? Let me ask that question. (*Yes, we ah, we had a lady by the name of Cheryl McQue, who happens to be the Cincinnati reps wife do building valuations for us. Uh, I can't remember if she did this last year or the year before.*) Ok (*but we changed some values as a result of that. One of them was that we increased the Court House value and the Jail value, those were the biggies*) right right ok. Then I while reading here, and I think I asked you the question, do we have a margin clause and I think you told me that we didn't (*not to my knowledge*). But yet on page 13 of the One Beacon it talks about the margin clause and of course when we think of insurance or at least when I was thinking about insurance it is a replacement cost. If we have \$30,000,000 worth out here, our Courthouse, our beautiful Courthouse burnt, we don't earthquake right now but say it burnt, (*right*) a total loss, and it takes \$15,000,000 to

replace it. My understanding, what I am looking at here in the One Beacon quote is that you would only pay \$10,485,000, because you've got, that is 120% of the \$9,000,000, you've got it, evidently that is what your person, the value your person the appraiser placed on it, isn't that what you said, your appraiser, \$9,000,000, \$10,000,000 on the jail that they would only give 120% of that figure, that is not replacement cost.

(It is for what is there, you cannot write replacement costs for what you want to build, you have to insure for what is there and that is all that is there. If, can you imagine, ok we have your home insured for \$300,000 and you've decided that you want a \$1,000,000 house and I am going to build \$1,000,000 house and you are going to pay me for it Mr. Insurance person. Ah, Katy bar the door.) No that is not what I am asking, what I am asking we have a unique courthouse, its a historical building, if it is totally damaged and we have to bring in historical architects, it would be a special thing, *(right)* and my understanding right now would be looking at the policy we would basically our top value, we would get about \$10,600,000. I don't, I would have to get an expert, I don't think you could rebuild that Courthouse if it were totally you know whether it be fire, earthquake or whatever for \$10,000,000 and I don't think you can do that *(these would be up for discussion)* and I would assume if I had what we call blanket coverage *(You do.)* that it would cover again the full replacement, not a new building now, putting that thing back the way it is. *(Uh Ha.)* That is what I am trying to?????

(You have a blanket, the blanket slides, in other words , let's say in your example it takes \$12,000,000 to replace the Courthouse \$15,000,000. The blanket slides and will provide the \$15,000,000. Ok that is why the blanket is written, in case you are wrong. You have a lot of value to throw around. It would come back and pay the \$15,000,000. Now I would love to read that margin clause in the rest of the policy, but at any rate the value of the courthouse and whether or not it would be rebuilt like it is now has always been a resounding no, prior to this administration. As today's world goes, it does not meet the requirements necessary for a Courthouse with all the electrical things that are needed. It is pretty much a lightning attractor. Don't know how many lightning claims on the building but realistically you are looking at the policy, you know it is a blanket amount for \$34,000,000 it would provide the coverage needed to rebuild the courthouse. I really don't think we are off that far on the Courthouse. Now if you rebuild with a different kind of structure, \$6,000,000, you would get paid \$6,000,000.

Of course that would be a decision for the Commissioners, correct *(sure)* I would have a tendency to say I want my historical, beautiful, *(absolutely)* one of kind courthouse. *(Yeah, then there would be a lot of people ?????? no doubt about it)*

Do we have co-insurance requirements? (John is trying to find this information in Steve's paperwork - *I think everything was figured on the 90 which they turned around and jacked to the 120%. They then...and I am looking for the original page, ???? the business could be 90%...certainly kinda against that ?????? I don't see where we have ?????*) Well maybe you can give me the answer later.

Well I do believe that you know that whenever you gave us your original quote, that you said your market person dropped the ball. I think it is luck, very fortunate that we looked into further

(yeah ???? get back on ???? probably here with quote) whenever we signed that letter for Cincinnati Insurance for you, does that not disallow other people from using Cincinnati and come to us? (That's correct.) Do you know why (it's rescindable) ok really why would we whenever we didn't get you know, you said your person dropped the ball, here is another company that come in and kinda gave us the information (uh ha) that we may or may not use, I don't know (it is up to you) but you know, understand (sure) we (I completely understand like I said, you can rescind the letter.)

Ok well, I appreciate your information and this insurance is really complicated and it is uh important to, uh I think it is important for us to know and do you believe that if you do then the earthquake insurance that you will get the same coverage for the same money as the other company

(shouldn't be no reason why I shouldn't get the same rates) from Cincinnati (the only thing that I will put a caveat to is that I have not seen the quotes, I am not sure of the values that were quoted if they were lower or if they were higher, but the rates should be the same.)

Can you get those for us? *(After that ten day period, the right of rescission is over)* Ok, is that ok, the Commissioners agreed.

Doug Baise then addressed the Commissioners regarding his Insurance Quote.

Bald Hill Lane – Ted Wright and Mr. Hurst - After much discussion, Commissioner Bottoms made a motion to accept Bald Hill Lane as a county road. With no second, the motion died. Mr. Wright thanked the Commissioners for their time.

Gibson County Chamber of Commerce - Commissioner Bottoms made a motion to donate \$3,500 from the EDIT Fund to the Princeton Chamber of Commerce for electrical upgrades around the Courthouse, seconded by Commissioner Douglas. Motion carried 3-0.

Cecil Allen addressed the Commissioners about the original deeds to the City Parking Lot, when it was given to the County. Attorney McDonald assured him that there will be no problems in the selling of the property to the City of Princeton. Mr. Allen thanked him.

New Business:

Sheriff Ballard spoke to the Commissioners about “Thinking for a Change” Agreements. Commissioner Douglas made a motion to approve the four Contracts for “Thinking for a Change” with the Sheriff’s Department, seconded by Commissioner Bottoms. Motion carried 3-0.

Commissioner Bottoms made a motion for Attorney McDonald to send a letter to Melvin Kolley to remove all items off of the County Right of Way at his home on 850S in Barton Township, seconded by Commissioner Douglas. Motion carried 3-0.

Commissioner Bottoms recently found out that the inspectors for Zeller Elevator are not licensed. The County currently has a maintenance agreement with Zeller Elevator Company. Commissioner Bottoms made a motion for Attorney McDonald to contact Zeller and negate the County's contract with Zeller, seconded by Commissioner Douglas. Motion carried 3-0.

Cecil Allen spoke to the Commissioners concerning a letter that he had received about a fence in front of his property. After much discussion, it was decided that the Commissioners would look at the situation and make a decision at the next meeting.

County Highway Engineer, John Umpleby, told the Commissioners that the paving on SR 168 is completed. The striping will start tomorrow and the shoulder work will follow, but will take some time. He asked for patience.

With no further business, Commissioner Bottoms made a motion to adjourn the meeting, seconded by Commissioner Douglas. Motion carried 3-0.



Gerald Bledsoe, President



Alan Douglas, Vice-President



Stephen E. Bottoms, Commissioner



ATTEST: Sherri Smith, Auditor