

MINUTES OF THE
COMMISSIONERS' COURT

WORKSHOP MEETING - FEBRUARY 4, 2013

On the 4th day of February, 2013, there was a Workshop Meeting of the Commissioners' Court held in the Commissioners' Court, Rockport, Aransas County, Texas, with the following members present: C. H. "Burt" Mills, Jr., County Judge; Jack Chaney, Commissioner Precinct 1; Leslie "Bubba" Casterline, Commissioner, Precinct 2; Charles Smith, Commissioner Precinct 3; Betty Stiles, Commissioner, Precinct 4; and Peggy L. Friebele, County Clerk.

Other County Official present was Richard Bianchi, County Attorney; and Lezlie Kirk, County Auditor.

Lori Wiggins representing Texas Association of Counties and Travis McDavid, Kathleen Hicks and Blake McDavid representing GSM Insurors were also present.

The Meeting was convened at 8:00 a.m. at which time a quorum was declared by Judge Mills, WHEREUPON, the following proceedings were had and done to wit:

Judge Mills stated the purpose of the workshop was to hold a discussion regarding property and casualty insurance for Aransas County.

Commissioner Smith asked Larry Hellums to relate his experience dealing with FEMA. Mr. Hellums stated FEMA paid 75% of the total cost of the \$8.5M loss experienced and pledged another 12.5%. When all was said and done, they only paid \$200,000.00 out of pocket expenses out of the \$8.5M loss. He said the County could have a 12.5% exposure. Commissioner Smith stated the county has a contract with an emergency response company. He also gave information on exactly what FEMA will cover. County Attorney Bianchi asked if the FEMA software could be obtained in advance but Mr. Hellums was not sure.

Commissioner Smith stated insurance coverage is paramount because the County would have a \$9M exposure. He also complained about not getting the information in a timely manner. Judge Mills replied he had a meeting with GSM and TAC. TAC had a proposal and asked permission to give the Court a proposal.

Commissioner Smith also complained that the side by side comparison he received from the County Auditor was comparing "apples and oranges." Auditor Kirk replied "I don't know anything about insurance."

Commissioner Chaney stated the County has an agreement with the current carrier and did not think they would have to look at it again for two or three years. The County is currently in a regional pool. Lori Wiggins with TAC stated the plan she presented was not a new product; it has been around for years; however, she did not think it had ever been presented to the Court for consideration. The TAC plan would cost \$65,000.00 for March through June and then would be added to the other insurance renewals July 1st at a cost of \$195,000.00. There was a question about why the two insurance proposals had a different figure for the County's property coverage. Auditor Kirk stated RCA did an inventory and did not look at contents. She stated she gave the same figures to both GSM and TAC. Commissioner Smith asked why we did not pay the GSM bill by January 15th to save \$6,000.00. Kirk said she did not get the bill until January 2nd; she talked with Judge Mills and was told not to pay it until Court. Commissioner Chaney asked when the conversation was started with the County on renewal. Commissioner Smith said the information from TAC was dated January 23, 2013.

GSM stated their renewal is always March 1st. They will never renew during or a month before hurricane season because there is too much risk. They file a request for public assistance with FEMA as soon as a hurricane hits.

At this point, the Court went over the schedule of coverage presented in each proposal comparing receivables, business interruption, salaries, and other items.

(Proposals inserted)

 No further business presenting, the Court adjourned was adjourned by Commissioner Smith duly seconded by Commissioner Casterline.

 C. H. "BURT" MILLS, JR., COUNTY JUDGE

 PEGGY L. FRIEBELE, COUNTY CLERK &
 EX-OFFICIO CLERK OF THE
 COMMISSIONERS' COURT