Hurricane Katrina
August 29, 2005
Lessons Learned

- Relief Operations Requirement
- Extended Loss of Administrative Capability
- Cargo Issues
- Length of Recovery Period
Holiday – Carnival Cruise Lines
Cargo that sustains damage due to fire, flood and other occurrences while on Port premises must be removed promptly to provide for the flow of commerce. If not removed within 30 days of notification by the Port, the cargo will be removed and sold or disposed of. Prior to removal, all involved parties will be notified and all outstanding charges will be assessed and are due at the date of disposal.
The Jackson County Port Authority plans to sue its former insurance carrier. Port commissioners have authorized attorney John Hunter to sue Arch Specialty Insurance to try to settle unresolved claims of about $5 million in storm damage to the port. Hunter expects to file the lawsuit within two weeks in Jackson County Circuit Court. Commissioners also canceled their policy with the insurance company and approved hiring Lloyd's of London as the port's new insurer. "What we have here is a three-layer coverage situation," Port Director Mark McAndrews said. "We have a primary insurer, Arch, and excess coverage from two other companies, Essex and Lloyd's."

Hunter said the dispute centers on damage assessments made by an adjuster from Arch and an independent adjuster. One issue involves the port's loss of business because of Katrina. McAndrews said Arch paid some money toward resolving claims, but he said company officials refused to join port officials in reviewing other claims and the difference in assessments from Arch and port adjusters. McAndrews said the delay is preventing the port from receiving FEMA money, which isn't presented until after insurance companies make settlements. A spokeswoman for Arch declined to comment.