

**CITY COUNCIL OF EDGEWATER  
SPECIAL MEETING  
AUGUST 31, 2009  
5:00 P.M.  
COUNCIL CHAMBERS**

**MINUTES**

**CALL TO ORDER**

Mayor Thomas called the Special Meeting to order at 5:00 p.m. in the Council Chambers.

**ROLL CALL**

Mayor Michael Thomas	Present
Councilwoman Debra Rogers	Present
Councilwoman Gigi Bennington	Present
Councilwoman Harriet Rhodes	Present
Councilman Ted Cooper	Present
City Manager Tracey Barlow	Present
City Clerk Bonnie Wenzel	Present
City Attorney Carolyn Ansay	Present

**INVOCATION, PLEDGE OF ALLEGIANCE**

There was a silent invocation and pledge of allegiance to the Flag.

**1. OTHER BUSINESS**

- A. Award the contract for Insurance Agent of Record (Property and Casualty, Workers compensation, Group health, and Ancillary Lines.)  
**(Recommendation to withdraw request)**

City Manager Barlow stated they originally had agendaed two items listed under Other Business. They are going request to pull the second item, which was the Florida Inland Navigation District refinancing. That will be back before Council at the next Regular Meeting on September 14<sup>th</sup>.

City Manager Barlow then made a presentation regarding awarding the contract for Insurance Agent of Record. They are going to make recommendation to the City Council that they withdraw this request. They went through the RFP and sealed bid process.

Finance Director McKinney presented the synopsis of the reason they are pulling this and where they are headed with it from there. He explained after listening to the proposals for the four firms it became apparent pretty quickly that there is only three places within the State of Florida that a local government can get insurance. They are all three governmental pools, PRM, Florida League of Cities and PGIT. Upon further review after the Committee made a selection with Gallagher Bassett it further came out that one of the other firms sent a letter to their attorney to the City saying they would no longer be able to solicit insurance through the pool that they own as a subsidiary. It then became an issue that they could not through any one firm receive quotes from the three governmental pools. Last week in terms of competitiveness and the ability to receive the three quotes because they were essentially told by the firms that they would have to put the packages together for two of the three agencies. At what point in time were they saving any money. He had conversations with the three governmental pools wanting to assure the City if they did not use an agent, would they be able to still receive a good quote and he was told they would get the same quote whether they went through an agent or through them because they are a local government part of the pool if they do elect to receive coverage through them. At the end of the day they were still going to have to do the work even if they did go with a broker and that doesn't save them time and it's definitely not more efficient.

City Manager Barlow stated essentially when they did the initial RFP process this broker was going to be their insurance broker for the Property and Casualty and Health Insurance. They are good with their agreement on the Health Insurance until September of next year. It was staff's recommendation to withdraw the RFP. They are going to broker our Property and Casualty based on what they know now and the work they would have had to do anyhow and then revisit this issue the first part of the year and make a decision if they are going to essentially negotiate Health Insurance with in-house staff or whether they will need a broker for that. That will be back before Council after the first part of the calendar year. It was staff's recommendation that they request a motion to approve the withdrawal of Agent of Record RFP #09-FN-003.

Councilman Cooper expressed concern with the pulse of what is happening in the country and what may happen in the next few weeks. Could they be shooting themselves in the foot with cost of insurance if this health care plan passes? He asked Finance Director McKinney if he was concerned about that and whether they might want to lock something in as soon as possible and not wait but then again waiting might be the right thing to do too.

Finance Director McKinney stated all of them in the room have the option to get property insurance from State Farm or Citizens or any number of independent carriers. In the State of Florida governments unless they are like a City of Orlando and they are self-insured they cannot get Property and Casualty or Workers Comp from private carriers such as State Farm, etc. They must go through a pool. He cannot lock them in rates for any more than one year and just in our Workers Comp alone he hasn't received their PNC but Workers Comp alone they are going to see a reduction of \$93,000 minimum from last year's quote. It is a numbers game and it's based on several factors such as the number of autos have gone down within the City, they have built new buildings, across the street they have improvements, the Animal Shelter. It's very fluid. Having said that he has to go out for quotes once a year to stay competitive.

Councilman Cooper stated with them having one more year under contract they are darned if they do and darned if they don't. Finance Director McKinney informed him that was only on group Health Insurance. Property & Casualty and Workers Comp have always gone out on an annual basis. Last year was an exception. He did take to Council in June of last year a 15-month quote only because the last couple of years they have seen few hurricanes go through the area and they were able to release those numbers early. This year that did not occur even though they didn't have hurricanes last year in the immediate area.

Due to there being no further comments, Mayor Thomas entertained a motion.

**Councilwoman Bennington moved to withdraw Agent of Record RFP #09-FN-003, second by Councilwoman Rhodes.**

**The MOTION CARRIED 5-0.**

B. Refinance the Notes Payable dated August 28, 2002  
between the Florida Inland Navigation District and  
the City of Edgewater

City Manager Barlow stated staff recommends they pull this  
from the agenda and they can re-agenda this item on  
September 14<sup>th</sup>.

Councilwoman Bennington asked why they wanted to pull it.

City Manager Barlow informed her the way this meeting was  
posted and was agenda specific to the first item they did,  
this was not listed on the agenda that was posted so just  
to be safe.

**Councilwoman Bennington made a motion that they remove Item  
B and move it to September 14th, second by Councilwoman  
Rhodes.**

**The MOTION CARRIED 5-0.**

**ADJOURNMENT**

There being no further business to discuss, Mayor Thomas  
adjourned the Special Meeting.

The meeting adjourned at 5:10 p.m.

Minutes submitted by:

Lisa Bloomer

Attest:

APPROVED:

City of Edgewater, Florida

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Bonnie Wenzel, City Clerk

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Michael L. Thomas, Mayor