

**SPECIAL CALL  
MARCH 23, 2010**

The Harriman City council met in a special call session March 23, 2010 at 6:00 P.M. in the City Municipal Complex. Mayor Mason was present and presiding. Mayor Mason called meeting to order. Roll call of Council was as follows:

PRESENT: Buddy Holley  
Kenyon Mee  
Ken Mynatt  
J.D. Sampson  
Chase Tedder  
Lonnie Wright

ABSENT:

Mayor Mason verified that the Clerk sent Publication Notification and Council was notified.

**AGENDA**

Discuss and possibly approve transferring of sick time for a city employee

The City Clerk stated Eddie Teague was completely out of sick time. He had to have surgery and will not be off doctor restriction until April 1, 2010. The City Clerk stated she had two employees to donate 80 hours each. Mayor Mason stated this had to have council approval. There had been some questions about time being transferred among departments. Dr. Kerley stated that it is not a problem. Mayor Mason asked for a motion to approve the transfer of a maximum of 160 sick hours as needed to Eddie Teague. Councilmember Tedder made the motion and was seconded by Councilmember Mynatt. After brief discussion the motion passed with a unanimous roll call "Yes".

Discuss and possibly take action on insurance broker change

Mayor Mason stated everyone was familiar with the item through previous discussions. He wanted to make a decision one way or another so this change could take effect by April 1, 2010. Mayor Mason opened the floor for discussion. Councilmember Wright made a suggestion that someone should have an idea of why they should change from their previous decision. Mayor Mason stated everyone was aware of the mix up with the state insurance and the new health insurance. We had paid double premiums and claims were filed on both insurance companies. Mayor Mason reported since this happened we would not likely be able to get our money back from either company from where we had to pay double premiums. Mayor Mason stated the discussion came up about changing brokers to one that would better meet the needs of the city. At the first meeting of this month the council made a motion to change the broker to Strategic Employee Benefits Services because the council's understanding was that SEBS was the lowest bidder. This was then postponed to make sure there was adequate discussion and to make sure everyone knew what these bids were. Dr. Kerley stated the council made the change and the council would have to revisit and rescind the motion that was made at the first of the month. Councilmember Sampson stated we only had nine more months with the UHC contract. He suggested that we just leave the broker as SEBS and look at the bids in the fall and go from there. Councilmember Wright stated that would be fine as long as they

were comparing apples to apples. He stated from his understanding, last time there were questions about who was the lowest bidder. Councilmember Sampson stated it would depend on which part of the bid is the lowest. Do you want to look at the middle or do you want to look at the overall lowest. Councilmember Wright stated his thoughts were why we don't just stop and re-bid the health insurance. Councilmember Sampson thought we might have to go without insurance for a month if we did that. Councilmember Sampson yielded the floor to Sarah McCain with SEBS. Sarah had given everyone a book with an outline of four options that the council has at this point. Johnny Griffin stated he looked at the state insurance contract online. He reported that this could not be the contract that was signed way back when. This contract was revised in year 2010 and there are things that are different in the original contract. Angie Skidmore, the City Clerk, stated the only thing the State of Tennessee Benefits Administration sent her was the signed acknowledgement to accept the states benefit plan. Sarah stated at this point the State would be very difficult to try and recoup the premiums from because the larger claims had been filed on the state insurance. The challenge would be to look at UHC and figure out an angle there. The four points enclosed in the packet Point One, you could keep Mike Albertson. Dr. Kerley had stated earlier the council did appoint Sarah as the broker. Point two is that you could keep Sarah. Point three is you could appoint Griffin. Point four is you could go without a broker. If a problem arises then she would be willing to help in a capacity as a non-appointed broker. She believes the council needs to decide if they need a broker. If they decide they don't need a broker, so be it. If they decide they do need a broker then they need to pick one. Johnny Griffin stated he is already the broker for UHC on the vision coverage. Lori Treadway with Griffin insurance stated Sarah is correct, right now it doesn't matter who was lower. The UHC rates are locked in for year 2010. The council needs to decide who they feel will be able to help the City of Harriman for the remainder of this contract and in the future. Councilmember Wright felt like he had the floor. He thought that when this process started that they were comparing apples to apples not apples to oranges. He really didn't understand why all the brokers received the same rate from the insurance company. He asked if when the price came down, was it due to the broker cutting their commission. Johnny Griffin stated this was correct to some degree. Councilmember Wright stated if a broker misrepresents something then he loses faith in that person. Councilmember Mynatt asked when did Mr. Albertson pencil in the low bid that they had accepted. Did he know about everyone else's quotes before he turned his quotes in? He stated the paying of double premiums now looks to be a legal issue on recovering the money. Sarah sent out an email that specifically shows that the State of Tennessee was the primary insurance and no claims should have ever been filed on UHC for the month of January. Sarah gave suggestions on how to recoup one of the premiums paid for the month of January. The council just needs to make a decision on what they want to do about a broker. Councilmember Mee stated he felt like both Sarah and Johnny would do a great job as our insurance broker. He just felt like if we were looking at employee rates only paid by the city, then Johnny would be the next lowest. He just wanted to do the right thing and be consistent. Councilmember Sampson asked if there was a way that we could appoint both firms and they split the commission. Sarah stated she would be willing to help even if not appointed. She stated by not having a broker could work in favor of the city come renewal time. She stated her firm would be willing to give Angie all the tools she needed to make it through to the next renewal time. Councilmember Sampson stated the council made a decision, then came back trying to correct their decision, now they are coming back again. He felt like all of this makes them look dumb because they keep coming back and changing things.

Councilmember Mynatt stated in the council's defense they did not have everything they needed to make the correct decision the first time. Councilmember Mynatt stated to Councilmember Holley that he would have to rescind his motion from the March 3, 2010 meeting and then they could go from there. Councilmember Holley made a motion to rescind the motion from the March 3, 2010 meeting to terminate Mike Albertson and appoint Sarah McCoin with SEBS as our broker. Councilmember Mynatt seconded the motion. The motion passed with a unanimous roll call "Yes".

Mayor Mason stated now everything is back to the way it was with Mike Albertson as our broker. Mayor Mason told council they now have three options. The first is to appoint Johnny Griffin, the second is to appoint Sarah McCoin and third is to terminate Albertson and have no broker. Sarah McCoin will withdraw from this as long as the council will approve complete transparency at renewal time in August of 2010. Councilmember Mynatt made a motion to terminate Mike Albertson as our Health Insurance Broker and appoint Johnny Griffin ASAP. Councilmember Mee seconded the motion. Lori reiterated what Sarah had said. They are here to help the City of Harriman with whatever they possibly can. Councilmember Wright wanted to make sure that the council assures Sarah that they will carry through with complete transparency at renewal time. He wanted to express his appreciation to her on all of the hard work she has done for the City up to this point. Councilmember Mynatt wanted to make sure when they look at this again, that they have all of the information needed to make the right decision the first time. Councilmember Sampson wanted to let Sarah know the street department was very appreciative with all the help she has given them. Drack Langley had mentioned to Councilmember Sampson that no other broker has shown the concern for the employees like she has. After much discussion Councilmember Mynatt made a motion to call the question and Councilmember Tedder seconded this. The motion to call the question passed with a unanimous "Aye". The motion to change the broker to Griffin passed with a five "Yes" and one "No" vote by Councilmember Sampson.

Mayor Mason reported no other business can be discussed at a Special Call so the meeting was adjourned.



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Chris Mason/Mayor



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Angela Skidmore/City Clerk