

CITY OF OGLETHORPE  
OGLETHORPE CITY HALL  
115 CHATHAM STREET  
SPECIAL CALLED MEETING  
TUESDAY APRIL 29, 2025 AT 6:30PM

All in attendance – Mayor Daniels, CM Harrison, CM Mahone, CM Moore, CM Beckum, CM Woodard, Tim Ingram – Engineer, Carl Adams and Kevin Cole – Cole Insurance Agency

1. Call to order: 6:30PM Mayor Daniels

2. Discussion of City of Oglethorpe Umbrella Insurance – Mayor Daniels in our work session last week we had two policies for review. CM Moore said another quote was brought in, but there was more holes in that policy than he liked and he was not a fan of it. It was cheaper, but cheaper doesn't always mean better. It came in around \$95K/\$96K. The original one sent in by Cole Ins was better than that one. There was a question about if the insurance would affect our health insurance if we changed carriers – not sure where that came from. We are purchasing liability insurance, not health insurance and at this point, I am all for changing carriers due to looking at our existing policy and renewal request verses looking at GMA. CM Moore continued to give the overview of the GMA insurance quote. He then advised that there were a lot of gray areas going with Cole Insurance Agency. He advised that the customer service with GMA was faster than trying to get someone on the phone from the existing carrier and subcarrier. (conversation ensued) Mayor Daniels requested that the information just be given and not try to engage someone to say something back as this was a special called meeting for council members to discuss this topic. CM Moore continued with his overview of the research he did. He advised that one of the things that was of most concern was that we live in a technology age and it's not a fire that's going to hurt the city, it's going to be an email being opened up and somebody taking control of our computer systems. So we need cyber protection and GMA has that. Current coverage doesn't have someone to come down and handle damage, the media, make sure the mayor and council is where they need to be on the things they say, but GMA does. CM Moore gave concerns over current blanket coverage. He believes GMA has more experience with more issues. CM Beckum – Melvin has done a good job researching the insurances. I see we have two people here from the current carrier and I feel that we need to give them a chance to speak. CM Moore – The problem here is that mayor pro-tem had a conversation with them and I have visited their office several times and told them about the issues of the policy and what was needed. The one they dropped off to Melissa still don't cover the issues we talked about. They know what was missing and they brought a policy that was worse than the original. Carl Adams – we market and get new quotes for the insurance every year. We got three quotes. One company says that Oglethorpe was too small. We have had this account for insurance for 20 years. Never had a complaint. Have always paid the claims. We've paid claims on an officer that died in a police car. This company has \$2 billion in surplus, but GMA's pool has less than \$80 million in surplus. They lost \$40 million because of being claimed. They do have a \$35 million claim, but GMA would not negotiate. Kevin Cole – You advised they have re-insurance, what is Individuals with disabilities who require certain accommodations in order to allow them to observe and/or participate in this meeting or who have questions regarding the accessibility of the meeting or the facilities are required to contact the City Hall at 478-472-6485 promptly to allow the City time to make reasonable accommodations for those persons.

their reinsurance limit? Do they have that much? CM Moore – It was brought to my attention that you brought up to someone in our city that you stated that GMA couldn't handle a major hurricane because of the last hurricane. Carl Adams – I don't believe that GMA has a reinsurance. GMA is a pool. CM Moore - I talked to you a few days ago, did I not ask you to put those questions and your comments into writing and you refused to do that. (cannot hear comments from Carl Adams or Kevin Cole) Mayor Daniels – Mr. Carl we let CM Moore talk about the GMA insurance, now we ask that you guys take the floor and provide the information that you have for your insurance. I would like to keep the back and forth to a minimum. CM Moore – Let's talk about cyber insurance. Carl Adams – That can be added to the policy. CM Moore – So why didn't you already add it? Mayor Daniels – Let's not do that. Let them talk. Kevin Cole – Existing cyber insurance is \$250, but the wire fraud piece of that is \$2,500. You get hacked by wire fraud from a cyber- attack. You have \$2,500 worth of coverage from GMA. That's all you got. CM Moore – How much do you have? Kevin – We have none, but we can quote it. CM Moore – There you go. Carl Adams – You didn't ask. Mayor Daniels – CM Moore let them talk. Kevin Cole – Anyway, we talked about the cyber on the limits. I think the limits we have is comparable. The city's never had any issue with all the limits the last 20 years. They've never had an unpaid claim. Our company has a claims department and when you get your policy, there is a cover page on it and it shows you how the claims run and who you need to contact. All the claims go through Clayton Matthews for Oakridge. Everything's fair. That's the way our structure is just because we have over 500 employees. Our sales are over a billion dollars. We're an "agency", not a "company", so we're a fairly large agency to be in Montezuma. The question was brought up about a police shooting. Any of these carriers have support for things like that. Our professional liability is on a claims made form. GMA's is on occurrence. If you take a claims made policy on a professional policy and you transfer it to an occurrence policy, you have no tail cover. You're wide open. If you change today and tomorrow you have a claims made, which is an employee practiced liability, professional liability, the police department... If you turn a claim in that occurred the day before yesterday, you got no coverage what so ever with GMA. Mayor Daniels – So how long does it take to kick in if we change? Kevin Cole – It will never kick in. Any past claim that showed up on a claims made form from occurrence will not be covered. You can purchase tail coverage for a period of years. You can buy one or two years, but if something showed up that occurred after that time period, that's just a block of insurance. The way it runs now and the claims made, even if you change from company to company, with a claims made you always make sure that they cover prior acts. You would never want to change from a claims made policy or a professional policy to an occurrence policy because you would get annihilated on a claim. You wouldn't have any coverage. The city could have a \$32 million claim like Milton County and you have no coverage. So to me, all the little stuff we're talking about.... Like I said, the city has never come to us and asked us to raise all these limits, we want to have a \$5 million aggregate, which you can get. Having the aggregates higher is not as big a deal because it's a lot less likely you're going to have three or four million dollar claims in a policy period. The most dangerous thing I see is switching from a claims made to an occurrence policy. That can be devastating. Do you understand how that works? CM Moore – I totally understand how that works, but is there a reason why there was no communication with me when I was doing all this investigation. Kevin Cole – I don't know. We're open from 8:30AM to 5:30PM. Been here for 68 years. CM Moore – I definitely heard from two council members that you reached out to them, but never reached out to me knowing that I was the one doing all of the investigation for the insurance. Carl Adams – I didn't have to call you. You called me 10

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minutes after I hung up with her. CM Moore – I was at your office and you had my card. I went to your office two weeks in advance of this meeting and your lady's in the office had trouble getting me the data I requested. I called and gave them my email address. I had to go into the office and tell them I want this data today for them to actually come up with the data. That doesn't say very good customer service. That sounds like you're trying to hide something to me. Kevin Cole – Let me explain something. I don't like to be accused of something – that really pisses me off. This stuff has to be researched. The City of Oglethorpe has auto policy, umbrella, etc. and it all has to be collected from different companies in different departments. So when you requested the information, Angela immediately sent the email advising your request. Those are loss runs and they have to be calculated. It's not a big deal, but it's not something that can be done in 15 minutes. We can get whatever information you need. Mayor Daniels – Ok, we have heard from all and CM Moore sent out emails to council last week comparing both companies. I have allowed Cole Insurance Agency to speak and now I will allow the vote on the package to choose. Is there anything else? CM Beckum – Yes, I'm not against the GMA. I'm not even pro this one or the other one. But a good insurance agency that's local is a plus. I'm for what's the best thing for the city of Oglethorpe. CM Moore you do a great job on researching and we appreciate it your hard work, but did you realize that we had the GMA at one time and we had to leave them for just the reasons that they are bringing up. We also went in with Montezuma in a group thing and we wound up having to pay more and that's how we got to where we are with this group now and we've been with them this long and my biggest problem with it all is trying to make a hurry up decision by May 1<sup>st</sup> for something involving \$100K or more. I know that we can't put it off, but I think we need to really think long and hard before we change. The insurance business is hard and if you make a change and then decide to change back, you'll be in a world of hurt. I'm just saying to just be careful and let's think of everything we can before we make a decision. CM Moore to Jon Coogle – You are our attorney and you've been in insurance for a long time, if we went with continuing our insurance temporarily, and I extended my investigation to bring GIRMA down here and let them speak, is there any issue with changing the insurance mid-stream if the council decides that it is a better choice to change? Jon Coogle – I think you can cancel insurance at any time. Kevin Cole – I don't know what the pro \_\_\_ is on it. Jon Coogle – It's not a good idea to sign with one and then 2 weeks later want to cancel. CM Moore – I'm saying maybe like 60 days to be able to do more detailed research and then have GIRMA come down as well to discuss again. This way council can feel safe about their decision. Right now I am still not very satisfied with the experience I had with your agency. While we are talking now, I would like to have your word right now that I am not going to have any issues getting information. Having to wait a week, week and a half, and being passed around. That bothers me. Mayor Daniels – Me, personally, I don't think we are rushing. Thursday we sent out an email and that's been almost a week. This topic was actually brought up a while back by council and we kind of just let the ball drop. I feel like this is kind of council's fault that it's last minute because no one took the initiative to get anything done. We can go ahead and vote tonight and whatever the vote shows, then that's it. Chief Breletic do you have anything? Chief Breletic – On the policy that was paid for that officer that was on duty, was that a life insurance policy through the city? Kevin Cole – No. Chief Breletic – So it was just general money in addition to the \$250K the state of GA pays. Jon Coogle – Yes. CM Harrison – I was concerned about the number of “blanket” listed on your policy, can you explain? Carl Adams – The buildings are insured for what it would cost to replace them. It goes up every year.

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They do a 4% across the board to stay in the range. (Discussion of actual policy details ensured.) CM Daniels, I am calling for a vote now so we can move forward.

\* I move that we go forward with coverage from GIRMA for our insurance for the city made by CM Harrison, 2<sup>nd</sup> CM Moore, - Motion Failed (3)

CM Mahone – I'm concerned that if we have anything pending or prior – we won't have coverage. It leaves us open. We don't have any information on what we have out there.

\*I move that we renew our expiring policy with current carrier made by CM Beckum, 2<sup>nd</sup> CM Woodard. Others in favor – CM Mahone and CM Harrison. Not in favor – CM Moore Motion carries.

3. EPD and Waste Water Plant – Mayor Daniels is concerned about EPD violations and the city getting fined. Tim Ingram brought in the contracts for Railroad Street Project and Waste Water Plant contract. He advised the consent order for the waste water plant is October 6, 2026 and the consent order is Nov. 30, 2026 so he doesn't believe there will be a problem with EPD. There are a couple of different options they were looking at for the plant. He explained the dredging, etc. The consent order itself covering the mechanical and bar screen and that should be replaced by the end of the year or January. The aerators and aspirators be maintained tolerable. Right now the issue is the control panel due to being exposed. Sometimes fire shoots out. That will be done by January or February. The dredging should be done in the fall. The vegetation and all should be removed by July / August of 2025. The consent order gives us protection from violations of the third party. It expires about 6 weeks after we are supposed to be done. When we dredge, it will stir up the water. When they build the dike / dam across we are going to use a product that will close off some of the stirred up water. We will also relocate the aerators to the areas that we will be using. Tim advised that he had already talked with Jody at EPD a couple of times about this; so they are aware. The sludge bucket is literally a pontoon boat with a bucket on the back of it, so the water will get stirred up. (Conversation continued).

Mayor Daniels – I just want to make sure the city is covered. To be sure, we are asking that you sign an agreement that takes all liability off of the city. We can't afford any fines. I have this agreement for you to review. Tim – I will need to pass this along to my attorney and have him take a look at it, but I would think that more than anybody your contractor probably needs to look at this as he is the one actually doing the work. Mayor Daniels – So in case we get dinged, would they be responsible for the fine since they are working here? Tim – Honestly I don't know, I've never had this situation come up before. CM Harrison – I hope you understand what we are saying, but we just can't afford to get fined. And really we were kind of at your mercy. We just need some kind of assurance. We know that some things are going to come up, but we can't afford any ongoing issue. Tim – I think we are thinking about two different things. I think you're concerned about them not being finished on time and it affecting the consent order? Because it expires after your contract does, so the contractor in reality would be a decision y'all would have to make toward liquidated damages toward the contractor not being done. Mayor Daniels – Okay. So when you gave us a done date for October 6, 2026 – Is that consent order that you have; does it state paying fines? Is that in writing? Because if it's not in writing that's where our piece comes in as far as if we get dinged then that's where our agreement comes into place. We aren't worried about when the project gets completed, we are trying to keep from getting a violation and that consent order does not cover the violation piece. We want to take the violation piece off of the city. Tim – The consent order talks about the issues with the pond, the letter of noncompliance, the history, etc. Mayor Daniels – Can you give that consent order to our lawyer for review and let your

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attorney review our letter? Jon Coogle – There would be no fines through November 3, 2026 as that's when that consent order expires. Tim – You may have a discharge issue either with the ammonia, which you have already had some, or BOD, or possibly solids. The solids probably not much of an issues. BOD or ammonia would have to work with. I think the ammonia issue now is one – the aerators not working, and two the old sludge in the pond. CM Harrison – Ammonia is what got us in trouble from the beginning or was it BOD? What got you in trouble from the beginning was the pond wasn't being maintained. Everything was all grown up and the bar screen didn't work. That's the kind of stuff that's been a problem for quite a while. Jon Coogle – So I would just say though like if corrective action was 95% complete by November 30, 2026 – the EPD would probably not slap us with a fine. Tim – If you look at the corrective action they have bar screen, that's about a 4 to 6 month lead time and the contractor should be able to change that by the end of this year. The covers and sludge will be done this year. Those items don't bother me. What we will have, regardless if you built this 10 years ago or 10 years from now – there is always going to be issues when you start sludging. Nobody can stop that because you are going to be stirring up stuff that has been caked to the bottom. CM Beckum – Tim isn't EPD smart enough to realize that when you do this type work, you are likely to run into some problems with the testing and maybe they would likely be fairly lenient during this process? After all, it has to be done and there's no place to rebuild another one. Tim – I don't know. You are right in the fact that you are working to get the issues fixed, but to fix it – you're going to create some issues and there isn't any way around it. Jon Coogle – So when does construction start? Tim – They're waiting on the signed contract. We've been back and forth with some of the design changes trying to reduce cost and stay out of GEFA money as much as possible. I would say the equipment will be on the ground by June 1<sup>st</sup> if not before then. They have secured a dirt pit somewhere in town and I think they've gotten the sample testing done. Jon Coogle – I think having the prison here, which is a state facility, is a big advantage for us as I think it's very unlikely that the state would fine us too much as we are helping them out with the treatment facility for 1800 people. If we were just a city by ourselves, there might be a violation. My suggestion is that you go ahead with the contract because you want to get moving on this. You're just going to get behind the eight ball more and more. This is logical. CM Beckum – The longer we put off getting started, the more likely we are going to run into problems to get to that date beyond the consent order. I feel they will be fairly lenient if we are following all the rules and working with them to get these issues fixed. And just hope that our contractor stays in their good graces. Tim – We're going to come in, fill the copper dams, clean that area out, start packing dirt and plan to keep operating the way it's operating now and we'll get that first station built. We may go ahead and temporary the aerators so we've got some running. We only have one running now. Somewhere after the dyke is built, we'll pull all of the covers off of the partial mix pond and take all of the equipment out of it. We'll do that after the samples are pulled. Then we'll get our copper dams in the middle, clean that out, and start aerating on that side. When the flow comes in, we'll bypass pump around to that pond. But we will still have the polishing pond at the end to give us the ability for anything to settle out. We just need to make sure the air is running so we can combat the BOD. CM Harrison – I thought that we would be getting started right after the ground breaking ceremony. Is there something we didn't do? Tim – They need the signed contract and also we've been working with a company that provides aeration and the revised design. We've been working with EPD on it as well to get those things taken care of. Once they have the signed contract and it's bonded, they will start issuing purchase orders. Jon Coogle – So there's another point – they have a performance bond by the

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contractor, so if there's failure to perform, we can sue against the bond. So I think there's some hidden easy outs to anything that EPD might do, but I would still think that if we were 90% complete by late October, they are going to say to finish it up. (conversation ensued). CM Harrison – So what's out plan Mayor? Mayor Daniels – I'm going to make some copies and sign the contracts. You said June 1<sup>st</sup>, right? Tim – there should be five copies there. I know the copper dam is 3-4 weeks out so the sooner he gets the signed contract, the sooner he can get them ordered and get them here to get started.

4. Adjourn – Motion made to adjourn 7:47PM Mayor Daniels. All in favor.

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