

Logan County Commissioners Work Session

October 17, 2023

Present: Jerry Sonnenberg, Joe McBride, Mike Brownell, Alan Samber, Marty Gaines, Marilee Johnson, Jerry Casebolt, Rick Cullip, Caitlin Baseggio, Jane DeSanti, Nancy Pappas, Marty Gaines, Trevor Miller, Rob Quint, Tom Kiel, Diana Korbe, Russell Adels, Scott Runyan, Jeff Rice, Danny Guitierrez-Dutton and Jennifer Crow.

Chairman Jerry Sonnenberg called the meeting to order at 9:00 a.m.

APPROVAL OF MINUTES FROM PREVIOUS SESSION – Commissioner Brownell moved to approve the minutes of October 3, 2023 as written. Commissioner McBride seconded, and the motion carried, 3-0.

REVISIONS TO WORK SESSION AGENDA – Alan Samber added discussion of the Builders Risk requirements on the Bridge Replacement contract. Commissioner McBride added Jerry Casebolt with bids for the Sheriff’s Office phones.

REVIEW AND APPROVE SCHEDULE OF COUNTY BILLS –The Board reviewed the Logan County schedule of bills dated October 17, 2023. Commissioner Brownell moved to approve the bills dated October 17, 2023. Commissioner McBride seconded, and the motion carried, 3-0.

REVIEW BUSINESS MEETING AGENDA – There were no additions or changes to the Business Meeting agenda.

STERLING BUSINESS NETWORK USE OF CLARENCE’S CORNER - Jane DeSanti discussed the use of Clarence’s Corner during the month of November 24 – December 23 by members of the Sterling Business Network as a promotional effort to draw business downtown. She feels very confident in Home Depot in building the necessary building walls for the theme of Sterling, the City of Sweet Adventures. They do have precedence where they have done it before. They built raised garden boxes at the Heritage Center. The Home Depot Foundation needs a Certificate of Participation from the County’s insurance.

The plan is to transform Clarence’s Corner into a gingerbread house during the holidays. They will build faux walls and anchor them to each other and will not disturb the structure. Commissioner Sonnenberg asked if she has found a place to store the structure during the off season. Ms. DeSanti answered no but she is hoping the County will help store the walls. They will only be 13 feet long by nine feet tall. Commissioner McBride suggested the garage at Sunset Memorial Gardens might be available. Ms. DeSanti also would like the county to put up and take down the panels as well as store them in the off season. Ms. DeSanti stated if it becomes a problem to put the walls together, she could find a group of volunteers to put them together. Commissioner McBride asked who is designing the walls/building. J. R. Cope, who is with Platinum Builders, who builds homes is designing the building. Commissioner McBride has concerns about the popcorn structure being damaged. A shell around the building with the roof open, as long as there is drainage around the bottom. Commissioner McBride would like a guarantee that Clarence’s Corner will not be damaged. Ms. DeSanti tried to contact Gary

Schlenz that built the building, but she did not get an answer from him. She will keep trying to contact him. The popcorn stand is its own historical building for this community.

If the walls fit through the doors, Sunset would have plenty of room, but it does have dirt floors. The County does not have that much room for storage. Commissioner Sonnenberg said his concerns are to make sure the building is protected from leaves blowing in. If the leaves blow in, and they stay wet, the building can be damaged. Ms. DeSanti noted it is only up for four weeks. Commissioner Brownell Mike if there are volunteers to put it up and take down, as long as there is no damage to the structure. Rick Cullip would like to be able to see the plans and approve them. Commissioner Sonnenberg said that the next step would be to get with Gary Schlenz and the Board and Rick Cullip and see if the design is approved.

Jennifer will e-mail the County's insurance Certificate of Participation to Ms. DeSanti to forward to Home Depot.

AG BUILDING PERMIT IN FLOOD PLAIN - Rob Quint and Trever Miller met with the Board. Alan Samber drafted the letter for Mr. Miller to sign regarding the building that Mr. Miller wants to build in the flood plain. Miranda Miller could not attend the meeting this morning, but they will get her signature on the letter as well.

Commissioner McBride moved to allow chairman to sign the letter between Trever and Miranda Miller and the Board of County Commissioners. Commissioner Brownell seconded and the motion carried, 3-0.

CAITLIN BASEGGIO CHRISTMAS MARKETPLACE IN EXHIBIT CENTER – Caitlin Baseggio, Chamber of Commerce Director met with the Board concerning the possibility of a Christmas Market in the Exhibit Center. The Chamber recently sponsored a Fall Marketplace which had 42 vendors and was very well attended. Ideally, they wanted to do the Christmas Marketplace downtown, but they are concerned about inclement weather. The Chamber is asking that the fees to use the Exhibit Center be waived. December 2 is available on the Exhibit Center calendar. The prep time for the arena floor would need to be after NJC class time on Friday so that the market could start at 9 a.m. on Saturday, December 2. Vendor setup is at 7 a.m. The Exhibit Center will be decorated with Christmas trees and other decorations. The Board agreed to allow the fees to be waived.

Commissioner McBride asked Ms. Baseggio to explain the difference between the Sterling Business Network and the Chamber of Commerce. Ms. Baseggio explained that under the previous Chamber of Commerce director only wanted to produce the parade, not any other Christmas promotions. The Sterling Business Network wants to run their funds through the Chamber. Because she came in late, she will just leave it how it is this year, but next year she would like it to be more structured. Ms. Baseggio does not want the Christmas promotion to be just for downtown. Sterling Business Network was talking about we need more decorations, and who's going to pay for that who's going to buy them? What we're going to do is similar to the Scarecrow decorating. We're going to extend that into Christmas and have our members or any business really decorate their window or decorate outside their business whatever they want to do, and have a competition, and then people drive around to see the decorations see the different windows and vote.

Commissioner McBride asked if the Chamber lighting project for the downtown trees was dropped. Ms. Baseggio said that the archways are on hold because they could not find a welder. The person they had contracted to do it cannot do it anymore. Also, there is an issue with the location. There was a plan to light the trees year-round downtown. Then someone said that it was killing the trees, so they started taking them down at the Chamber. Ms. Baseggio is going to encourage businesses to decorate their windows and hopes that this grows every year.

Commissioner McBride brought up one last point, when he was a kid, the newspaper published a contest number, and everyone went around to store windows looking for their number. The stores gave out prizes for a set of numbers. It was a lot of fun for families. It also included both shopping centers in later years. The discussion was that it would be a great program to bring back again.

The meeting recessed at 9:30 a.m. and reconvened at 9:47 a.m.

COLORADO COUNTIES WORKERS COMPENSATION POOL – Meredith Burcham, Executive Director of CTSI and Rhonda Curran, Manager of Risk Programs met with the Board via ZOOM. Ms. Burcham gave the Board a brief history of CTSI and the three pools at CTSI.

CTSI stands for County Technical Services, Inc., a nonprofit that was formed by counties in Colorado. It administers the three risk pools, which are the County Health Pool (CHP), the County Workers Compensation Pool (CWCP), and CAPP pool, which is the Colorado Casualty and Property Pool. The pools were formed in the 1980s by County Commissioners. They were formed at a time when it was hard for counties to get coverage. Commissioners pooled resources together as counties and formed these pools. In this way, they provided similar coverages since our needs are similar and provide affordable coverages and coverage to be able to do our day-to-day operations. All three of the risk pools are viable today. And they've been a long-term success and benefit for all of the counties that are members of them. In addition to providing the coverages of insurance, the pools also try to provide value-added services for the members that will assist them in their day-to-day operations as well. The pools have our loss-control services. The county has probably had a loss analysis performed by one of the loss-control services.

CTSI also provides audits, different trainings for safety, assist with jail audits, and anything else that they see that there are high-cost drivers within claims they focus on. This year, they added back a Human Resource. It was dropped three years ago, however, membership requested to have that position put back in. So we've done so and Siri Benzel is her name and she's been out traveling meeting with counties and assisting with HR related topics.

The topic this summer was anti-harassment, so she has done a lunch and learn and is trying to help counties that have questions on how to update their policies so that they're in compliance.

In addition to that, Dennis Hunt helps Commissioners on budgets, understanding the statutory requirements that are necessary for county commissioners. We also provide communication to all our members through Technical Updates, which we send weekly. And we try to highlight various coverage questions that might come up, because if one counties' asked it, and then most likely other counties are going to ask it too.

The CWCP basically provides all employees, and statutory volunteers that the county might have on their payroll with statutory coverage. CWCP adjudicates the claims that come in, and we have claims adjudicators on staff, along with the claims manager Kurt Mueller. They work within obviously the counties on the claims that are coming in, and then provide assistance on any return-to-work issues that might arise and make sure that everyone's educated on that.

CWCP was set up with a contribution formula for counties to provide contributions. CTSI looks at three-years' payroll audit, and then three years' of losses, then compares them to the pool as a whole. Then we provide a loss-rate factor. Then that's what's determined as far as what your contribution and then the equity. Each pool has, it stands alone with its own budget, and its own equity. In each pool, we've seen that rise and go down as far as the equity depending on the times that we're seeing within claims or the markets.

CWCP has been running really well the past three years, and it sits with about \$25 million in equity, which is a very healthy place to be. Last year we were able to distribute \$3 million equity to the members and we're looking at proposing to do \$3 million again for 2024. Obviously, we're regulated by the Division of Insurance, we have to have a certain amount of equity in there. But we don't ever want to have too much equity that we're just holding on to when that could go back to the members to help keep your costs down for the upcoming year.

As far as Logan County, we just looked at your estimate, we have Arch, who is our excess carrier with CWCP. The pool layer covers up to 875,000, and then there's no actual county deductibles in workers compensation, we've not had to implement those. And so then we have to buy excess coverage above 875,000. To be able to have adequate coverage for all of our members. So anyhow, would looking what was submitted with your payroll and the losses and all of the other costs that would go into with the premiums for the excess carrier, which were relatively low any increases in your payroll, it does look like your contribution for 2024 would actually decrease from 2023 at about \$118,000.

We hold our membership meetings, the end November 1st December, at the CCI conference, and that's when the coverages and the formulas for the upcoming year actually are voted upon and that's when we hope to have the final numbers by from what we're seeing from our excess carrier, and our claims trend, or actuary, that looks pretty good of what we're estimating for that.

In addition to that, I will say to you what's different from how the pools are set up from going with a carrier, is that we set up so that there's not an audit completed at the end of the year. One of the things when the commissioners started, the pools was that they didn't want, they wanted to be able to budget appropriately as much as they could for the upcoming year.

In addition, loss prevention trainings are included, the policy review contracts, we will file all the required documentations for the Division of Insurance on your behalf. We have claims administered by our experts. And then we provide legislative updates guidance on any changes that are happening, which happened quite frequently within workers compensation. Even though we're not allowed to lobby within CTSI, we provide any factual information that we need to CCI, if there's anything that we see coming in, that might impact the pools which have been relatively low historically and continues to be low. And that can be beneficial, compared to what it might be for each county separately, rather than still sharing in those costs.

Commissioner Brownell, ask Ms. Burcham again on the anticipated 2024 cost. She stated it looks like it will be \$118,000. She sent that quote to Diana this morning. The Board thanked Ms. Burcham for meeting with them this morning.

ASSOCIATES WORKERS COMPENSATION QUOTE – Morgan Kitsmiller, Vice President and Chief Sales Officer of Associates Insurance Group, John Broderick, agent with Associates Insurance Group, and Dylan Sinew, Vice President of Medical Claims Division at Associates Insurance Group met with the Board via Zoom.

Mrs. Kitsmiller began by telling the Board that Associates is a leading WC agency in Colorado and has been around since about 2003. They specialize specifically in WC. They are Pinnacle's largest agency out of roughly the 350 - 400 agencies that they work with. They've been the largest for about the last decade and they specialize in the public sector and private sector. They work with about 100 school districts, some locally, in Logan County, and in areas such as Akron, Julesburg, Plateau RE-5, and many more public-school districts, cities, towns, municipalities, and counties across the state. A lot of these public sector organizations had pools for insurance for property liability, insurance. What happens naturally with insurance and with insurance cycles, is if you go back, almost 20 years ago, a lot of these pools were performing very, very well, and their rates were very hard to compete with, specifically WC rates. With insurance cycles, you have hard and soft market cycles. With pools, specifically, self-insured pools, many times their rate cycles, as with the county and CTSI, with a pool over time and WC rates, the cost of insurance goes up, claims costs go up these types of things, naturally, so do the rates.

Kitsmiller noted, in the last year or so, we started seeing that some of these rates were starting to get very much out of the range of what we would see with carriers like Pinnacle. We did some rate comparisons not just with Logan County, but with some of the other counties that were with the pool. We've seen before other additional discounts given by Pinnacle, for instance, on our rate comparisons, Pinnacle's base rates come in 29 - 35%. below what CTSI's base rates are. Like the police officer class code or the folks that are hauling trash. On top of that, there's multiple dividend opportunities with the carrier as well. We know that we can bring in a much better rate.

Being Pinnacle's largest agency, we also bring, and have brought to the table for years, a lot of things that many other of our competitors just simply don't have. We have an entire medical claims division to help you guys and the folks internally that are managing the claims. That's why Dylan is with us. He's a registered nurse, and he's the head of that division. We bring a tremendous amount of strength there. We know we can save you guys money and bring support on the claims side. We work very closely with Pinnacle's teams as well to help with loss control services, and we have access to all of their regional safety consultants.

We initially talked to Diana and Debbie like I said in the rate comparisons that we've done here in the last two months. We'd love to quote you guys with Pinnacle. We gathered the information necessary to send in a quote with Pinnacle, which we did as of last week. With Pinnacle, the issue is that the agency that submits your information to Pinnacle first, is the one that gets access to the market. You guys can decide whichever agent you would like to bring

you the quote at any time. Right now, we have submitted to Pinnacle, we have been in discussions with Pinnacle and their underwriting team, and they are very excited to give you guys a quote, and they are very confident that they will produce savings.

Commissioner Sonnenberg asked what effects on rates Senate Bill 217, has had with regard to our law enforcement, has that been taken into consideration? Obviously, it's been taken into consideration by Pinnacle. Help me understand what kind of impact that had on the premiums because it appears that it's had less of an impact on the premium side, compared to where we're at now.

Pinnacle is the one that determines the rates, all agents and brokers have access to the same rates, In regard to Pinnacle's rates over the last two years, for anybody that we see in public sector, including law enforcement, or emergency personnel, their rates actually over the last couple of years have gone down.

Police officers, fire personnel, EMS, ambulance districts, waterworks, public sanitation, in all those categories, Pinnacle's rates are substantially lower than the rates that right now CTSI is offering. The other side of this too, because some of the counties have asked, because we a lot of counties have not quoted with pinnacle for a number of years. The feeling of being in the pool a lot of times is there is safety of being in an insurance pool. Some of the counties' questions have been, "What do you see as far as rates, with Pinnacle, once they get a county and they're writing the insurance? Do you see that the rates all of a sudden whipsaw and go up the next year?" And I've been doing this for almost 20 years, with the public sector specifically. It's very rarely that we see Pinnacle's rates go up or down more than a few percentage points, depending on legislation and those types of things. They've been very, very consistent in their underwriting for all the class codes. Law enforcement is one of the ones that of course, drives a lot of the premium, and is one of the more expensive ones.

Commissioner Sonnenberg asked why the Pinnacle premium would be 29-30% less than the CTSI pool premium.

Kitsmiller stated it's the old-school insurance philosophy of insurance. It's based on the law of large numbers. The more you have that you are underwriting or writing insurance for, the more ability you have to control rates. In a self-insured pool like CTSI, they are only specifically writing for counties. They only have a certain amount of premium that they're bringing in. Depending on that, there's a certain number of claims that are coming in. They don't have the ability like Pinnacle has, where they're writing 55,000-60,000 policyholders to be able to flatten that rate effect.

What I can tell you with a pool like CTSI, because we work with a total public sector, and we will always direct not only our private sector clients but also public sector clients to do what's best for them. CTS's rates are just like the services rate in our Colorado Inter-governmental Risk Services Association, they are a pool for cities and towns. And if you don't go back 10 years ago, because they can only write for cities and towns that are self-insured pools, their rates were pretty good. But we don't really see many of the cities and towns keeping their workers comp there because again, being that they only have this amount of premium and the pool to work with, as they have claims, that loss ratio goes up. And they have to start charging more in rate to

keep up with the claims cost and things that are happening within the within the pool itself, if that makes sense. The other thing was Pinnacle that you have to have the ability for that is different is that with Pinnacle, Pinnacle has multiple dividend programs. Now I'm sure you guys are all familiar with the Tabor Amendment. Pinnacle was formed under the Tabor Amendment. They're not De-bruced, they cannot keep money over They're operating expense are the consumer price index fluctuation on any given year. They have to pay it back to policyholders in the form of a general dividend like a mutual insurance company. That dividend was what's called their general dividend. It's been very consistent over the last 20 years. I think they've issued it about 18 out of the last 20 years, this year's dividend was about \$20 million. Last year, they've been as large as \$70 million. A lot of the years around \$50 million. If you're a policyholder, city, town, county, you are entitled to a dividend, if you have a good loss ratio from the year prior. Not only that, but you also have the ability to go into an additional dividend program based on your losses for that year, they give you, based on your premiums, the opportunity to get an additional 26.4% of your premium back, depending on your claims.

Pinnacle is thirty percent, roughly lower on rates, but then you take into consideration the opportunity to get dividends, and we have policyholders that last year let's just say in 2022 got 40 50% of their premium back because of their dividends.

The office is located in the Denver Tech Center at Orchard and I25.

RUSSEL ADELS WORKERS COMPENSATION QUOTE - Russel Adels of Renaissance Insurance Group, met with the Board. Jay Helzir, a founding member of Renaissance Insurance Group, he and another college roommate founded the agency in 2001. The agency is located in Windsor. They are excited to have Russel as part of the team. In general, a big part of their agency has been based around Ag and the rural communities that make up Colorado. Scott Runyan has been with Renaissance Insurance Group since 2005 and came on as an owner in 2018 one of five partners.

Everything said by the previous agency about Pinnacle is very true. And those benefits are accessible to most agencies, we are also a very large agency with Pinnacle representing the safety group for Pinnacle. On the livestock side, there's only three agencies in the state of Colorado that have that opportunity. They are also part of the President's Club, which is in the top 25 agencies within Pinnacle. From that we bring a lot of resources that are available that we have not only through Pinnacle, but also through our in-house opportunity. They have in-house nurse triage, we also have access to that, and resource for that we have a safety program. Diana had asked about safety training and the long-term goal of Workers Comp., whether you leave the pool or not, is to drive down your costs. Believe it or not, Worker's Comp. is actually one of the only controllable insurances spends that you have. The way that you do that is through managing the claims, managing your overall exposure. That is something that I have experience with our office has experienced with and so we would like to be the ones to represent you to Pinnacle, exclusively moving forward.

As a market, we have a lot of resources that we'd be able to offer you guys because we're boots on the ground right here in Northeast Colorado. Being able to identify things like a distracted driving policy, trucks running around all over the county, both pickups and semis and, equipment. What are some policies and procedures you have put into place that could be a

potential for claims and exposures to the county? Those are things that I see being around here and knowing the community and the area, that would be different to what that we would bring to the table.

Mr. Adels presented a letter for the Board's signature allowing us Renaissance Insurance Group to represent Logan County with Pinnacle moving forward.

Commissioner Sonnenberg asked if Renaissance had any public-sector clients. Mr. Adels answered that they have the Town of Superior as a Client. They also have the Peetz School District.

Diana Korbe joined the meeting. Right now Associates has put the bid in because in the past, her role was to vet insurance companies before introducing them to the Board. If the board signs the letter to Pinnacle, the letter will remove Associates from the process and the bid would go directly to Renaissance to represent Logan County.

Commissioner Sonnenberg asked if it would change anything internally for Pinnacle on how the bid is constructed.

Mr. Hilzer stated in a way it does because they have to file for their separates. There are premium scheduled credits. Really, it's an opportunity for us to represent you to them and tell your story. If there's any room for scheduled credits, or any way to make them more comfortable with our underwriting process, there are seven different rate tiers that you can fall into order from non-standard to the preferred. If we can get them to a comfort level, to where your thresholds and metrics meet, a certain way, sometimes you can shift over to more aggressive rate tiers and or find available underwriting credits. So even though yes, they do have to represent, you know, a single agency, there's an opportunity to tell a better story. The problem is, once they release that, if they release it to them, then that's a separate, they're not going to come under credit with us and vice versa. Whoever represents you and tells your story the best, it's kind of a big deal.

Mr. Runyan added whatever rate is put out, will not be changed or altered. The internal pricing would not be changed or altered, the payrolls could be amended, but the rate per 100, that really makes up and then of course, all the skill ratings and credits that you see on those policies, traditionally, those remain fixed.

Mr. Adels stated that he's been talking to the underwriter in the public sector about Logan County, since he had first met with Mr. Brownell, back in August. He asked him to look at it as a potential, client. Is this something that you feel that you would be effective on, going through the budget, approximately what was spent last year, the approximate payroll etc. And then I was able to meet with Mr. Brownell, because from what we've seen from the private sector, there were some substantial discounts. They couldn't tell me a rate or anything, but I guess, conversations have already been started between us and Pinnacle and underwriters, in telling that story.

Commissioner McBride does not see the plus in going with Associates. He is fine with going forward with Renaissance Insurance Group.

Diana asked how many people would work with claims at Renaissance. Mr. Adels answered that claims will be reported to Pinnacle. Then management on the backside, the County would be assigned one account rep as well as Mr. Adels himself. When a claim is open, it's all about getting that employee taken care of, getting them healed up and getting them back to work as soon as possible. That's where you would have that one point of contact with Pinnacle, then you would also have Renaissance to help keep you informed and also to do the follow-ups on those.

Commissioner Sonnenberg noted that Pinnacle started as a government alternative for those who could not get WC and has grown to such a degree that now it's the only option. He struggles with government insurance taking over a sector, in which now we're at a point where there's no return.

The upside is once you do begin doing business with Pinnacle, their claims handling and their people are top notch. Pinnacle does such a good job managing their claim costs that even in the private sector with large contractors for example they oftentimes are chosen and elected as the carrier. They're just that competitive. They do have some other carriers that have come onto the market in the last few years and they are proving to do quite well. They aren't of the caliber that we were putting some other business with other carriers.

Commissioner Brownell asked if there should be training provided to all departments in safety programs especially the Road and Bridge and Sheriff's Office then reporting to Diana in HR. I'm just trying to think about how this works to make sure that we are getting the training to help with losses and the risk to employees. Is the accountability on the county side of this with departments or how that might work? Do you see it working well on other organizations?

It would be a committee that is the best way, having representatives from the different departments, Diane could spearhead a safety program by logging and tracking all the employees and have access to the training and access to the program. Then by having a log the policies and procedures put into place, that also alleviates for the county that "Hey, little Johnny, we've told you not to put your hand in the meat grinder and you signed off that you would not put your hand in the meat grinder, that now you stuck your hand in there knowingly." Now that gives you guys the leeway to "Hey, little Johnny, we are not obligated to take care of your poor choices and blatantly disobeying. Well, we have told you not to do so."

Pinnacle offers a ton of opportunities. I've got a risk manager that I've worked with for the last several years that, as we contact him and bring him in to help you guys. It's making it applicable to Logan County. The safety programs that Pinnacle puts out; you can customize those make those your own. So yes, maybe it would make sense to have one-person full-time, you know, CHS Co Op has several, that they have risk managers, and that is their full-time duty. In my proposal to you is that it might make sense for to add a staff member because that would be their sole job to be a Risk Advisor/Risk Manager. There are a lot of companies, even construction companies, that have a full-time safety person. When I worked in the coal mines and an oil and gas industry, we had full-time safety people, and that was their job to help identify some of them, they carried a big axe and other ones, they came out and they're like, help us make a work around, we see this potential hazard. What can we do to make this better for you as Mr. Employee, but then also from the safety standpoint of the company that we aren't going to have a catastrophe or a loss.

That's why a committee really is effective, because now you're spreading that accountability. Mr. Sheriff, we don't want you to chase anybody down across the county bar ditch and through a barbed wire fence or something like that. Instead of just jumping out from the top step of the loader, three points of contact, turn around come out the same way you went in it. Stick your butt out first, and crawl down each of the steps and hang on to it. You know, those sorts of things. That's where having a committee that you have people bought into it. Sometimes an employee as the chairperson would be the better option. Mike, to answer your question in a long roundabout, away, it wouldn't have to fall on to just one person. But there would need to be somebody that would be that point of contact for that accountability and the tracking piece of it. That would be my vision and how I've done that with other ones.

I've got a business owner, that cut his policy in half now or less than half plus he got a 20% dividend from Pinnacle this last year. He's got nine different shops and locations, and he's the guy, but he's got managers in different locations. So, they kind of helped spearhead the committee on that, but still the buck fell to him.

The county needs an "Emod" or a grade. The Emod needs to be at least a C. If you get below a .9 or a .8 you have like an A or a B Needs to be at least a C. To be average to be a 1 is really good. If you have lots of claims and you are outside of your industry, your Emod goes higher, so that will be like a 1.1 or a 1.5 so then you are moving into the D and F range. We are going to compile an Emod for you because you have not had one. CTSI does work with NCCI but they do not form an Emod for you. That will give an industry standard across municipalities. Five years' data is used to compile the Emod.

BUILDERS RISK INSURANCE BRIDGE REPLACEMENT PROJECT – Alan Samber discussed portions of the bridge replacement contract. The contract requires that the contractor obtain Builders Risk Insurance. The insurance ensures the replacement of the structure if it is destroyed or damaged as it is being built. The contract requires that the insurance be paid to the full extent of the contract sum, which is \$4.1 million, and it shall include losses from flood. The deductible selected contractor insurers are less willing to issue low deductible policies on smaller projects which are in flood risk areas.

Time for completion is five months. Risk of flood is minimal unless project is delayed. The contractor is inquiring if the insurance requirement can be modified. Alan will contact with the engineer on the State grant requirements. Commissioner McBride does not believe that a flood will happen in that time period.

Jerry Casebolt commented that we are in a Super El Niño weather pattern this year. The end of this year is going to be drier and more seasonal, but then the beginning of next year, late January, February and March they are talking potential for major snowstorms like those type of blizzards from 2006. They are expecting a lot more moisture early in the spring.

Runoff doesn't usually peak until mid-June. Option 4 for the full contract value which could be obtained by Option 3 plus purchasing additional flood-only policies to make up the gap. The contractor needs to be told about the Super El Niño weather pattern as well.

Commissioner Sonnenberg is not sure that it's a bad risk to not insure or self-insure over the next five months. He does believe that the contract needs to be modified to relieve the insurance requirement for a credit of \$30,000 but the bridge must be finished by March 1 for February 28.

Alan didn't think the liquidated damages were in the contract. However, there may be some buried in the attachment to the contract.

Commissioner McBride stated that Option 1 is out for him, taking out all the other liability that it protects.

Option 3 Alan stated he does not know why they would propose a \$500,000 deductible because the contractor has to pay it.

Commissioner McBride thinks Option 4 is \$500,000 thinks which is what they are contractually bound to do unless it is an act of God. Jerry would be willing to make it easier, but they have to compensate the County. The risk of a natural disaster or flood during the next five months is minimal. The RFP stated the insurance requirement they bid the job based on those requirements. There should be some compensation to the County based on the county accepting the option.

Alan will further investigate the contract and keep the Board informed.

The Board issued a Notice to Proceed. The contractor is required to start construction within a certain number of days of receipt of the Notice to Proceed.

SHERIFF/JAIL TELEPHONE SYSTEM BIDS - Jerry Casebolt presented three quotes for a new phone system for the Sheriff/Jail Offices in the Justice Center. Brett Powell and Ken Kimsey discussed this with the Board recently in the budget meetings. This will also include the DA's Office if the Board would like to include that office. The KCI quote is for a system similar to the Mitel system at the Courthouse. The physical server will be housed in the Sheriff's Office server room just like they do now with the current Shortel equipment. The other two quotes, Phoneware, and Silicon Plains - CTS (CTS is also our IT service provider) are for cloud-based services. With a cloud-based system, there is no actual physical hardware in the facility. If the facility loses power, it does not lose phone service. There will be no physical infrastructure to tie to the phones.

KCI is selling a phone system with a physical server system which will be located in the server room. The KCI bid is \$35,575.00 which includes phones. For example, CTS's quote is \$1,097 per month or \$13,000 annually. per year. KCI's bid is three times that amount; however, it includes the Mitel phones. The county will need to purchase phones for the Phoneware or CTS quotes. IP-based phones cost approximately \$199 each and have the flexibility to work on most cloud-based systems. The current long-distance contract with Phoneware is a three-year contract. Because the Phoneware quote is IP-based, meaning telephone service is going over the internet, you don't need a long-distance service; therefore, the Phoneware contract would not be needed. The Phoneware quote is a \$1,808 one-time cost plus \$10,776 annually. We would save money on that portion of the contract. Jerry Casebolt will send the Phoneware long distance contract to Alan to review.

Jerry Sonnenberg asked how much system upgrades would be. Jerry Casebolt said to the best of his knowledge, it is all built in to the Phoneware and CTS quotes because they are cloud-based services. The KCI quote he was not sure but thought that it would be similar to the Courthouse system because there is a physical server in the building that must be maintained.

Commissioner Sonnenberg asked if there was another option for the Courthouse telephone system upgrades. The Courthouse system was purchased in 2018 at a cost of approximately \$65,000.

The Sheriff/Jail is on their second or third telephone system since being in the Justice Center building. The current system has been in place since 2012. Shortel no longer exists as it has been bought out by Mitel. Mitel does not support Shortel. When they have an issue, it is very difficult to figure it out. Silicon Plains (CTS) has been able to help them figure out some of the issues. They understand phones because they do it as part of their business.

All the functionalities of the cloud-based systems are basically the same with the exception of KCI because it is a physical server.

Jerry Sonnenberg suggested that Silicon Plains and Phoneware prepare a second bid including phones so that the Board can “compare apples to apples.” And then also prepare another bid to include the Courthouse, The Road and Bridge Department and possibly the Department of Human Services (DHS).

Jerry Casebolt stated that he believes that DHS phones are through the State. They have a Phoneware contract, but he thinks that their phone system is a State system. Commissioner Sonnenberg likes the cloud-based approach. CTS is a little more expensive than Phoneware. The County has had great success with them as our IT service provider and how responsive they are. It would be a one-stop shop for us.

Jerry will investigate the DHS telephone system and get back to the Board.

COMMISSIONERS PROCEEDINGS FOR SEPTEMBER 2023 - Commissioner McBride moved to approve the Commissioners Proceedings for the month of September, 2023. Commissioner Brownell seconded the and the motion carried 3-0.

LOGAN COUNTY AMBULANCE COLLECTION ASSIGNMENTS - Commissioner McBride moved to approve assignment of a Logan County Ambulance debt collections account to Wakefield and Associates, the account number ending in 4001 and allow the Chairman to sign. Commissioner Brownell seconded and the motion carried, 3-0.

There being no further business, the meeting was adjourned at 11:26 a.m.