

SPECIAL MEETING OF DECEMBER 29, 1950

The Council members of the City of Milwaukie, Oregon met in special session at the City Hall, Milwaukie, Oregon at 7:30 o'clock P.M. Friday December 29, 1950.

The meeting was called to order by Mayor Fred Sperr for the purpose of re-considering a decision made by the City Manager regarding the awarding of \$12,500.00 fire insurance policy on the City Buildings and Equipment. Upon roll call those present and absent were as follows: PRESENT: Fred Sperr, Mayor; Garland Taylor, Councilman; Edwin Norbeck, Councilman; Leonard Mullan, Councilman; Ralph Klein, Councilman-elect. ABSENT: None. The Mayor thereupon declared that a quorum was present. Also present were Thomas D. Telford, City Manager; Mr. Huffman, Mr. Shea and Mr. T.W. Loder.

City Manager Telford told the Council that he had been requested by the Mayor to hold up awarding of the \$12,500.00 fire insurance policy to the low-bidder until the Council could meet.

The City Manager was asked to read the bids and they were as follows:

LOWEST BIDDER

Thomas & Telford Insurance Agency  
P.O. Box 5733  
Milwaukie, Oregon

Standard Published Rates with an anticipated dividend of 20%. Insurance to be taken out with Oregon Mutual Fire Insurance Company, licensed in the City of Milwaukie.

SECOND LOW BIDDER

A. F. Huffman  
1225 28th Street  
Milwaukie, Oregon

Standard Published Rates with an anticipated dividend of 20%. Insurance to be taken out with Lumberman's Mutual National Retailer's Mutual. Not licensed in the City of Milwaukie but would take out license if the insurance was placed with him.

SPECIAL MEETING OF DECEMBER 29, 1950. (Cont'd)THIRD LOW BIDDER

Mr. Shea of Kronberg & Shea  
Milwaukie, Oregon

Standard Published rates with a definite reduction of 15% of premium. Insurance to be taken out with a Standard Approved Stock Company. Licensed in the City.

FOURTH LOW BIDDER

T.W. Loder  
Milwaukie, Oregon

Standard Published Rates, with an anticipated dividend of 15%. Insurance to be taken out with General Insurance Co. Holder of present policy that expires January 12, 1951. Licensed in the City.

Mr. Frady asked Mr. Telford if the "Telford" of the Firm, Thomas & Telford, was any relation to him. City Manager Telford replied that he was his father's brother and if personalities were going to be brought into the discussion to disqualify the bid of Thomas & Telford. The Council disqualified the low bid.

Mr. A.F. Huffman, second low bidder was asked if he now possessed a city license to handle insurance business. He replied "no" but would take one out if necessary. The Council disqualified the bid.

Mr. Shea of Kronberg & Shea, third low bidder, was asked to speak. He gave a talk on the establishing of the rates and all the work he had done on the original policy but that he was underbid eleven dollars (\$11.00) and he thought he was entitled to the business now. There was no action on this by the Council.

Mr. Ted Loder, fourth low bidder, explained to the Council that the City was morally obligated to take out the policy in his Company though no statement to that effect was in the policy or on record in the City files but that the Rating Bureau gave the City the benefit of the same rate as a five-year policy when the expiring policy was written presuming that the next policy would be written with the same Company.

City Manager Telford explained to the Council that he had checked with the Oregon Insurance Rating Bureau and there was no such statement in the policy and that they would accept another policy in another Company; and there was nothing legally binding the City to take out a policy with the same Firm, as the expiring policy.

Mr. Frady made a motion that the City accept Mr. Ted Loder's bid as the city was morally obligated to renew the policy with him. The motion was seconded by Mr. Taylor, put to a vote, unanimously carried and so ordered.

There being no further business to come before the Council, the meeting was adjourned upon motion duly made and carried.

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Thomas Telford, Acting Recorder.