

CITY COUNCIL MEETING
October 27, 2011 8:30 a.m.

CITY COUNCIL OF THE CITY OF ABILENE, TEXAS
COUNCIL CHAMBERS, CITY HALL

The City Council of the City of Abilene, Texas met in Regular Session on October 27th at 8:30 a.m. in the Council Chambers at 555 Walnut Street. Mayor Archibald was present and presiding with Councilmen Shane Price, Joe Spano, Robert O. Briley, Anthony Williams, Stormy Higgins and Councilwoman Kellie Miller. Also present were City Manager Larry Gilley, City Attorney Dan Santee, City Secretary Danette Dunlap, and various members of the City staff.

Mayor Archibald gave the invocation.

Mayor Archibald introduced Estella Nyandwi a 5th grader at Bowie Elementary School. Estella led the Pledge of Allegiance to the Flags of the United States of America and the State of Texas.

PROCLAMATION

Mayor Archibald presented the following proclamation:

Care Enough to Wear Pink Day

Marty Sanders, President Fire Fighter Association, and
Jess Madison, Fire Fighter received the proclamation

DISPOSITION OF MINUTES

5.0 Mayor Archibald stated Council has been given the minutes from the October 11th regular meeting there being no deletions, no additions, and no corrections. Councilman Higgins made a motion to approve the minutes as presented. Councilman Williams seconded the motion, motion carried.

AYES: Councilmen Price, Spano, Williams, Briley, Higgins, Councilwoman Miller and Mayor Archibald

NAYS: None

CONSENT AGENDA

Councilwoman Miller made the motion to approve consent items 6.1 through 6.17 as recommended by staff. Councilman Price seconded the motion, motion carried.

AYES: Councilmen Price, Spano, Williams, Briley, Higgins, Councilwoman Miller and Mayor Archibald

NAYS: None

ABSTAIN: Councilman Price – Item 6.5, Mayor Archibald – Item 6.4 & 6.5

Ordinances:

6.1 Ordinance – (*First Reading*) **Z-2011-21** Request from Brushy Armadillo Acres, LLC to rezone property from LI (Light Industrial) to GC (General Commercial) zoning, located at 2257 Industrial Blvd; and setting a public hearing for November 3, 2011.

AN ORDINANCE OF THE CITY OF ABILENE, TEXAS, AMENDING CHAPTER 23, SUBPART E, "LAND DEVELOPMENT CODE," OF THE ABILENE MUNICIPAL CODE, BY CHANGING THE ZONING DISTRICT BOUNDARIES AFFECTING CERTAIN PROPERTIES; CALLING A PUBLIC HEARING; PROVIDING A PENALTY AND AN EFFECTIVE DATE

6.2 Ordinance – (First Reading) Z-2011-22 Request from Harris Acoustics to rezone property from HI (Heavy Industrial) to HC (Heavy Commercial) zoning, located at 1201 & 1233 S. Treadaway Blvd and 1260 China Street; and setting a public hearing for November 3, 2011.

AN ORDINANCE OF THE CITY OF ABILENE, TEXAS, AMENDING CHAPTER 23, SUBPART E, "LAND DEVELOPMENT CODE," OF THE ABILENE MUNICIPAL CODE, BY CHANGING THE ZONING DISTRICT BOUNDARIES AFFECTING CERTAIN PROPERTIES; CALLING A PUBLIC HEARING; PROVIDING A PENALTY AND AN EFFECTIVE DATE.

6.3 Ordinance – (First Reading) Z-2011-23 Request from Jan and Jerry Engelke to rezone property from LI (Light Industrial) to GC (General Commercial) zoning, located at 1125 Elmdale Road; and setting a public hearing for November 3, 2011.

AN ORDINANCE OF THE CITY OF ABILENE, TEXAS, AMENDING CHAPTER 23, SUBPART E, "LAND DEVELOPMENT CODE," OF THE ABILENE MUNICIPAL CODE, BY CHANGING THE ZONING DISTRICT BOUNDARIES AFFECTING CERTAIN PROPERTIES; CALLING A PUBLIC HEARING; PROVIDING A PENALTY AND AN EFFECTIVE DATE.

6.4 Ordinance – (First Reading) Z-2011-24 Request from Griffin Properties of Fort Smith, LLC to rezone property from HC (Heavy Commercial), RS-6 (Single Family Residential) and LI (Light Industrial) to MU (Medical Use) zoning located at 1618 & 1658 N. Treadaway Blvd, the 600 block of Wilson St., 1626-1690 Plum St., and 1657 & 1689 Mesquite St; and setting a public hearing for November 3, 2011.

AN ORDINANCE OF THE CITY OF ABILENE, TEXAS, AMENDING CHAPTER 23, SUBPART E, "LAND DEVELOPMENT CODE," OF THE ABILENE MUNICIPAL CODE, BY CHANGING THE ZONING DISTRICT BOUNDARIES AFFECTING CERTAIN PROPERTIES; CALLING A PUBLIC HEARING; PROVIDING A PENALTY AND AN EFFECTIVE DATE.

6.5 Ordinance – (First Reading) TC-2011-03 Request from Griffin Properties of Fort Smith, LLC to abandon N. 17th St. between N. Treadaway Blvd. and Mesquite St., a portion of Plum St. between N. 17th St. and N. 16th St., Wilson Ave. between N. Treadaway Blvd. and Plum St., and the 20' east to west alley ROW between N. 17th St. and Wilson Ave.; and setting a public hearing for November 3, 2011.

AN ORDINANCE PROVIDING FOR THE ABANDONMENT OF A PORTION OF PUBLIC RIGHT OF WAY; PROVIDING FOR THE TERMS AND CONDITIONS OF SUCH ABANDONMENT, AND CALLING A PUBLIC HEARING.

6.6 Ordinance - (First Reading) Z-2011-25 Request from Phillip and Cheryl Miller to rezone property from RS-6 (Single Family Residential) to RS-6/H (Single Family Residential with Historic Overlay) zoning, located at 2241 College St; and setting a public hearing for November 3, 2011.

AN ORDINANCE OF THE CITY OF ABILENE, TEXAS, AMENDING CHAPTER 23, SUBPART E, "LAND DEVELOPMENT CODE," OF THE ABILENE MUNICIPAL CODE, BY CHANGING THE

ZONING DISTRICT BOUNDARIES AFFECTING CERTAIN PROPERTIES; CALLING A PUBLIC HEARING; PROVIDING A PENALTY AND AN EFFECTIVE DATE.

6.7 Ordinance - (First Reading) Z-2011-26 Request from Steven and Deborah Smith to rezone property from MD (Medium Density Residential) to MD/H (Medium Density Residential with Historic Overlay) zoning, located at 1430 S. 6th St.; and setting a public hearing for November 3, 2011.

AN ORDINANCE OF THE CITY OF ABILENE, TEXAS, AMENDING CHAPTER 23, SUBPART E, "LAND DEVELOPMENT CODE," OF THE ABILENE MUNICIPAL CODE, BY CHANGING THE ZONING DISTRICT BOUNDARIES AFFECTING CERTAIN PROPERTIES; CALLING A PUBLIC HEARING; PROVIDING A PENALTY AND AN EFFECTIVE DATE.

6.8 Ordinance - (First Reading) Z-2011-27 Request from David and Kirsten Keel to rezone property from MD (Medium Density Residential) to MD/H (Medium Density Residential with Historic Overlay) zoning, located at 340 & 342 Palm St; and setting a public hearing for November 3, 2011.

AN ORDINANCE OF THE CITY OF ABILENE, TEXAS, AMENDING CHAPTER 23, SUBPART E, "LAND DEVELOPMENT CODE," OF THE ABILENE MUNICIPAL CODE, BY CHANGING THE ZONING DISTRICT BOUNDARIES AFFECTING CERTAIN PROPERTIES; CALLING A PUBLIC HEARING; PROVIDING A PENALTY AND AN EFFECTIVE DATE.

6.9 Ordinance - (First Reading) Z-2011-28 Request from City of Abilene to rezone property from MD (Medium Density Residential) to PD (Planned Development) zoning, located at 1699 S. 1st St.; and setting a public hearing for November 3, 2011.

AN ORDINANCE OF THE CITY OF ABILENE, TEXAS, AMENDING CHAPTER 23, SUBPART B, "LAND DEVELOPMENT CODE," OF THE ABILENE MUNICIPAL CODE, CONCERNING PD-136 A PLANNED DEVELOPMENT; CALLING A PUBLIC HEARING; PROVIDING A PENALTY AND AN EFFECTIVE DATE.

6.10 Ordinance - (First Reading) Allowing Golf Carts on Public Streets with Restrictions; and setting a public hearing for November 3, 2011.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS, ALLOWING GOLF CARTS ON PUBLIC STREETS WITH RESTRICTIONS

Oral Resolutions:

6.11 Oral Resolution – Council approved the agreement with the Texas Department of Transportation and the City of Abilene for a State and Community Highway Safety Grant Program for Safety City - Building Safer Communities Project.

Grant agreement between the State of Texas and the City of Abilene to fund Project "Safety City-Building Safer Communities". Project description: To teach elementary age students traffic safety, pedestrian safety, bicycle safety, railroad safety, bus safety, seat belt safety and officers are their friends.

Problem Identification- According to the National Highway Traffic Safety Administration in 2009, traffic crashes were the leading cause of death for children ages 3-14 and 630 bicyclist were killed and 51,000 injured(8,000 under 14 years of age).

Problem solution- Traffic safety education is provided to elementary age students in the 19 selected counties with hands-on experience that give students the tools and knowledge they need to handle potentially

hazardous situations in their community. Teachers from 69 schools and school districts spend approximately 6-10 hours educating students in their classroom on basic traffic safety laws prior to their visit to the Melvin Martin Center for Children Safety. Center also offers summer bicycle and pedestrian safety courses as a reminder to students of the traffic safety laws they may encounter during the peak time of year they are outside on the streets.

6.12 Oral Resolution – Council approved the purchase of property particularly described as 750-782 Pine Street. Intended for the expansion of the Abilene Civic Center parking facility at a cost of \$500,000.00.

Award of Bids:

6.13 Bid Award – Council authorized the City Manager to execute the contract for improvements to the Abilene Water Treatment Plant in the amount of \$168,000.00.

The Water Master Plan (WMP) was completed by Jacob and Martin, Ltd. and Freese and Nichols, Inc. in March 2010. The WMP recognized a growing water demand in South Abilene and indicates the need to improve the pumping capacity from the second Pressure Plain (PP) into the third PP in the event the Hargesheimer Water Treatment Plant (HWTP) is out of service or should the Ivie raw pipeline system fail. The current extreme drought conditions have severely impacted the yield of the O.H. Ivie Reservoir which could eventually limit production from HWTP due to impaired water quality or lack of available water.

The Abilene Water Treatment Plant (AWTP) has been inactive since 1999. The HWTP came on line in 2003 and eliminated the need to restart the AWTP. The proposed AWTP Improvements Project (Project) designed by Jacob and Martin, Ltd. will allow the utilization of the AWTP as a remotely operated potable water storage and pumping facility that would increase pumping capacity from the second PP into the third PP. The AWTP Improvement Project is a cost-effective means of quickly addressing pumping needs into the third PP and it greatly improves the redundancy of the pumping systems in that area.

On September 20, 2011 the City of Abilene received bids for the AWTP Improvements Project. Three bids were received. The low bid was submitted by Texas Water and Soil of San Angelo, TX (TWS) in the amount of \$168,000. The Engineer, after evaluating the bid submittal and investigating TWS, does recommend awarding the bid to the low bidder. TWS did successfully complete a project in Abilene's fifth PP. This project will result in the AWTP being utilized as a remote pump station. Engineer's Recommendation of Award letter is attached.

6.14 Bid Award – Council authorized the City Manager to execute the contract for improvements to the Grimes Water Treatment Plant to Purcell Contracting, Inc. in the amount of \$2,529,100.00.

On April 9, 2009 the Abilene City Council authorized the execution of a Professional Engineering Services Contract with Alan Plummer Associates, Inc. (APAI) to design improvements to the Grimes Water Treatment Plant (GWTP). On October 5, 2011 the City of Abilene received bids for the GWTP Improvements Project. Eight bids were received. The low bid was submitted by Purcell Contracting, Ltd. (Purcell) of Meridian, TX in the amount of \$2,529,100. The Engineer, after evaluating the bid submittal and investigating Purcell, does recommend awarding the bid to the low bidder. Purcell has successfully completed projects in the past for the City of Abilene.

The project includes filter bottom and media replacement and installation of an air scour system on four filters. The project also includes extensive improvements to the recycle system, which receives the filter-to-waste and spent backwash waters and the clarifier blow down.

This project is the second phase of renovation of the GWTP filters. On April 9, 2009 the Abilene City Council awarded a bid for the replacement of filter media in four filters and the installation of filter-to-waste piping and valves in eight filters. The previously completed filter repairs, along with the proposed project, will improve performance of all eight of the GWTP filters and resolve operational issues with the existing recycle system. It is necessary to continue to operate and maintain the current GWTP while City staff and consultants perform the work necessary to determine whether the capacity of the Grimes WTP should be relocated to the Northeast Water Treatment Plant or maintained at its current location; and to determine the appropriate schedule for implementing and designing the improvements.

6.15 Bid Award - CB#1137 – Council approved the purchase of Bucket Truck, for Traffic Engineering. Bid was awarded to Utility Truck Equipment Company, LLC, in the amount of \$65,022.45.

6.16 Bid Award - CB#1140 – Council approved the purchase of Small Wheel Loader, for Streets Division. Bid was awarded to ASCO, in the amount of \$136,381.32.

6.17 Bid Award - CB#1139 – Council approved the purchase of Stake Trucks, for Solid Waste Department. Bid was awarded to Roberts Truck Center, in the amount of \$132,644.00.

REGULAR AGENDA

7.1 Dan Santee City Attorney, briefed the council on the Ordinance amending the City Code dealing with the discharge of weapons within the city limits.

Currently, it is generally illegal to discharge a weapon within the city limits. The portions of the City Code being considered for amendment today have been relatively unchanged since 1965. The state law was amended to prohibit cities from regulating hunting on parcels of land larger than 10 acres if the parcels were annexed after 1981. When this was changed, the City could no longer enforce our ordinance against those hunting on the parcels subject to the revised state law. This has presented enforcement challenges in the years since that change because our law enforcement officials must have a map indicating parcels that are exempt from the 1965 law. Additionally, it is a burden on hunters as well as they try to determine where within the city they may legally hunt. The amendment to Chapter 20 is intended to lessen the burden on both our law enforcement officials and local hunters. It will treat all parcels greater than 10 acres the same, incorporates the state law buffer zone, and only applies to shotguns, air rifles, BB guns and bows and arrows.

Following first reading, a clarification was made to the intent of including the extra-territorial jurisdiction by adding a provision stating that a parcel that extends from within the city limits may include contiguous portions extending into the extra-territorial jurisdiction in the calculation to exceed the 10 acre minimum threshold. This will allow that landowner the right to discharge a weapon in accordance with state law on all portions of his property rather than just that portion in the extra-territorial jurisdiction

Mayor Archibald opened the public hearing and council heard from:

- Steve Savage – who spoke in favor of the ordinance
- Joe Burlansky – who spoke against the ordinance

There being no one else present and desiring to be heard the public hearing was closed.

Councilman Williams made the motion to approve Ordinance amending the City Code dealing with the discharge of weapons within the city limits. Councilman Spano seconded the motion, motion carried.

AYES: Councilmen Price, Spano, Williams, Briley, Higgins, Councilwoman Miller and Mayor Archibald
NAYS: None

Ordinance # 39-2011 and captioned as follows:

AN ORDINANCE AMENDING CHAPTER 20, "OFFENSES", OF THE ABILENE CITY CODE, BY AMENDING CERTAIN SECTIONS AS SET OUT BELOW, PROVIDING A SEVERABILITY CLAUSE; DECLARING A PENALTY; AND CALLING A PUBLIC HEARING

Delete:

Chapter 20, "Offenses", Article II, Offenses Against Public Safety

Sec. 20-22. Same--Exception.

The provisions of section 20-21 shall not apply to peace officers in the lawful discharge of their official duties, the animal control department of the city in the performance of its duties under the direction and control of its supervisor, nor to private citizens where the use of a firearm is permitted by state law.

Add:

Chapter 20, "Offenses", Article II, Offenses Against Public Safety

Sec. 20-22. Same--Exceptions.

The provisions of section 20-21 shall not apply in the following circumstances:

(1) If the firearm or other weapon is a shotgun, air rifle or pistol, BB gun, or bow and arrow discharged in accordance with applicable city, state and national laws and regulations:

(a) Within the City on any tract of land of 10 acres or more and more than 150 feet from a residence or occupied building located on another property; and

(b) In a manner not reasonably expected to cause a projectile to cross the boundary of the tract

(2) The individual is a peace officer, animal control officer or zoo employee of the City of Abilene in the lawful discharge of their official duties under the direction and control of their supervisor, or as part of the approved wildlife flight hazard depredation program at Abilene Regional Airport.

(3) For the purpose of calculating the 10 acre minimum under (1)(a), a parcel bisected by the municipal boundary may include the contiguous portion of the parcel extending into the extra-territorial jurisdiction to meet the 10 acre minimum.

7.2 Mayor Archibald called for a motion to Remove from the TABLE the following agenda item: Regarding self insurance fund, health plan and approval of request for proposal for Medical Health Insurance.

Councilman Higgins made the motion to Remove from the TABLE. Councilman Price seconded the motion, motion carried.

AYES: Councilmen Price, Spano, Williams, Briley, Higgins, Councilwoman Miller and Mayor Archibald
NAYS: None

Mayor Archibald turned the meeting over to Mayor Pro-tem Joe Spano due to a conflict of interest on this item. Councilman Price and Mayor Archibald stepped down from the dais due to a conflict of interest.

Ronnie Kidd, Managing Director for Administration briefed the council on Self Insurance Fund, Health Plan and Award of Bid

The City of Abilene issued a Request for Proposal (RFP) on July 11, 2011. Newspaper notices were published on July 10 and July 17, 2011. The deadline for proposal was August 8, 2011. The RFP requested proposals from vendors for Third Party Administrator (TPA) services for the Self Insured Medical and Prescription Plan as well as proposals for Fully Insured Health and Prescription Plan. Responses were received from four (4) vendors. With assistance from Holmes Murphy & Associates, the City's benefits consultants, staff analyzed the responses to the proposals. All four vendors were invited to present their proposals on September 15, 2011. Vendors followed up with answers to questions and "best and final offers".

SI Fund Background

- Established in 1979
- Benefits of being self insured include:
 - Control of plan designs, administration of claims
 - Reduced commissions, broker fees, and overhead costs
 - Potential to benefit from risk assumption versus paying up front to insure the risk
 - Ability to retain revenues from investing fund balance
 - Lessened impact from regulatory compliance

What is funded by the SI Fund?

- Employee and retiree health and prescription claims
- COACH
(City of Abilene Clinic for Health – since 04/06)
- Workers' compensation claims
- General liability claims
- Cost of "Third Party" policies for:

Boiler & Machinery	Employee Dishonesty	Property
Airport Liability	Civic Center Special Events Liability	
- Cost of Premiums for "excess coverage" or "stop loss" policies:
 - Individual Health claims over \$175,000
 - Aggregate Health claims over \$6.4 million
 - Workers' Compensation claims over \$1,000,000
 - Property Liability (\$250,000 deductible)
- Risk Management Division operating expenses
- Other Miscellaneous Programs
 - Employee Assistance Program
 - Wellness Program +

- Basic Life Insurance
 - Flexible Spending Account Administration *
 - Aflac products *
 - + program expansion initiatives ongoing
 - Personal Accident Insurance *
 - Prepaid Legal Services*
 - Dental Plan *
 - Vision Plan *
 - Additional Life *
 - Dependent Life *
- * optional *employee paid* benefit

Types of Liability Exposure

- ✓ General liability
- ✓ Automobile liability
- ✓ Employment practices liability
- ✓ Police liability
- ✓ Errors & Omissions
- ✓ Directors & Officers
- ✓ Professional liability

Trends/Comments

- Medical costs are rising at about 7.7% per year (HMA 3 year average)
- Rx costs are rising at 11.5% per year (HMA 3 year average)
- RFP for Health and Rx
- Competitive market quotes for property/liability
 - \$17 thousand less than 2011
 - \$60 thousand less than initial renewal quote
- Potential adjustment to Workers Comp rate

Jarrad Wills with Holmes Murphy & Associates reviewed the Market Analysis and the selection of carrier that was chosen. The following was reviewed: 1) Fully Insured vs. Self Funded; 2) Historical Plan Performance; 3) 2011-2012 Marketing Analysis; 4) Rate Structure Options and 5) Next Steps.

Historical Plan Performance

- Plan Statistics

Claim Spend By Service Category

Service Category	2009	2010	2011
Inpatient	30%	40%	39.3%
Outpatient	33%	28%	38.6%
Physician	37%	32%	22.1%
Total	100.0%	100.0%	100.0%

Claim Dollars -- Abilene Only

Inpatient and Outpatient Claims Only	% of Claims
Hendrick	80-90%
Abilene Regional	10-20%

Claim Dollars -- All

Inpatient and Outpatient Claims Only	% of Claims
Hendrick	38-40%
Abilene Regional	3-12%
Other	48-59%

Large Claimants

12 Month Intervals	% Claimants	% of Claims
Through Aug-11	1.1%	56.8%
Through Dec-10	1.6%	46.8%
Through Dec-09	1.6%	39.2%

Overall Net Effective Discount

12 Month Intervals	Discount
Through Aug-11 *	51.4%
Through Dec-10	55.6%
Through Dec-09	53.4%

* YTD Through Aug-11

2011-2012 Marketing Analysis

- Currently Self Funded with BCBS of Texas
- Marketed Medical/Rx/Administration
- Proposed January 1, 2012 Effective Date
- Analyzed both Fully Insured and Self Funded Options
- 4 Carriers Responded
- Performed Finalist Interviews/Best and Final Offers
- Projected Carrier Cost Development
 - Used City of Abilene Actual Claims Experience Averaged Over the Past 3 Years
 - Projected the Future Cost for 2012 Claims to Determine a Baseline
 - Analyzed What Types of Services were Being Utilized (i.e., Inpatient, Outpatient, Professional Services)
 - Analyzed Where Services were Being Performed (i.e., on average for the last 20 months, 53% of all the City's Medical Claims Have Been Spent Outside of Abilene)
 - Medical – Took Gross Allowable Charges Eligible for Claim Payment and Adjusted Accordingly by Carrier Submitted Proposals (in 2012, approx. \$10.2M)
 - Rx – Held Each Carrier Constant Because the City has the Ability to Carve out Rx
 - Administration – Used Actual Submitted 2012 Carrier Fees Proposed

- Stop Loss – Held Constant for All Carriers. Will Market Stop Loss in Early November for a January 1, 2012 Effective Date
- Projected Carrier Cost Comparison

MEDICAL -- EXPECTED CLAIMS

Carrier	BCBSTX (Current)	BCBSTX (Renewal)	Aetna	Aetna	TML	TML	FirstCare
Network	BCBS	BCBS	Aetna	Aetna	TML/UHC	TML/UHC	FirstCare/PHCS
Plan Type	3x PPO	3x PPO	3x PPO	3x PPO	3x PPO	3x PPO	HMO & PPO
Funding	Self Funded	Self Funded	Self Funded	Fully Insured	Self Funded	Fully Insured	Self Funded
ELIGIBILITY	894	894	894	894	894	894	894
EXPECTED EXPENSES							
Medical Claims (no clinic)	\$4,173,686	\$4,635,815	\$5,462,910	\$7,981,538	\$4,737,926	\$8,427,573	\$5,105,523
Rx Claims	\$1,051,887	\$1,149,410	\$1,149,410	Included	\$1,149,410	Included	\$1,149,410
Administration	\$377,885	\$391,958	\$282,468	Included	\$337,932	Included	\$257,472
Stop Loss Fees	\$340,866	\$470,702	\$470,702	Included	\$470,702	Included	\$470,702
Other	N/A	(\$30,000)	(\$133,333)	(\$133,333)	\$0	\$0	\$0
Total Expected Expenses	\$5,944,324	\$6,617,886	\$7,232,157	\$7,848,204	\$6,695,970	\$8,427,573	\$6,983,107
<i>Above Current - \$</i>		\$673,562	\$1,287,833	\$1,903,880	\$751,646	\$2,483,249	\$1,038,783
<i>Above Current - %</i>		11.3%	21.7%	32.0%	12.6%	41.8%	17.5%

- Recommendation is to Stay with BCBS of Texas for the 2012-2014 Plan Years
- BCBS of Texas offers a 3-year Rate Guarantee
- BCBS of Texas offers \$30,000 in Wellness/Prevention Dollars annually to Support City Initiatives

Continue to Monitor BCBS of Texas Performance as the City's Third Party Administrator

Next Steps

- Approve Recommendation to Remain with BCBS of Texas and Rate Structure Option 3
- Prepare for Open Enrollment Meetings
- Continue to Promote Wellness/Prevention Initiatives
- Market Stop Loss for January 1, 2012 Contract Effective Date

Rate Structure Options

Option 3: 10% Increase to Employees; 10.8% Increase to City;
Breakeven (Pg 1 of 2)

1a. PEPM Cost				
	2011	Before Chg	2012 After Chg	Savings
City Contribution	\$355.67	\$355.67	\$394.00	
Employee Contribution	\$134.26	\$134.26	\$147.73	
Total Income	\$489.93	\$489.93	\$541.74	
% Increase in City Contrib			10.8%	
% Increase in Ee Contrib			10.0%	
Gross Cost	\$565.45	\$613.70	\$613.70	\$0.00
Employee Contribution	\$134.26	\$134.26	\$147.73	\$13.47
Net City Cost	\$431.19	\$479.43	\$465.96	\$13.47
Surplus/ (Deficit)	(\$75.52)	(\$123.76)	(\$71.96)	
1b. Annual Cost				
	2011	Before Chg	2012 After Chg	Savings
City Contribution	\$4,580,000	\$4,580,000	\$5,073,000	
Employee Contribution	\$1,462,000	\$1,462,000	\$1,608,000	
Total Income	\$6,042,000	\$6,042,000	\$6,681,000	
Gross Cost	\$6,074,000	\$6,681,000	\$6,681,000	\$0
Employee Contribution	\$1,462,000	\$1,462,000	\$1,608,000	\$146,000
Net City Cost	\$4,612,000	\$5,219,000	\$5,073,000	\$146,000
Surplus/ (Deficit)	(\$32,000)	(\$639,000)	\$0	

2. Employee Contributions				
	2011 Employee Contributions (Monthly)			
	Employee Only	Employee + Spouse	Employee + Child(ren)	Employee + Family
Gold	\$118.00	\$450.00	\$222.00	\$543.00
Silver	\$70.00	\$268.00	\$133.00	\$325.00
Bronze	\$41.00	\$157.00	\$78.00	\$190.00
	2012 Employee Contributions (Monthly)			
	Employee Only	Employee + Spouse	Employee + Child(ren)	Employee + Family
Gold	\$130.00	\$495.00	\$244.00	\$597.00
Silver	\$77.00	\$295.00	\$146.00	\$358.00
Bronze	\$45.00	\$173.00	\$86.00	\$209.00
	\$ Increase (Monthly)			
	Employee Only	Employee + Spouse	Employee + Child(ren)	Employee + Family
Gold	\$12.00	\$45.00	\$22.00	\$54.00
Silver	\$7.00	\$27.00	\$13.00	\$33.00
Bronze	\$4.00	\$16.00	\$8.00	\$19.00

Council and Staff discussion included: 1) Fund Balance for the Self Insurance Fund; 2) when does staff make fund transfers to the Self Insurance Fund; 3) contributions by employees a component of the process; 4) Fully insured vs. Self insured; 5) discount rates offered with local physicians; and 6) what are our sister cities doing as it relates to cost distribution.

Councilman Higgins made the motion to approve the recommended carrier Blue Cross Blue Shield of Texas with option 3 for the rate design. Councilman Williams seconded the motion, motion carried.

AYES: Councilmen Spano, Williams, Briley, Higgins, and Councilwoman Miller

NAYS: None

ABSTAIN: Councilman Price & Mayor Archibald

EXECUTIVE SESSION

Mayor Archibald recessed the Council into Executive Session 10:14 a.m. pursuant to Sections 551.071, 551.074, 551.072 and 551.087 of the Open Meetings Act, to seek the advice of the City Attorney with respect to pending and contemplated litigation, to consider the appointment and evaluation of public officers, to consider the purchase, exchange, lease or value of real property, and to discuss contemplated business prospects and or economic development matters.

The Council reconvened from Executive Session at 11:04 a.m. and reported no votes or action was taken in Executive Session in regards to Sections 551.072 Real Property 551.071 Consultation with Attorney and, 551.074 Personnel.

10. Oral Resolution – Discussion and possible action related to annual performance evaluations of the City Manager, City Attorney, City Secretary and Municipal Judge. No action taken.

11. Resolution – Nominations for Taylor County Appraisal District.

Mayor Archibald made the motion to make the following nominations to the Taylor County Appraisal District Board:

- ✓ Yvonne Batts
- ✓ Kent LeFevre
- ✓ David Copeland
- ✓ Cecil Davis

Councilman Higgins seconded the motion, motion carried.

AYES: Councilmen Price, Spano, Williams, Briley, Higgins, and Councilwoman Miller and Mayor Archibald

NAYS: None

Resolution [# 18-2011](#) and captioned as follows:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS,
NOMINATING INDIVIDUALS TO THE BOARD OF DIRECTORS OF THE CENTRAL
APPRAISAL DISTRICT OF TAYLOR COUNTY FOR 2012-2013

12. Resolution – Voting for individuals to the Board of Directors of Jones County Appraisal District of Jones County for 2012-2013.

Mayor Archibald made the motion to place the City of Abilene's allotted number of votes based on the value of the property within the boundaries of Jones County 74 votes – to Seaton Higginbotham for the Jones County Appraisal District. Councilman Higgins seconded the motion, motion carried.

AYES: Councilmen Price, Spano, Williams, Briley, Higgins, Councilwoman Miller and Mayor Archibald
NAYS: None

Resolution # **19-2011** and captioned as follows:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS, VOTING FOR THE FOLLOWING INDIVIDUALS TO THE BOARD OF DIRECTORS OF THE JONES COUNTY APPRAISAL DISTRICT OF JONES COUNTY FOR 2012-2013.

There being no further business the meeting was adjourned at 11:10 a.m.

Danette Dunlap, TRMC
City Secretary

Norm Archibald
Mayor