



City of West University Place

A Neighborhood City

CITY COUNCIL

Bob Fry, Mayor
Susan Sample, Mayor Pro Tem
Ed Heathcott, Councilmember
Joan Johnson, Councilmember
Dick Yehle, Councilmember

STAFF

Michael Ross, City Manager
Alan Petrov, City Attorney
Thelma Lenz, City Secretary

City Council Meeting Agenda

Notice is hereby given of a workshop and regular meeting of the City Council of West University Place to be held on Monday, July 23, 2012, beginning at 5:00 p.m. in the Municipal Building, 3800 University Boulevard, West University Place, Texas, for the purpose of considering the following agenda items. All agenda items are subject to action.

Council reserves the right to at any time during special and/or regular meetings convene in a closed session pursuant to Chapter 551 of the Texas Government Code, for reasons including but not limited to: Section 551.071 (consultation with legal counsel to seek or receive legal advice or consultation regarding pending or contemplated litigation); Section 551.072 (discussion about the value or transfer of real property and other real estate matters); Section 551.074 (personnel matters); 551.076 (deliberation about security devices); Section 551.087 (deliberation regarding economic development).

WORKSHOP (beginning at 5:00 p.m. in Conference Room)

Workshop items are as follows:

Call to Order

1. On-Street Parking

Matters related to on-street parking. *Recommended Action: Take any desired action. Mr. Chris Peifer, ACM/Public Works Director and Mr. Rick Staigle, Traffic Engineers, Inc.* [see Agenda Memo 1]

2. Employee Benefits

Matters related to employee group benefits (medical, dental, vision, life/AD&D). *Ms. Wendy Standorf, Human Resources Director and Mr. Bob Treacy*

3. METRO General Mobility Funding

Matters related to METRO General Mobility Funding. *Recommended Action: Discuss and take any desired action. Mayor Bob Fry*

Discussion of this item may be held in closed executive session in accordance with Section 551.071 in Chapter 551, Open Meetings Act, of the Texas Government Code (Consultation with legal counsel to seek or receive legal advice or consultation regarding pending or contemplated litigation).

4. Westpark Property Lease Agreement

Matters related to the 1.0874 acres of City-owned property on Westpark, between Wakeforest Street and Dincans Street. *Recommended Action: Discuss and take any desired action. Mr. Michael Ross, City Manager*

Discussion of this item may be held in closed executive session in accordance with Section 551.072 in Chapter 551, Open Meetings Act, of the Texas Government Code (discussion about the value or

transfer of real property and other real estate matters) and Section 551.071 in Chapter 551 of the Texas Government Code (consultation with legal counsel to seek or receive legal advice).

5. Adjourn Workshop

REGULAR MEETING (beginning at 6:30 p.m. in the Council Chambers)

Agenda items are as follows:

Call to Order
Pledge of Allegiance

Notice: Matters related to the notice of this meeting

6. **RECESS REGULAR MEETING OF THE CITY COUNCIL at 6:35 P.M. TO CONVENE A MEETING OF THE CITY OF WEST UNIVERSITY PLACE EMPLOYEE BENEFITS TRUST FOR WHICH A SEPARATE EBT AGENDA HAS BEEN POSTED.**
7. **ADJOURN EMPLOYEE BENEFITS TRUST MEETING AND RECONVENE INTO REGULAR SESSION OF THE CITY OF WEST UNIVERSITY PLACE CITY COUNCIL.**
8. **Interlocal Agreement for Medical and Dental Insurance**
Matters relating to authorizing the city manager to execute an Interlocal Agreement with the cities of Friendswood, Webster, and Dickinson for the purchase of medical and dental insurance. *Ms. Wendy Standorf, Human Resources Director and Mr. Bob Treacy* [see Agenda Memo 8]
9. **Transfer of Funds to Employee Benefits Trust**
Consideration and action on authorizing the transfer of funds from the City of West University Place to the City of West University Place Employee Benefits Trust to pay for employee-related benefits. *Recommended Action: Authorize the transfer of funds. Ms. Wendy Standorf, Human Resources Director and Mr. Bob Treacy* [see Agenda Memo 9]
10. **Public Comments**
This is an opportunity for citizens to speak to Council relating to agenda and non-agenda items. If the topic the speaker wishes to address is on the agenda, the speaker can either speak at this time or defer his/her comments until such time the item is discussed. Speakers are advised that comments cannot be received on matters which are the subject of a public hearing once the hearing has been closed. Speakers are required to register in advance and must limit their presentations to three minutes each.
11. **Consent Agenda**
All Consent Agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council member requests in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.
 - A. **City Council Minutes**
Approve City Council Minutes of June 25, 2012 and the July 12, 2012 Minutes of the Joint Meeting of the City Council and the Charter Review Committee. *Ms. Thelma Lenz, City Secretary*

B. Memorandum of Understanding with City Houston

Matters related to a Memorandum of Understanding with City of Houston Voucher Program for Household Hazardous Waste. *Recommended Action: Approve Interlocal Agreement. Mr. Chris Peifer, ACM/Public Works Director* [see Agenda Memo 11-B]

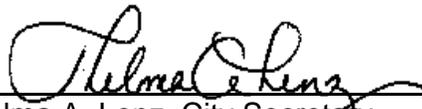
12. Reports by Council/Staff

13. Adjourn Regular Meeting

In compliance with the Americans with Disabilities Act, if you plan to attend this public meeting and you have a disability that requires special arrangements, please contact City Secretary Thelma Lenz at 713.662.5813 at least 24 hours prior to the meeting so that reasonable accommodations can be made to assist in your participation in the meeting. The Municipal Building is wheel chair accessible from the west entrance and specially marked parking spaces are available in the southwest parking area. Special seating will be provided in the Council Chambers.

I certify that the attached notice and agenda of items to be considered by the West University Place City Council on July 23, 2012 was posted on the Municipal Building bulletin board on July 20, 2012 at 3:45 o'clock p.m.

(SEAL)



Thelma A. Lenz, City Secretary

AGENDA OF:	July 23, 2012	AGENDA ITEM:	1
DATE SUBMITTED:	July 20, 2012	DEPARTMENT:	Public Works
PREPARED BY:	M. C. Peifer, ACM/ Public Works Director	PRESENTER:	M. C. Peifer, ACM/ Public Works Director
SUBJECT:	Street Parking Update – Options, Costs, Recommendations		
ATTACHMENTS:	Photo of typical sign placement		
EXPENDITURE REQUIRED:	TBD		
AMOUNT BUDGETED:	N/A		
ACCOUNT NO.:	N/A		
ADDITIONAL APPROPRIATION REQUIRED:	TBD		
ACCOUNT NO.:	TBD		

EXECUTIVE SUMMARY

As City Council requested, the below information is presented as a result of City Council’s feedback on the street parking presentation from the Public meeting held on June 25 by Staff and the City’s consulting traffic engineer.

As we reviewed the directive and discussion produced from this meeting, it is noteworthy to mention the following:

- Issues in the study were brought forth via public commentary and not by staff or emergency responders. At this time, the data exhibits that the City’s roadways experience approximately less than 50% of the national average for accidents of comparable roadways. Emergency responders have historically never reported an incident of failure to provide service due to the issues under consideration.
- Most significant issues occur during peak traffic hours where traffic is moving in both directions on a roadway and not during nighttime hours. It is therefore considered that a nighttime ban would primarily be an aesthetic issue versus a safety issue. Further, when considering the frequency “time of day” of typical calls and responses for first responders, there is no overwhelming benefit to a nighttime ban.
- A recurring voice in our study yielded that the largest problems appear to arise from neighboring property owners, or their contractors, and their behavior in not considering the effect on a nearby resident. Other issues such as delivery or service vehicles appear to be short term and periodic at best.

Consistent with these factors and the directive of City Council Staff and our consultant view the following as options:

1. Public education (per commentary, “We do not have a parking problem we have a neighbor problem”). The City can prepare a program for distribution via the City Currents Newsletter, website E-notify system, social media pages, direct mailing, Utility Billings and media outlets to support a neighborly “Parking Etiquette Program” (PEP) educating the public to consider the other guy.
2. Staff has prepared the requested information below, as directed by City Council, in consideration of a pilot program for roadways 24 feet or less which include two traffic lanes, based on three scenarios. These include: No Nighttime Parking, No Parking One Side of the Street, and No Parking Anytime. Costs associated with these scenarios are listed below.

The following is the estimated cost for implementing these scenarios on all applicable streets within the City. These are based on our Traffic Control Division purchasing the material, fabricating the compliant and enforceable signage and also performing the compliant and enforceable installation. A typical installation compliant with the Texas Transportation Code would be a sign placed at the end of each block, mid-block, and every 200 linear feet in between. In essence, a clearly visible sign posted at approximately every third home (see attached photo overlay of typical signage). These estimates may be also increase due to material purchasing inefficiencies related to smaller volumes. Ongoing maintenance would be considered incidental to the upfront costs and would be absorbed into the Traffic Control Division’s sign maintenance program.

Installation Costs	Typical 200’ Street	Typical 300 to 400’ Street	Typical 600’ Street	Typical 800’ Street	City Wide Installation
No Parking Anytime	\$525.00	787.50	\$1,050.00	\$1,312.50	\$107,600.00
No Parking One Side	\$262.50	393.75	\$525.00	\$656.25	\$53,800.00
No Parking Nighttime	\$525.00	787.50	\$1,050.00	\$1,312.50	\$107,600.00

3. The final option to consider is enhanced enforcement of the Texas Transportation Code specially related to parking, in essence a zero tolerance program, which would include parking that may wholly or partially block the sidewalk regardless of the physical limitations of older stock driveway lengths, parking during events in and around the City Center (either private or public, such as places of worship or athletic events), and limitation of visitor or resident long term street parking. It should be mentioned that current code prohibits the construction of a new home with such limitations and that the City further improved many locations where this was a problem through the City Sidewalk retrofit installation. At the current time, only homes where a violation is present and it is a choice, not a physical limitation by the operator of the vehicle blocking the sidewalk, is enforcement dispensed. This enhanced enforcement will reallocate the present duties of our Police Department as also likely our Code Enforcement Division from other duties which are being accomplished. Further, one has to also consider that this will also have an effect on the present load to the Municipal Court system. Options are as follows:

- a) Enhance enforcement as described above in conjunction with the Parking Etiquette Program in lieu of installation of signage either city wide or the pilot program; or
- b) Enhance enforcement as described above in conjunction with the Pilot Program or full installation of a city wide placement of the listed parking prohibitions.

RECOMMENDATION

1. Do not proceed with on street parking restrictions since there is no public safety issue being brought forward by emergency responders.
2. In the future, on a case by case basis, respond to street parking complaints by communicating with potentially impacted residents of a block on a street to determine if there is a problem to them; and if a super-majority agrees, there should be a solution studied before proceeding with a study.
3. Enact a Parking Etiquette Program using the shared resources of the Public Works Code Enforcement division along with Police enforcement. The plan would be to begin with a gentler, friendlier approach and then escalate the enforcement activities to the point of formal warnings and ultimately citations for the repeat violators. This would eliminate affecting non-violators, avoid sign pollution, eliminate causing a problem which may not exist as an unintended consequence, and avoid the No Parking restrictions cost which may be in excess of \$100,000.00.
4. Provide guidance to Staff on the continued enforcement of cars parked on driveways over sidewalks where the vehicle cannot physically fit between the garage door and the sidewalk without blocking the sidewalk.

We suggest this incremental approach, if any response is directed by City Council, with periods to measure effectiveness, say every six months.



FOR RENT
CALL
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TDV-678



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STAFF

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Alan Petrov, City Attorney
Thelma Lenz, City Secretary

EMPLOYEE BENEFITS TRUST MEETING AGENDA

Notice is hereby given of a special meeting of the City of West University Place Employee Benefits Trust to be held on Monday, July 23, 2012, beginning at 6:35 p.m. in the Municipal Building, 3800 University Boulevard, West University Place, Texas, for the purpose of considering the following agenda items. All agenda items are subject to action.

1. Call Meeting to Order
2. Approve Minutes of the May 23, 2011 Employee Benefits Trust meeting.
3. Consider awarding a contract to Blue Cross/Blue Shield (BCBS) for Medical Insurance through the City of Friendswood (FWD) Interlocal Agreement.
4. Consider awarding a contract to Guardian for Dental Insurance through the City of Friendswood (FWD) Interlocal Agreement.
5. Consider awarding a contract to Sunlife for Life, AD&D, and Disability Insurance.
6. Consider awarding a contract to Block Vision for Vision Insurance.
7. Adjourn

If you plan to attend this public meeting and you have a disability that requires special arrangements, please contact City Secretary Thelma Lenz at 713.662.5813 at least 24 hours prior to the meeting.

I certify that the attached notice and agenda of items to be considered by the City of West University Place Employee Benefits Trust on July 23, 2012 was posted on the Municipal Building bulletin board on July 20, 2011 at 3:45 o'clock pm.

(SEAL)


Thelma A. Lenz, City Secretary

AGENDA MEMO
BUSINESS OF THE CITY COUNCIL
CITY OF WEST UNIVERSITY PLACE, TEXAS

AGENDA OF:	July 23, 2012	AGENDA ITEM:	6
DATE SUBMITTED:	July 17, 2011	DEPARTMENT:	HR Department
PREPARED BY:	Wendy Standorf, HR Director	PRESENTER:	Bob Treacy, C-CBS, Wendy Standorf, HR Director
SUBJECT:	Medical, Dental, Disability AD&D and Vision Employee Insurance		
ATTACHMENTS:	C-CBS Plan Year 2012/2013 Group Health Benefit Evaluations		
EXPENDITURE REQUIRED:	\$1,760,000 (approximate) based on current participation levels (vacancies, retirees & any employee changes during open enrollment can change actual city contribution total).		
AMOUNT BUDGETED:	\$1,946,100		
ACCOUNT NO.:	510-1000-71510 (Employee Medical) 510-1000-71511 (Retiree Medical) 510-1000-71513 (Employee Dental) 510-1000-71514 (Employee Vision) 510-1000-71516 (Life, AD&D, Disability)		
ADDITIONAL APPROPRIATION REQUIRED:	N/A		
ACCOUNT NO.:	N/A		

EXECUTIVE SUMMARY

The city's contracts for Medical, Dental, Life, Disability, AD&D and Vision coverage expires August 31, 2012. In conjunction with city staff, C-CBS, the city's benefit consultant began the RFP process and received proposals from AETNA (renewal), Bluecross/Blueshield of Texas direct, United Healthcare, TML and from the City of Friendswood Interlocal Agreement (FWD Interlocal Agreement) with Bluecross/Blueshield of Texas.

Dental proposals were received from Guardian direct (renewal), Met Life, UHC and from the City of Friendswood Interlocal Agreement (FWD Interlocal Agreement) with Guardian.

Group Life, AD&D and Disability proposals were received from UHC (renewal), Sun Life, Guardian Life, Fort Dearborn Life, Met Life, TML and Lincoln Financial.

Optional Vision proposals were received from Spectera (renewal), Block Vision, Superior Vision, Guardian Life and TML.

All plans, plan options and their overall impact were reviewed and analyzed. You will see that, thanks to a much lower utilization factor, we had a very successful RFP process and the recommended premium rates for all products are under our current premium rates. Additionally, as we continue to pursue the city's position as an "employer of choice", and to reward the employees for their measured success in our wellness program, the reduced premium rates include a recommendation which reduces the deductible from \$1,000 to \$500 and Out-of-Pocket Maximum from \$4,000 to \$3,000, which represents the medical plan offered by the FWD Interlocal Agreement mentioned below. These rates are still in line with the industry averages. The rates also include a slight increase of basic life insurance from \$20,000 to \$30,000 and adding a short-term disability policy for employees.

As we mentioned in the council update a couple of weeks ago, one of the options we were planning to bring to council for consideration was the possibility of the City joining the Interlocal Agreement with the Cities of Friendswood, Webster and Dickinson.

Some of you may recall that we looked at this option several years ago. However, based on plan design and cost it was not advantageous for the city to join at that particular time. Additionally, there have been several years which West U would like to have been able to join but our claims history was such that it was not beneficial for the inter-local to add West U. This renewal period appears to be a good option for both parties. This gives the city an opportunity to go from 140 employees to a 500+ employee group which helps spread the risk over a much larger sampling, and in the long term, can help stabilize rates by leveling out the peaks and valleys we have been experiencing on our own based on our utilization and large claims. The cities participating in the inter-local have enjoyed stable rate increases averaging approximately 3% per year over the past six renewal periods.

Ultimately, Bluecross/Blueshield of Texas through the City of Friendswood (FWD Interlocal Agreement) for medical and Guardian's proposal for dental through the City of Friendswood (FWD Interlocal Agreement), respectively, were overall the best options for these products. Additionally, Sun Life was the overall best option for Life, AD&D and Disability products and Block Vision was the overall best option for optional Vision insurance. The Plan Year for the FWD Interlocal group is October 1st. However, we will join the Interlocal one month early and align our renewal with the Interlocal at the 2013-2014 Plan Year renewal.

The documents from C-CBS, that follow, provide summary details including group medical evaluation, medical premium history, medical benefits history medical benefits and cost analysis, group dental evaluation, dental benefit specification guidelines, dental cost analysis. Additionally, we have included historical information related to the FWD Interlocal Agreement as well as the Interlocal Agreement.

Overall, no additional funding for the remainder of FY 2012 is necessary *as we will come in under budget*; meeting our fiduciary responsibility to the city by containing costs and meeting the needs of our employees; our most valuable resource.

As the City continues to proactively take measures to contain costs while providing employee medical insurance, efforts to assist in this regard by our employees through the employee wellness program has paid dividends, which we believe has helped our claims experience over the last few rating periods.

We will be working on the wellness contribution levels over the next several weeks and will propose a different employee contribution level for employees who participate vs. employees who do not participate in our wellness program just as we did for the current enrollment period. Currently any employee who does not participate in the wellness program pays \$95 per month toward their medical premium. As we develop contribution levels we will adjust the contribution according to the new rates, which will be slightly lower but may not be more than 20% of the premium as regulated by HIPPA.

Additionally, you will recall that our 2012 budget includes biometric screening for active employees as well as for retirees and any spouse carried on our insurance program. Our plan is to adjust the contribution levels for those groups of participants based on participation or non participation in the wellness program and compliant with HIPPA regulations. Participation is defined by completing the Health Risk Assessment and Biometric Screening.

The City will again hold its Wellness/Benefit Fair during open enrollment to ensure employees, retirees and spouses have adequate time and resources available to complete the on-line assessment and biometrics. For budget purposes, we are presuming that all employees, retirees and spouses will complete the Health Risk Assessment and Biometric Screening. In 2011, two (2) employees chose not to participate in the wellness program therefore they pay \$95 per month toward their medical insurance.

As a reminder, an additional opportunity for the city to contain costs began in 2008 when Council created the Employee Benefits Trust (EBT). The creation of the EBT allows the city to “pass” their tax exempt status through the insurance carrier and save the tax dollars that are normally imbedded in the insurance premiums and passed on to the city, estimated to be approximately 1 ½% of the contract premium. At this time, the rates provided include premium tax and the City of Friendswood is working out the details of creating an Employee Benefit Trust.

RECOMMENDATION

It is recommended that the city of West University Place Employee Benefits Trust:

- Award the contract for Medical insurance to BlueCross/BlueShield of Texas not to exceed the premium schedule described herein via the City of Friendswood (FWD) Interlocal Agreement.
- Award the contract for Dental insurance to Guardian not to exceed the premium schedule described herein via the City of Friendwood (FWD) Interlocal Agreement.
- Award the contract for Life, Disability and AD&D to Sun Life not to exceed the premium schedule described herein and includes the enhancement of increased of Life insurance from \$20,000 to \$30,000 and includes a Short-Term Disability policy for employees.
- Award the contract for Vision insurance to Block Vision not to exceed the premium schedule described herein.

CITY OF WEST UNIVERSITY

PLAN YEAR 2012/2013

GROUP BENEFITS RFP ANALYSIS



Presented by



City-County Benefits Services

Robert J. Treacy, LHIC
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Sugar Land, Texas 77478

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July 23, 2012

MEDICAL

Group medical proposals were received from the following vendors, including an offer from The FWD Inter-local/BCBSTX;

1. Aetna renewal (current premium rates)
2. BCBSTX/Direct (7/10ths of a point over current)
3. UHC (5/10ths of a point under current)
4. TML (7% under current)
5. FWD Inter-local/BCBSTX (11% under current)

As you can see, we had a very successful RFP process with premium rates all under current premium rates NET of premium taxes.

The premium reductions are reflective of the efforts on behalf of our staff and the employees; embracing wellness and disease management initiatives put in place almost three (3) years ago. The claims Per Employee Per Month (PEPM) unit values have been consistently dropping over the recent timelines shown on the **following Exhibit 1**.

We have attached for your consideration a different approach for The City to contract with group medical and dental vendors. The City has historically contracted with Carriers as a lone wolf of sorts, attempting to leverage our 144 EE/Retiree subscribers on a **stand-alone** basis. A group of our size is considered mid-level in the Carrier market segments.

The City has the opportunity to join the FWD Inter-local which collectively negotiates Carrier group contracts on behalf of 500 employees. The FWD Inter-local is made up of The City of Friendswood (Administrative Agency and contract holder), The City of Webster, and The City of Dickinson. We have **included the history and background of The FWD Inter-local** which has been an overwhelming success since 2005. The specific advantages are as follows;

1. Leveraging close to \$6,000,000 of premium compared to The City's current \$1,500,000 for negotiating rates.
2. Spreading large risk over a larger subscriber count minimizing impact to loss ratios.
3. Removing the risk impact of **spikes** in premium renewals that The City has experienced in the past. The FWD Inter-local has averaged 3% increases over the past 6 renewal periods.
4. Premier benefits coverages available to the large market cases.

RECOMMENDATION

The recommendation is to award the 2012/2013 group medical plan to The FWD Inter-local effective September 1, 2012 for a 13 month contract from September 1, 2012-September 31, 2013. The City Plan Year is September-August. The Inter-local is October-September. We will join the Inter-local one month early and align our renewal with the Inter-local at the 2013/2014 Plan Year renewal.

The FWD Inter-local proposal is the best value proposal.

MEDICAL BENEFITS & COST ANALYSIS

DUAL CHOICE OPTIONS

SINGLE OPTION PPO

		AETNA HMO		AETNA HMO		BCBS TX RM09		BCBS TX PPO		UHC TZ8-P		TML P85	
		CURRENT		RENEWAL		DIRECT		FWD INTERLOCAL					
Annual Deductible		\$1,000 (2X)				\$1,000 (3X)		\$500 (2X)		\$500 (2X)		\$500 (2X)	
Co-insurance/Out of Pocket		20% / \$3,000 (2X)				20% / \$3,000 (3X)		20% / \$2,500 (2X)		20% / \$2,500 (2X)		20% / \$2,500 (2X)	
Total Annual OOP Ded+Coins (DC)		\$4,000 (2X)				\$4,000 (3X)		\$3,000 (3X)		\$3,000 (2X)		\$3,000 (2X)	
PCP Visit Copay		\$30				\$25		\$30		\$20		\$30	
Specialist Visit Copay		\$50				\$50		\$50		\$20		\$30	
Routine Lab/Imaging • Billed by Physician • Free Standing • Out Patient Hospital Facility		\$30/\$50 \$0/\$30 \$0/\$30				\$25/\$50 \$0/\$0 \$0/\$0		\$30/\$50 \$0/\$0 \$0/\$0		\$20/\$20 \$0/\$0 \$0/\$0		DC \$0/DC DC	
Emergency Room • Facility • Physician		\$200 Copay Inclusive				\$100 Copay/20% Ded-Coins		\$200 Copay Annual Deductible		\$150 Copay/20% Inclusive		\$100 Copay/DC DC	
RX Card • Copays • Mail Order • Generic Push • Step Therapy/Prior Auth		\$10/\$30/\$50 2X No Yes/Yes				\$20/\$35/\$50 3X Yes Yes/Yes		\$10/\$30/\$50 3X No Yes/Yes		\$10/\$30/\$60 2.5X No Yes/Yes		\$0-\$10/\$38/\$60/\$120/\$100 2.5X Yes Yes/Yes	
		PREMIUMS	ANNUAL	PREMIUMS	ANNUAL	PREMIUMS	ANNUAL	PREMIUMS	ANNUAL	PREMIUMS	ANNUAL	PREMIUMS	ANNUAL
EE	70	\$494.92	\$415,733	\$494.92	\$415,733	\$494.34	\$415,246	\$447.55	\$375,942	\$502.46	\$422,066	\$456.80	\$383,712
ES	15	\$1,088.96	\$196,013	\$1,088.96	\$196,013	\$1,087.66	\$195,779	\$985.34	\$177,361	\$1,105.41	\$198,974	\$1,227.12	\$220,882
EC	8	\$915.71	\$87,908	\$915.71	\$87,908	\$914.61	\$87,803	\$828.07	\$79,495	\$929.55	\$89,237	\$852.58	\$81,848
EF	32	\$1,583.89	\$608,214	\$1,583.89	\$608,214	\$1,682.01	\$645,892	\$1,432.65	\$550,138	\$1,607.87	\$617,422	\$1,438.42	\$552,353
Premium Total Page 1			\$1,307,868		\$1,307,868		\$1,344,719		\$1,182,936		\$1,327,699		\$1,238,795
Premium Total Page 2			\$236,098		\$236,098		\$211,250		\$186,952		\$209,827		\$197,997
Total Annual		144	\$1,543,966	\$1,543,966	\$1,555,969	\$1,369,887	\$1,537,526	\$1,436,792					
% INCREASE				0%	+0.07%	-11%	-0.05%	-7%					

MEDICAL BENEFITS & COST ANALYSIS

DUAL CHOICE OPTIONS

SINGLE OPTION PPO

		AETNA PPO		AETNA PPO		BCBS TX RM09		BCBS TX PPO		UHC PPO		TML PPO	
		CURRENT		RENEWAL		DIRECT		FWD INTERLOCAL					
Annual Deductible		\$1,000 (2X)				Continued from page 1.							
Co-insurance/Out of Pocket		20% / \$3,000 (2X)				No Dual Choice							
Total Annual OOP Ded+Coins (DC)		\$4,000											
PCP Visit Copay		\$30											
Specialist Visit Copay		\$50											
Routine Lab/Imaging • Billed by Physician • Free Standing • Out Patient Hospital Facility		\$30/\$50 \$0/\$30 \$0/\$30											
Emergency Room • Facility • Physician		\$200 Copay Inclusive											
RX Card • Copays • Mail Order • Generic Push • Step Therapy/Prior Auth		\$10/\$30/\$50 2X No Yes/Yes											
		PREMIUMS	ANNUAL	PREMIUMS	ANNUAL	PREMIUMS	ANNUAL	PREMIUMS	ANNUAL	PREMIUMS	ANNUAL	PREMIUMS	ANNUAL
EE	8	\$565.33	\$54,272	\$565.33	\$54,272	\$494.34	\$47,457	\$447.55	\$42,965	\$502.46	\$48,236	\$456.80	\$43,853
ES	3	\$1,243.86	\$44,779	\$1,243.86	\$44,779	\$1,087.66	\$39,156	\$985.34	\$35,472	\$1,105.41	\$39,795	\$1,227.12	\$44,176
EC	4	\$1,045.96	\$50,206	\$1,045.96	\$50,206	\$914.61	\$43,901	\$828.07	\$39,747	\$929.55	\$44,618	\$852.58	\$40,924
EF	4	\$1,809.20	\$86,842	\$1,809.20	\$86,842	\$1,682.01	\$80,736	\$1,432.65	\$68,767	\$1,607.87	\$77,178	\$1,438.42	\$69,044
Premium Total		19	\$236,098		\$236,098		\$211,250		\$186,952		\$209,827		\$197,997
Total Annual		144	\$1,543,966	\$1,543,966		\$1,555,969		\$1,369,887		\$1,537,526		\$1,436,792	

Note:

- Red = Enhanced Benefits over Current Plan
- DC represents Deductible/Coinsurance
- BCBSTX and UHC proposals include Premium Tax of approx. 1.75%
- CIGNA Declined to issue a proposal due to their non-competitive premium rates

MEDICAL COST TRENDS (EXHIBIT 1)

	<u>09/2007 - 08/2008</u>	<u>09/2008 - 08/2009</u>	<u>09/2009 - 08/2010</u>	<u>Rolling 12 months 11/2010 - 10/2011</u>
Subscribers	1,528 (127 Avg.)	1,574 (131 Avg.)	1,672 (140 Avg.)	1,702 (142 Avg.)
Premium	\$1,140,421	\$1,376,264	\$1,259,358	\$1,473,609
Claims	\$1,983,177	\$1,465,485	\$1,218,184	\$880,299
Pooled > \$100,000	(\$797,273) (3)	(\$415,515)(2)	(\$284,010)(2)	N/A
Net Claims	\$1,185,904	\$1,049,970	\$934,174	\$880,299
Net Claims PEPM	\$776.00	\$667.00	\$559.00	\$518.00
				<u>Rolling 12 months 3/2011 - 2/2012</u>
Subscribers				1,728 (144 Avg.)
Premium				\$1,499,338
Claims				\$766,649
Pooled > \$100,000				N/A
Net Claims				\$766,649
Net Claims PEPM				\$444.00

MEDICAL PREMIUM HISTORY

UHC	UHC	AETNA	AETNA
2007/2008	2008/2009	2009/2010	2010/2011

CENSUS		PREMIUMS	ANNUAL	PREMIUMS	ANNUAL	PREMIUMS	ANNUAL	PREMIUMS	ANNUAL
EE	76	\$382.29	\$348,648	\$483.03	\$440,523	\$414.59	\$378,106	\$480.53	\$438,243
ES	17	\$1,106.67	\$225,761	\$893.60	\$182,294	\$912.20	\$186,089	\$1,057.29	\$215,687
EC	13	\$1,106.67	\$172,641	\$1,062.66	\$165,775	\$767.07	\$119,663	\$889.08	\$138,696
EF	38	\$1,106.67	\$504,642	\$1,545.68	\$704,830	\$1,326.79	\$605,016	\$1,537.83	\$701,250
Annual	144		\$1,251,691		\$1,493,423		\$1,288,874		\$1,493,877
Percentage Increase				19%		(-14%)		+16%	

- Note:
- Employees/Retirees are included in the census count.
 - Cumulative increase over four (4) rating periods; **23%**; **Aetna 2011/2012 renewal**
 - Average annual increase over four (4) rating periods; **5.75%**

AETNA
2011/2012

PREMIUMS	ANNUAL
\$494.92	\$451,367
\$1,088.96	\$222,148
\$915.71	\$142,851
\$1,583.89	\$722,254
	\$1,538,619
	+3%

DENTAL

Proposals were received from the following Carriers;

1. Guardian direct renewal
2. Met Life
3. UHC
4. The FWD Inter-local/Guardian

RECOMMENDATION

The recommendation is to join the FWD Inter-local under the same terms and conditions as noted in the above medical summary recommendation. The three plan options are similar to our current plans.

The FWD Inter-local contract is the best value proposal.

BENEFIT SPECIFICATION GUIDELINES

Guardian, Met Life, and UHC all met specifications for replicating the triple option voluntary dental plan.

Platform (1) PPO Indemnity Plan; priced at the 80th percentile reimbursement schedules for non-network services

Platform (2) Value MAC Plan; non-network reimbursement is set at in network MAC levels

Platform (3) Premier DHMO Plan

PPO PROPOSAL SCHEDULE OF BENEFITS

PROCEDURE	PRIMARY BENEFITS	PLATFORM 1	PLATFORM 2
Preventive	Oral Exams, Prophylaxes (Teeth Cleanings), X-Rays, Fluoride Treatments, Sealant Applications, and Space Maintainers.	100%	100%
Basic	Non-Orthodontic Corrective Appliances, Basic Fillings, Bridge and Denture Adjustments, Oral Surgeries and Anesthesia, Non-Routine Emergency Exams, and Emergency Palliative Treatments.	80%	80%
Major	Inlays, Onlays, Crowns, Supplies and Installation of Prosthodontics and Anesthesia.	50%	50%
	Endodontics/Periodontics	80% Basic	50% Major
Cal Year Max		\$1,500	\$1,500
Cal Year Ded	Individual	\$50	\$50
	Family Limit	3 X	3X
	Waived For	Preventive	Preventive
Ortho Child	Lifetime Benefit	\$1,500	N/A
	Percentage	50%	N/A
	Deductible	N/A	N/A
	Waiting Periods on Ortho (New Entrants)	12 months	12 months

DENTAL

The following carriers met proposal specifications

		GUARDIAN CURRENT		GUARDIAN RENEWAL		GUARDIAN FWD INTERLOCAL		METLIFE		UHC	
		Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual
PPO UCR											
EE	16	\$27.30	\$5,241.60	\$28.67	\$5,504.64	\$30.98	\$5,948.16	\$26.61	\$5,109.12	\$29.28	\$5,621.76
ES	6	\$54.15	\$3,898.80	\$56.86	\$4,093.92	\$55.36	\$3,985.92	\$55.57	\$4,001.04	\$58.09	\$4,182.48
EC	3	\$72.85	\$2,622.60	\$76.49	\$2,753.64	\$69.11	\$2,487.96	\$67.92	\$2,445.12	\$78.14	\$2,813.04
EF	22	\$97.25	\$25,674.00	\$102.11	\$26,957.04	\$94.28	\$24,889.92	\$104.54	\$27,598.56	\$104.32	\$27,540.48
TOTAL	47		\$37,437.00		\$39,309.24		\$37,311.96		\$39,153.84		\$40,157.76
PPO MAC											
EE	20	\$21.45	\$5,148.00	\$22.52	\$5,404.80	\$21.95	\$5,268.00	\$18.62	\$4,468.80	\$18.38	\$4,411.20
ES	7	\$40.54	\$3,405.36	\$42.57	\$3,575.88	\$40.16	\$3,373.44	\$39.08	\$3,282.72	\$34.74	\$2,918.16
EC	6	\$48.31	\$3,478.32	\$50.73	\$3,652.56	\$42.36	\$3,049.92	\$43.25	\$3,114.00	\$41.40	\$2,980.80
EF	4	\$68.81	\$3,302.88	\$72.25	\$3,468.00	\$61.23	\$2,939.04	\$68.25	\$3,276.00	\$58.97	\$2,830.56
TOTAL	37		\$15,334.56		\$16,101.24		\$14,630.40		\$14,141.52		\$13,140.72
DHMO											
EE	15	\$9.89	\$1,780.20	\$10.29	\$1,852.20	\$11.80	\$2,124.00	\$9.53	\$1,715.40	\$13.65	\$2,457.00
ES	5	\$16.97	\$1,018.20	\$17.65	\$1,059.00	\$19.86	\$1,191.60	\$18.11	\$1,086.60	\$26.62	\$1,597.20
EC	3	\$25.76	\$927.36	\$26.79	\$964.44	\$26.39	\$950.04	\$19.07	\$686.52	\$28.81	\$1,037.16
EF	8	\$30.61	\$2,938.56	\$31.83	\$3,055.68	\$32.20	\$3,091.20	\$29.54	\$2,835.84	\$41.64	\$3,997.44
TOTAL	31		\$6,664.32		\$6,931.32		\$7,356.84		\$6,324.36		\$9,088.80
COMBINED	115		\$59,435.88		\$62,341.80		\$59,299.20		\$59,619.72		\$62,387.28

NOTE:

- Current FWD Dental Plan includes Adult Ortho; 90th % UCR

GROUP LIFE AND DISABILITY PRODUCTS

Proposals were received from the following Carriers;

1. UHC renewal
2. Sun Life
3. Guardian Life
4. Fort Dearborn Life
5. Met Life
6. TML
7. Lincoln Financial

These coverages require a ***bundling packaging*** approach to assure continuity with the progression of short, medium, and long term disability and potential death claims. The Inter-local does not purchase these coverages via the collective agreement. These contracts will be awarded on a direct basis.

We are recommending that The City implement enhanced benefit changes to the group base Life/AD&D and Long Term Disability coverages due to payroll increased trending over the years and uninsured salaries. In addition, we are recommending the awarding of a group Short Term Disability product to insure weekly salaries up to 14 weeks which will help The City stream line its sick leave salary continuation policy. All told, the increases to these three areas of coverage will be within the current budget due to the decreased cost of the awarded Carrier.

RECOMMENDATION

The recommendation is to award the plan year 2012/2013 contract to Sun Life effective September 1, 2012 for a 13 month contract. This award is for Group Life/AD&D, Long Term Disability, and Short Term Disability coverages. The award will include increasing the base life/AD&D coverage to \$30,000/\$60,000/\$120,000 and the LTD covered monthly benefit to \$9,500.

Sun Life is the best benefit/value proposal.

GROUP LIFE/AD&D, LONG TERM AND SHORT TERM DISABILITY BENEFITS

GROUP BASE LIFE (TOTAL VOLUME; \$2,360,000) @ \$20,000 CURRENT COVERAGE

	UHC Current	UHC Renewal	SunLife	Guardian	Fort Dearborn	MetLife	TML	Lincoln
Rate/\$1,000 Base Life / AD&D	\$0.120	\$0.120	\$0.10	\$0.12	\$0.152	\$0.134	\$0.260	\$0.15
Annual Premium	\$3,398	\$3,398	\$2,832	\$3,398	\$4,305	\$3,795	\$7,363	\$4,248
Basic Dependent Life/Unit	\$3.95	\$3.195	\$3.95	\$2.31	\$3.17	\$1.95	\$2.76	\$2.90

GROUP BASE AD&D (TOTAL VOLUME; \$6,410,000) @ \$20,000 CLASS 1; \$90,000 CLASS 2

	UHC Current	UHC Renewal	SunLife	Guardian	Fort Dearborn	MetLife	TML	Lincoln
Rate/\$1,000 Base Life / AD&D	\$0.035	\$0.020	\$0.025	\$0.03	\$0.025	\$0.028	\$0.035	\$0.05
Annual Premium	\$2,692	\$1,538	\$1,923	\$2,308	\$1,923	\$2,154	\$2,692	\$3,461

GROUP LONG TERM DISABILITY (TOTAL VOLUME; \$559,411)

6 MONTH ELIMINATION; 60% BENEFIT MAX BENEFIT OF \$750; 2 YR OWN OCC

	UHC Current	UHC Renewal	SunLife	Guardian	Fort Dearborn	MetLife	TML	Lincoln
Rate/\$100	\$0.240	\$0.240	\$0.14	\$0.24	\$0.246	\$0.303	N/A	\$0.23
Annual Premium	\$16,111	\$16,111	\$9,398	\$16,111	\$16,514	\$20,340		\$15,440

Total Annual Base Life and LTD	\$22,202	\$21,048	\$14,153	\$21,817	\$22,741	\$26,289	N/A	\$23,149
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GROUP SHORT TERM DISABILITY (TOTAL VOLUME; \$ 85,416)

	UHC Current	UHC Renewal	SunLife	Guardian	Fort Dearborn	MetLife	TML	Lincoln
Rate/\$10			0.045					
Annual Premium			\$4,612					

Total Annual Premium			\$18,766					
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2 Year Rate Guarantee		YES						
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VISION

Proposals were received from the following Carriers;

1. Spectera Renewal
2. Block Vision
3. Superior Vision
4. Guardian Life
5. TML

RECOMMENDATION

This is not a budget item due to the voluntary payroll deduction of all premiums. Block is offering an enhanced benefit plan at a lower cost to the plan members who choose to purchase this benefit. The recommendation is to award the pan year 2012/2013 group vision contract to Block Vision effective September 1, 2012 for a 13 month contract.

Block Vision is the best benefit/value proposal.

VISION BENEFITS AND COST ANALYSIS

PROCEDURE	SPECTERA CURRENT/RENEWAL		BLOCK		SUPERIOR		GUARDIAN		TML	
Exam Co-pay	\$10		\$10		\$10					
Materials Co-pay	\$10		\$10		\$10					
Frequency	12/12/24		12/12/24		12/12/24					
Exam Co-pay	100% IN	\$40 OUT	100% IN	\$35 OUT	100% IN	\$42 OUT				
Single	100% IN	\$40 OUT	100% IN	\$25 OUT	100% IN	\$32 OUT				
Bifocal	100% IN	\$60 OUT	100% IN	\$40 OUT	100% IN	\$46 OUT				
Trifocal	100% IN	\$80 OUT	100% IN	\$45 OUT	100% IN	\$61 OUT				
Frames (Retail)	\$120-150 IN	\$45 OUT	\$150 IN	\$70 OUT	\$150 IN	\$81				
Polycarbonate CH/AD	Discount		Discount		Discount					
Scratch Resistant CH/AD	Discount		Paid in Full		Discount					
Contact Lens Allowance										
• Elective	\$105 IN	\$105 OUT	\$210 IN	\$80 OUT	\$200 IN	\$100 OUT				
• Medically Necessary	100% IN	\$210 OUT	100% IN	\$150 OUT	100% IN	\$210 OUT				
Fitting & Evaluation Fees	Included		Included		\$35 COPAY					
Lasik/PRK	DISCOUNT		Discount		DISCOUNT					

PREMIUMS

		PREMIUM	ANNUAL								
EE	48	\$7.75	\$4,464.00	\$6.98	\$4,020.48	\$9.60	\$5,529.60	\$11.07	\$6,376.32	\$9.38	\$5,402.88
ES	15	\$11.88	\$2,138.40	\$11.92	\$2,145.60	\$16.98	\$3,056.40	\$18.64	\$3,355.20	\$18.76	\$3,376.80
EC	6	\$12.51	\$900.72	\$12.65	\$910.80	\$17.30	\$1,245.60	\$19.00	\$1,368.00	\$18.76	\$1,350.72
EF	16	\$20.13	\$3,864.96	\$18.90	\$3,628.80	\$26.54	\$5,095.68	\$30.08	\$5,775.36	\$18.76	\$3,601.92
TOTAL	85		\$11,368.08		\$10,705.68		\$14,927.28		\$16,874.88		\$13,732.32
Rate Guarantee 2nd year				YES		YES		YES		YES	

AGENDA MEMO
BUSINESS OF THE CITY COUNCIL
CITY OF WEST UNIVERSITY PLACE, TEXAS

AGENDA OF:	July 23, 2012	AGENDA ITEM:	8
DATE SUBMITTED:	July 17, 2012	DEPARTMENT:	HR Department
PREPARED BY:	Wendy Standorf, HR Director	PRESENTER:	Bob Treacy, C-CBS, Wendy Standorf, HR Director
SUBJECT:	Interlocal Agreement with the Cities of Friendswood, Webster, West University Place and Dickinson for the purpose of purchasing of employee group benefits.		
ATTACHMENTS:	Interlocal Agreement		
EXPENDITURE REQUIRED:	N/A		
AMOUNT BUDGETED:	N/A		
ACCOUNT NO.:	N/A		
ADDITIONAL APPROPRIATION REQUIRED:	N/A		
ACCOUNT NO.:	N/A		

EXECUTIVE SUMMARY

This action formalizes the Interlocal Agreement between the Cities of Friendswood, Webster, West University Place and Dickinson for the purpose of purchasing employee group benefits.

RECOMMENDATION

Staff recommends that Council approve the Interlocal Agreement for the purpose of purchasing employee group benefits as authorized by Chapter 791 of the Texas Local Government.

INTERLOCAL AGREEMENT

Whereas, the City of Friendswood ("Friendswood") has contracted with various insurance carriers to provide group benefits for its eligible employees and dependents; and

Whereas, the Cities of Webster ("Webster"), Dickinson ("Dickinson"), and West University Place ("West University Place") are interested in collectively obtaining group benefits for their employees and dependents with Friendswood; and

Whereas, the Cities of Friendswood, Webster, Dickinson, and West University Place (collectively "the Parties") can obtain more efficient rates collectively than each city can individually; and

Whereas, the Cities of Webster, Dickinson, and West University Place seek to enter into an Interlocal Agreement ("FWD Interlocal Agreement") with Friendswood to formally participate in Friendswood's contract for group benefits; and

Whereas, each Party hereto represents that it is a political subdivision of Texas and that its governing body has acted by majority vote, at a duly called and posted public meeting, to authorize participation in the FWD Interlocal Agreement; and

Whereas, each Party hereto has examined all the facts and issues it deems relevant and determined that it is in the best interest of the political subdivision, its employees, officials, retirees and dependents to enter into the FWD Interlocal Agreement to obtain one or more employee benefits; and

Whereas, each Party hereto understands that the purpose of the FWD Interlocal Agreement is to:

- (1) provide uniformity in benefits including group medical, dental, life, short term disability, vision, and long-term disability coverage to employees of political subdivisions; additional coverage may be included over the course of time;
- (2) enable the political subdivisions to attract and retain competent and able employees by providing them with accident and health benefits coverages at least equal to those commonly provided in private industry;
- (3) foster, promote, and encourage employment by and service to political subdivisions as a career profession for persons of high standards of competence and ability;
- (4) recognize and protect the political subdivisions' investment in each permanent employee by promoting and preserving economic security and good health among those employees;
- (5) foster and develop high standards of employer-employee relationships between each political subdivision and its employees; and
- (6) recognize the long and faithful service and dedication of employees of political subdivisions and to encourage them to remain in service of their respective

political subdivisions until eligible for retirement by providing health benefits to those employees.

Now, therefore, in consideration of the covenants, promises and agreements herein set forth, the Parties enter into this agreement for the purpose of collectively providing certain benefits for employees, officials, retirees, and dependents.

- (1) Each Party hereto shall adopt one or more of the benefit plans offered through Friendswood's contractual relationship with various insurance carriers. The benefits, at the participating entities option, may be offered to their employees and their dependents, officials and their dependents, and to retirees and their dependents. Notwithstanding any other provision hereof to the contrary, failure of a participating political subdivision to adopt a benefit plan(s) within the adoption schedule set forth by the administrative agency, whether during the initial term or any renewal term, shall be deemed a termination and withdrawal from the FWD Interlocal Agreement by the non-adopting political subdivision.
- (2) Each Party shall determine the political subdivisions contribution towards the selected benefits, and be responsible for budgeting an amount necessary to pay for that contribution. Each political subdivision agrees to fund an established percentage of the employee contribution for at least one of the medical benefit plans for active employees. All contributions shall be paid from then current revenues.
- (3) Participation in the group benefits provided through the FWD Interlocal Agreement requires 100% employee participation by eligible employees and dependents, unless a waiver due to other insurance is secured. An employee is considered to be eligible, for purposes of the FWD Interlocal Agreement, if the employee or dependent is not covered by another group health plan.
- (4) Benefit plan(s) for each Party shall be adopted by a majority vote of the governing body of each Party hereto.
- (5) Friendswood is appointed as the administrative agency for benefits procured through the FWD Interlocal Agreement and shall maintain a contract for group benefits with various insurance carriers. By majority vote of the participating political subdivisions, the administrative agency may be changed or rotate between participating political subdivisions.
- (6) Any Party hereto may terminate its participation in the benefits provided through the FWD Interlocal Agreement by giving an agreed upon written notice to the other participating political subdivisions. Terminations will only be effective at the end of a Plan Year.
- (7) Each Party hereto agrees to furnish all information necessary for carrying out the purposes of this FWD Interlocal Agreement and for Friendswood, or its designee, to secure sealed competitive proposals pursuant to Chapter 252 of the Local Government Code. The participating Parties to this agreement hereby designate the Sealed Competitive Proposal process, as set forth in Chapter 252 of the Texas Local Government Code, as process to be used for procuring benefits. Friendswood shall be responsible for accepting the best proposal in accordance with Chapter 252 and entering into a contract with the successful vendor.

- (8) The designated newspaper of Friendswood is hereby designated as the official newspaper for the purpose of complying with the public notice provisions of Chapter 252 of the Texas Local Government Code.
- (9) The undersigned political subdivision appoints Robert Treacy, of Sunday and Associates, Inc. a.k.a., City-County Benefits Services, a division of Sunday and Associates, Inc., as the official designated agent of record, Life and Health Insurance Counselor ("LHIC") for managing the sealed competitive proposal process pursuant to Chapter 252 of the Local Government Code, securing, and placing the benefits to be provided to the Parties, after award of the best proposal by the City Council of the City of Friendswood. This designation of Robert Treacy, of Sunday and Associates, Inc., a.k.a. City-County Benefits Services, a division of Sunday and Associates, Inc., as the official designated agent of record, LHIC, is effective October 1, 2012 and it supersedes and replaces any prior designation of agent of record by the undersigned political entity.
- (10) Each Party hereto shall designate and appoint a coordinator of department head rank or above as the individual to provide any notices required under the FWD Interlocal Agreement and to be the entities voting representative for selecting benefits to be offered through the FWD Interlocal Agreement. Each Party hereto reserves the right to change the coordinator from time to time.
- (11) If any part of the FWD Interlocal Agreement is declared invalid, void or unenforceable, the remaining parts and provisions shall continue in full force and effect.
- (12) The Parties agree that venue for any dispute arising under the terms of this agreement shall be Galveston County, Texas.
- (13) The FWD Interlocal Agreement represents the complete understanding of the Parties in the FWD Interlocal Agreement and may not be amended, modified or altered without the written agreement of all political subdivisions participating in the FWD Interlocal Agreement.
- (14) The term of the FWD Interlocal Agreement shall be from the October 1, 2012 and continues until September 30, 2013. Absent notice of termination, the undersigned political subdivision may annually extend this agreement by accepting the rates and plan(s) offered through this Interlocal Agreement for subsequent plan years (e.g. 10/1 through 9/30), and with proper action by the political subdivision's governing body. Hereafter, each Party will provide a letter to Friendswood evidencing its acceptance of the new rates, benefits, and any terms/conditions/limitations.
- (15) Notices shall be sent to the following:

City of Dickinson:

_____ (Interlocal Coordinator)

_____ Mailing Address

_____ Phone

_____ Fax

_____ E-Mail

City of Friendswood:

_____ (Interlocal Coordinator)

_____ Mailing Address

_____ Phone

_____ Fax

_____ E-Mail

City of Webster:

_____ (Interlocal Coordinator)

_____ Mailing Address

_____ Phone

_____ Fax

_____ E-Mail

City of West University Place:

_____ (Interlocal Coordinator)

_____ Mailing Address

_____ Phone

_____ Fax

_____ E-Mail

With copy to:

City-County Benefits Services, a division of
Sunday and Associates, Inc.
245 Commerce Green Blvd., Suite 290
Sugar Land, Texas 77478

ph: 281-295-3000

fax: 281-295-3020

email: patsy@sunday-associates.com

Executed this _____ day of _____, 2012.

City of Dickinson:

By: _____

Printed Name: _____

Its: _____
(Title)

Attest:

City Secretary

Executed this _____ day of _____, 2012.

City of Friendswood:

By: _____

Printed Name: _____

Its: _____
(Title)

Attest:

City Secretary

Executed this ____ day of _____, 2012.

City of Webster:

By: _____

Printed Name: _____

Its: _____
(Title)

Attest:

City Secretary

Executed this _____ day of _____, 2012.

City of West University Place:

By: _____

Printed Name: _____

Its: _____
(Title)

Attest:

City Secretary

AGENDA MEMO
BUSINESS OF THE CITY COUNCIL
CITY OF WEST UNIVERSITY PLACE, TEXAS

AGENDA OF:	July 23, 2012	AGENDA ITEM:	9
DATE SUBMITTED:	July 17, 2012	DEPARTMENT:	HR Department
PREPARED BY:	Wendy Standorf, HR Director	PRESENTER:	Bob Treacy, C-CBS, Wendy Standorf, HR Director
SUBJECT:	Transfer Funds from City of West University Place to the City of West University Place Employee Benefits Trust to Pay for employee-related medical, dental, life, disability AD&D, and vision benefits.		
ATTACHMENTS:	None		
EXPENDITURE REQUIRED:	\$1,760,000 (approximate) city contribution based on current participation levels (vacancies, retirees & any employee changes during open enrollment can change actual city contribution total).		
AMOUNT BUDGETED:	\$1,946,100		
ACCOUNT NO.:	510-1000-71510 (Employee Medical) 510-1000-71511 (Retiree Medical) 510-1000-71513 (Employee Dental) 510-1000-71514 (Employee Vision) 510-1000-71516 (Life, AD&D, Disability)		
ADDITIONAL APPROPRIATION REQUIRED:	N/A		
ACCOUNT NO.:	N/A		

EXECUTIVE SUMMARY

This action formalizes the process of funding the City of West University Place Employee Benefits Trust through a transfer of funds from the City of West University Place.

RECOMMENDATION

Staff recommends that Council authorize the continued transfer of funds on a monthly basis from the City of West University Place to the City of West University Place Employee Benefits Trust beginning with the September, 2012 contribution.



The City of West University Place

A Neighborhood City

CITY COUNCIL

Bob Fry, Mayor
Susan Sample, Mayor Pro Tem
Ed Heathcott, Councilmember
Joan Johnson, Councilmember
Dick Yehle, Councilmember

STAFF

Michael Ross, City Manager
Alan Petrov, City Attorney
Thelma Lenz, City Secretary

CITY COUNCIL MEETING MINUTES

The City Council of the City of West University Place, Texas, met in special and regular sessions on **Monday, July 9, 2012**, in the Municipal Building, 3800 University, West University Place, Texas beginning at **6:15 p.m.**

SPECIAL WORKSHOP (BEGINNING AT 6:15 IN THE CONFERENCE ROOM)

Call to Order. Mayor Fry called the workshop to order at 6:15 p.m. Council and staff in attendance were: Mayor Pro Tem Sample (arrived at 6:20 p.m.), Councilmembers Heathcott, Johnson and Yehle, City Manager Ross, City Attorney Petrov, City Secretary Lenz, ACM/Public Works Director Peifer, and Police Chief Walker.

Workshop agenda items were as follows:

1. **METRO General Mobility Funding**

Matters related to METRO General Mobility Funding.

At 6:15 p.m., Mayor Fry suspended the workshop to convene into executive session in accordance with Section 551.071 in Chapter 551, Open Meetings Act, of the Texas Government Code (consultation with legal counsel to seek or receive legal advice or consultation regarding pending or contemplated litigation).

In attendance during executive session were Mayor Fry, Mayor Pro Tem Sample, Councilmembers Heathcott, Johnson, and Yehle, City Manager Ross, and City Secretary Lenz.

At 6:30 p.m., Councilmember Heathcott moved to close the executive session and reconvene the workshop. Councilmember Johnson seconded the motion. **MOTION PASSED.**

Ayes: Fry, Sample, Heathcott, Johnson, Yehle

Noes: None

Absent: None

2. **Adjourn**

At 6:30 p.m., Councilmember Johnson moved to adjourn the workshop. Councilmember Heathcott seconded the motion. **MOTION PASSED.**

Ayes: Fry, Sample, Heathcott, Johnson, Yehle

Noes: None

Absent: None

REGULAR MEETING (beginning at 6:30 p.m. in the Council Chambers)

Agenda items were as follows:

Call to Order. Mayor Fry called the meeting to order at 6:32 p.m. Council and staff in attendance were: Mayor Pro Tem Sample, Councilmembers Johnson, Heathcott, and Yehle, City Manager Ross, City Secretary Lenz, City Attorney Petrov, ACM/Public Works Director Peifer, and Police Chief Walker.

Pledge of Allegiance: Boy Scout Chase Boddeker led the Pledge of Allegiance

3. Public Comments

There were no comments from the public.

4. Consent Agenda

All Consent Agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council member requests in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

A. City Council Minutes

Approve City Council Minutes of June 25, 2012.

B. Interlocal Agreement with Harris-Galveston Subsidence District

Matters related to an Interlocal Agreement with Harris-Galveston Subsidence District that will allow the City to participate in the H-GSD Water Wise Education program to receive and utilize groundwater credits.

Councilmember Johnson moved to approve the Consent Agenda as presented. Councilmember Yehle seconded the motion. **MOTION PASSED.**

Ayes: Fry, Sample, Heathcott, Johnson, Yehle

Noes: None

Absent: None

5. Reports by Council/Staff

There were no Council or staff reports.

6. Adjourn

At 6:45 p.m., Mayor Pro Tem Sample moved to adjourn the meeting. Councilmember Heathcott seconded the motion. **MOTION PASSED.**

Ayes: Fry, Sample, Heathcott, Johnson, Yehle

Noes: None

Absent: None

Prepared By:

Thelma A. Lenz, City Secretary

Date Approved



The City of West University Place

A Neighborhood City

CITY COUNCIL

Bob Fry, Mayor
Susan Sample, Mayor Pro Tem
Ed Heathcott, Councilmember
Joan Johnson, Councilmember
Dick Yehle, Councilmember

STAFF

Michael Ross, City Manager
Alan Petrov, City Attorney
Thelma Lenz, City Secretary

JOINT CITY COUNCIL AND CHARTER REVIEW COMMISSION MEETING MINUTES

The City Council and the Charter Review Committee of the City of West University Place, Texas, met on **Thursday, July 12, 2012**, in the Municipal Building, 3800 University, West University Place, Texas beginning at **11:45 a.m.**

The topics for discussion were as follows:

Call to Order. Charter Review Committee Chair Phyllis Cohen called the meeting to order. Members present were Katherine Shoebottom, John Neighbors, John Butler, Ann Whitlock, Philip Bryant, Marshall Clinkscales, and Russ Schultze.

Council and Staff present were: Mayor Bob Fry, Mayor Pro Tem Susan Sample, Councilmembers Heathcott, Johnson, and Yehle, City Manager Ross, City Secretary Thelma Lenz. Also present were Executive Assistant Moody and interns Kate Oliver and Matthew Elliott

Committee Chair Cohen began discussions by informing City Council of the earlier meeting held by the Charter Review Commission and she pointed out some of the proposed changes suggested by staff that the Committee feels warrants further investigation. Those proposed changes and Council comments included:

- **Mayor and council term limits.**
 - Term limits can result in short-term thinking
 - There is a learning curve for new Councilmembers that can be interrupted by term limits
 - Campaigning every two years seen as an unproductive burden
 - It could be a challenge to solicit people who would want to commit to 4 years.
 - Two years is not long enough for West U Councilmembers to rise to serving as City representatives on boards/associations outside the City
 - Two three-year terms seem to be a viable solution, but have to consider having terms that don't always align with regular elections in the county
 - No term limits
 - See what other cities are doing
- **Flexibility to cancel council meetings**
 - Stay with two meetings per month with no flexibility for cancelling
 - Consistency is needed for citizens to have regular opportunity to speak on issues

- **Recall Elections**
 - Make it a higher percentage of voters to be able to file a recall petition
 - Have a cause for recall, not just "because" (e.g. recall only for malfeasance)
 - Asked City Attorney to research the percentages in other cities

- **City Secretary reporting to City Manager**
 - Current system may provide for checks and balances
 - Current system may have historic roots that are no longer valid
 - City Manager sees the day-to-day work of the City Secretary and can better evaluate her work

- **City Manager's Powers and Duties**
 - Keep as is so that City Council approval is needed for hiring/firing department heads.

- **How often to review Charter**
 - Six years is sufficient

Chair Cohen thanked Council for their comments and said the Charter Review Commission would take their comments into consideration during their review of the Charter.

At 1:05 p.m., meeting adjourned.

Prepared By:

Thelma A. Lenz, City Secretary

Date Approved

AGENDA MEMO
BUSINESS OF THE CITY COUNCIL
CITY OF WEST UNIVERSITY PLACE, TEXAS

AGENDA OF:	July 23, 2012	AGENDA ITEM:	11-B
DATE SUBMITTED:	July 23, 2012	DEPARTMENT:	Public Works
PREPARED BY:	G. Barrera, Contract Administrator	PRESENTER:	M.C. Peifer, ACM/ Public Works Director,
SUBJECT:	Interlocal Agreement with the City of Houston		
ATTACHMENTS:	Memorandum of Understanding (MOU) for Household Hazardous Waste Disposal Services		
EXPENDITURE REQUIRED:			\$11,250.00
AMOUNT BUDGETED:			\$11,250.00
ACCOUNT NO.:			402-5075-74090
ADDITIONAL APPROPRIATION REQUIRED:			N/A
ACCOUNT NO.:			N/A

EXECUTIVE SUMMARY

The staff negotiated an MOU with the City of Houston, which allows West U residents to utilize Houston's Household Hazardous Waste (HHW) facilities that are located on 11500 South Post Oak and 5900 Westpark.

The MOU is reviving a previous program operated by West U with Harris County that allowed West U residents to utilize these facilities. At that time the County covered all cost associated with the voucher program. The County terminated this program when they constructed their HHW facility located at 6900 Hahl Road (Hwy 290 & N. Gessner) in 2010. The location of the facility has not proven to be convenient due to the distance, traffic and limited hours of operation.

The voucher program will allow residents to use the Westpark and South Post Oak facility at no direct cost to the resident at the time of visit. The voucher's cost would be \$75 per visit with a weight limit of 100 pounds. Residents would be required to obtain the voucher from the City prior to their visit.

The 2012 Budget appropriated \$11,250 for the voucher program (150 visits at \$75 ea.). This would be an on-going program that would be approved annually during the budget process. The term of the MOU is for one (1) year and renews for ten (10) successive one (1) year terms, unless cancelled by either party.

The MOU has been reviewed and accepted as to legal form by the City Attorney.

RECOMMENDATION

Staff recommends that the City Council approve the Memorandum of Understanding with the City of Houston and authorize the City Manager to implement the desire of the City Council concerning this matter.

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EXHIBITS

- A. Scope of Services**

C. Signatures

The Parties have executed this Memorandum of Understanding in multiple copies, each of which is an original.

ATTEST/SEAL (if a corporation):
WITNESS (if not a corporation):

CITY OF WEST UNIVERSITY PLACE

By: _____
Name:
Title:

By: _____
Name:
Title:

ATTEST/SEAL:

CITY OF HOUSTON, TEXAS
Signed by:

City Secretary

Mayor

APPROVED:

COUNTERSIGNED BY:



Director, Solid Waste Management
Department

City Controller

APPROVED AS TO FORM:

DATE COUNTERSIGNED:

Assistant City Attorney
L.D. File No.

II. DEFINITIONS

As used in this MOU, the following terms have the meanings set out below:

"MOU" means this contract between the Parties, including all exhibits and any written amendments authorized by City Council and Buyer.

"Houston" is defined in the preamble of this MOU and includes its successors and assigns.

"Buyer" is defined in the preamble of this MOU and includes its successors and assigns.

"Countersignature Date" means the date shown as the date countersigned on the signature page of this MOU.

"Director" means the Director of the Department of Solid Waste Management, or the person he or she designates.

"Documents" mean notes, manuals, notebooks, plans, computations, databases, tabulations, exhibits, reports, underlying data, charts, analyses, maps, letters, models, forms, photographs, the original tracings of all drawings and plans, and other work products (and any modifications or improvements to them) that Buyer prepares or provides under this MOU.

"Household Hazardous Waste" means "[a]ny solid waste generated in a household by a consumer which, except for the exclusion provided in 40 Code of Federal Regulations §261.4(b)(1), would be classified as a hazardous waste under 40 Code of Federal Regulations, Part 261." 30 TEX. ADMIN. CODE § 335.402 (1999).

"Parties" mean all the entities set out in the Preamble who are bound by this MOU.

III. DUTIES OF BUYER

Houston operates the Environmental Service Center (ESC), a drop-off location for its citizens and the citizens of nearby communities to deliver hazardous household chemical items. This MOU allows the Buyer's citizens to use the ESC to dispose of household hazardous waste. The Buyer shall prepay for its citizens' use of the ESC by purchasing disposal vouchers from the City of Houston Department of Solid Waste Management. The Buyer will distribute the vouchers to its citizens who desire to dispose of household hazardous waste. Buyer's citizens may bring the vouchers to the ESC and redeem them for disposal services during the ESC's regular operating hours.

A. Method of Payment

Every quarter during the term of the MOU that Buyer desires to purchase vouchers from Houston, Buyer shall notify Houston of the number of vouchers it wishes to purchase for that quarter. The Buyer shall pay for all vouchers 30 days in advance of receipt. The price of each voucher is \$75. Buyer's payment must be made by check mailed to the Department of Solid Waste Management at the address indicated on the first page of this MOU. The voucher price is subject to change on a quarterly basis. Buyer may purchase additional vouchers during a quarter on an as needed basis with the approval of the Director.

B. RELEASE

BUYER AGREES TO AND SHALL RELEASE HOUSTON, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY "HOUSTON") FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS MOU, EVEN IF THE INJURY,

DEATH, DAMAGE, OR LOSS IS CAUSED BY HOUSTON'S SOLE OR CONCURRENT NEGLIGENCE AND/OR HOUSTON'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.

IV. DUTIES OF HOUSTON

A. Scope of Services

Services in General

In consideration of the payments specified in this MOU, Houston shall perform the services described in Exhibit "A." Houston will notify Buyer of a price change at least 30 days in advance of the price change. Within 30 days after receiving payment, Houston shall deliver the vouchers to Buyer via United States first class mail.

B. Records

Houston will maintain a log of all redeemed vouchers.

V. TERM AND TERMINATION

A. Contract Term

This MOU is effective on the Countersignature Date and remains in effect for one year unless sooner terminated.

B. Renewals

Upon expiration of the Initial Term, this MOU will be automatically renewed for ten successive one-year terms on the same terms and conditions. Either party may choose not to renew this MOU, by notification to the other party of non-renewal at least 30 days before the expiration of the then-current term.

C. Termination for Convenience by Houston

The Director may terminate this MOU at any time by giving 30 days written notice to Buyer. Houston's right to terminate this MOU for convenience is cumulative of all rights and remedies which exist now or in the future.

TERMINATION OF THIS MOU AND A REFUND FROM HOUSTON FOR ANY VOUCHERS PAID FOR BUT NOT REDEEMED AT HOUSTON'S ENVIRONMENTAL SERVICE CENTER ARE BUYER'S ONLY REMEDIES FOR HOUSTON'S TERMINATION FOR CONVENIENCE, WHICH DOES NOT CONSTITUTE A DEFAULT OR BREACH OF THIS MOU. BUYER WAIVES ANY CLAIM FOR DAMAGES RESULTING FROM HOUSTON'S TERMINATION FOR CONVENIENCE.

D. Termination for Cause

Either party may terminate its performance under this MOU if the other party defaults and fails to cure the default after receiving notice of it. Default occurs if a party fails to perform one or more of its material duties under this MOU. If a default occurs, the injured party shall deliver a written notice to the defaulting party describing the default and the proposed termination date. The date must be at least 30 days after receipt of the notice. The injured party, at its sole option, may extend the proposed termination date to a later date. If the defaulting party cures the default before the proposed termination date, the proposed termination is ineffective. If the defaulting party does not cure the default before the proposed termination date, the injured party may terminate its performance under this MOU on the termination date. The Director shall act on behalf of Houston to notify Buyer of a default and to effect termination.

VI. MISCELLANEOUS

A. Severability

If any part of this MOU is for any reason found to be unenforceable, all other parts remain enforceable unless the result materially prejudices either party.

B. Entire MOU

This MOU merges the prior negotiations and understandings of the Parties and embodies the entire MOU of the Parties. No other MOUs, assurances, conditions, covenants (express or implied), or other terms of any kind, exist between the Parties regarding this MOU.

C. Written Amendment

Unless otherwise specified elsewhere in this MOU, this MOU may be amended only by written instrument executed on behalf of Houston (by authority of an ordinance adopted by the City Council) and Buyer. The Director is only authorized to perform the functions specifically delegated to him or her in this MOU.

D. Applicable Laws

This MOU is subject to the laws of the State of Texas, the City Charter and Ordinances, the laws of the federal government of the United States, and all rules and regulations of any regulatory body or officer having jurisdiction.

Venue for any litigation relating to this MOU is Harris County, Texas.

E. Notices

All notices to either party to the MOU must be in writing and must be delivered by hand, facsimile, United States registered or certified mail, return receipt requested, United States Express Mail, Federal Express, Airborne Express, UPS or any other national overnight express delivery service. The notice must be addressed to the party to whom the notice is given at its

address set out in Section I of this MOU or other address the receiving party has designated previously by proper notice to the sending party. Postage or delivery charges must be paid by the party giving the notice.

F. Captions

Captions contained in this MOU are for reference only, and, therefore, have no effect in construing this MOU. The captions are not restrictive of the subject matter of any section in this MOU.

G. Non-Waiver

If either party fails to require the other to perform a term of this MOU, that failure does not prevent the party from later enforcing that term and all other terms. If either party waives the other's breach of a term, that waiver does not waive a later breach of this MOU.

An approval by the Director, or by any other employee or agent of Houston, of any part of Buyer's performance does not waive compliance with this MOU or establish a standard of performance other than that required by this MOU and by law. The Director is not authorized to vary the terms of this MOU.

H. Enforcement

The City Attorney or his or her designee may enforce all legal rights and obligations under this MOU without further authorization. Buyer shall provide to the City Attorney all documents and records that the City Attorney requests to assist in determining Buyer's compliance with this MOU, with the exception of those documents made confidential by federal or State law or regulation.

I. Ambiguities

If any term of this MOU is ambiguous, it shall not be construed for or against any party on the basis that the party did or did not write it.

J. Parties In Interest

This MOU does not bestow any rights upon any third party, but binds and benefits Houston and Buyer only.

K. Successors and Assigns

This MOU binds and benefits the Parties and their legal successors and permitted assigns; however, this provision does not alter the restrictions on assignment and disposal of assets set out in the following paragraph. This MOU does not create any personal liability on the part of any officer or agent of Houston.

L. Remedies Cumulative

Unless otherwise specified elsewhere in this MOU, the rights and remedies contained in this MOU are not exclusive, but are cumulative of all rights and remedies which exist now or in the future. Neither party may terminate its duties under this MOU except in accordance with its provisions.

EXHIBIT "A"
SCOPE OF SERVICES

Houston operates the Environmental Service Center ("ESC"), a drop-off location for citizens of Houston and surrounding communities to deliver hazardous household chemical items. The substances the ESC will accept include, but are not limited to, paints and thinners, pesticides, toxic cleaners, oils and fuels, pool chemicals, and batteries. Items not accepted by the facility include but are not limited to explosives, ammunition, medical wastes, radioactive wastes, and hazardous wastes from a commercial enterprise or governmental entity. Houston reserves the right to refuse to accept any quantity or type of waste Houston deems inappropriate for the operation of the ESC. City of Houston personnel operate the ESC with disposal contracted out to a hazardous waste disposal company. The ESC will provide a convenient alternative for the disposal of toxic materials that might otherwise be illegally dumped into the environment or create a poison hazard if left around the home.