

MINUTES OF A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, HELD ON JUNE 25, 2018 AT 6:30 PM, IN THE COUNCIL CHAMBER PEARLAND CITY HALL 3519 LIBERTY DRIVE, CITY HALL, 3519 LIBERTY DRIVE, PEARLAND, TEXAS

Mayor Reid called the meeting to order at 6:34 p.m. with the following present:

Mayor	Tom Reid
Mayor Pro-Tem	Derrick Reed
Councilmember	Tony Carbone
Councilmember	Gary Moore
Councilmember	Adrian Hernandez
Councilmember	J. David Little
Councilmember	Woody Owens
City Manager	Clay Pearson
City Attorney	Darrin Coker
City Secretary	Young Lorfing

Absent: Councilmember Trent Perez

Others in attendance: Jon Branson Deputy City Manager, Trent Epperson Assistant City Manager, Michelle Graham Director of Human Resources, John McDonald Director of Community Development, John McCarter Budget and Procurement Manager, Vance Riley Fire Chief, Kim Sinistore Executive Director CVB, Robert Upton Director of Engineer, Andrea Brinkley Assistant Director of Public Works, Joel Hardy Grants-Special Projects Administrator, Jennifer Huhn Court Administrator, Skipper Jones Assistant Director of Capital Projects, Joshua Lee Communications Director, Daniel McGhinnis Chief Information Officer.

The invocation was given by Mayor Pro-Tem Reed and the Pledge of Allegiance was led by Director of Engineering Robert Upton.

ROLL CALL:

Mayor Reid, Mayor Pro-Tem Reed, Councilmembers Carbone, Moore, Hernandez, Little, and Owens. Councilmember Perez absent.

CITIZEN COMMENTS:

Jimmy Davis, 5004 Colmesneil Dr, addressed Council congratulating Councilmember Hernandez on his appointment. Mr. Davis advised he experienced a house fire and in the course of his rebuild the City inspected his new windows and put a sticker on one of them. Mr. Davis states he changed contractors for his home repairs and the new contractor was advised by the City that no door or window replacements were shown at the time of the initial permit application. The contractor advised it has already been done and approved by the City. Mr. Davis advised he has spoken with neighbors who rebuilt after Hurricane Harvey and they were not required to have a Windstorm inspection or Windstorm Engineer. Mr. Davis advised the effects his neighbors may experience due to the City not requiring his neighbors to have Windstorm inspections.

PUBLIC HEARING: None

- A. **Consideration and Possible Action** - Excuse the Absence of Councilmember Keith Ordeneaux from the Regular Council Meeting held on June 11, 2018.
- B. **Consideration and Possible Action** - Excuse the Absence of Councilmember Derrick Reed from the Regular Council Meeting held on June 11, 2018.
- C. **Consideration and Possible Action – Second and Final Reading of Ordinance No. 1494-2** - An Ordinance of the City Council of the City of Pearland, Texas, amending Ordinance No. 1494, establishing prima facie speed limits established for vehicles under the provisions of section 545.356, Texas Transportation Code, upon certain streets and highways, of parts thereof, within the corporate limits of the City of Pearland, as set out in this ordinance and providing a penalty. (Bailey from FM1128 to Veterans and Broadway from FM521 to SH288).
- D. **Consideration and Possible Action** - The re-appointment of Associate Judge, Catherine Samaan.
- E. **Consideration and Possible Action** - The appointment of Kaushik Bhagwanji to Position No. 2 to an unexpired term expiring November 1, 2019 to serve on the Convention and Visitors Bureau Advisory Board.
- F. **Consideration and Possible Action – Resolution No. R2018-114** - A Resolution of the City Council of the City of Pearland, Texas, ratifying a contract with Busby Environmental Services, Inc., for water and wastewater laboratory testing services, in the additional amount of \$15,000.00 for a total contract amount of \$59,036.00.
- G. **Consideration and Possible Action - Resolution No. R2018-110** - A Resolution of the City Council of the City of Pearland, Texas, authorizing the City Manager or his designee to renew a contract for audit services with Whitley Penn in the amount of \$75,300.00, for the period of July 7, 2018 through July 6, 2019.
- H. **Consideration and Possible Action – Resolution No. R2018-108** - A Resolution of the City Council of the City of Pearland, Texas (“City”) suspending the effective date for, ninety days, in connection with the rate increase filing made on about on May 30, 2018 by Texas-New Mexico Power Company; finding that the meeting complies with the Open Meetings Act; making other findings and provisions related to the subject; and declaring an effective date.
- I. **Consideration and Possible Action – Resolution No. R2018-109** - A Resolution of the City Council of the City of Pearland, Texas, awarding a unit supply bid for Large Water Meter Testing and repair services with Taylor Meter Technologies, in an amount not to exceed \$165,737.00, for the period of July 5, 2018 through July 4, 2019

J. Consideration and Possible Action – Resolution No. R2018-113 - A Resolution of the City Council of the City of Pearland, Texas, authorizing the City Manager or his designee to enter into an amended contract with Freese and Nichols, Inc., in the additional amount of \$104,263.01, for engineering services associated with the McHard Road Extension Project (Fiber Optics Network); and approving a Supplemental Work Authorization to include a fiber network in the McHard Road Extension Project.

K. Consideration and Possible Action – Resolution No. R2018-112 - A Resolution of the City Council of the City of Pearland, Texas, renewing a unit supply contract for Open Ditch and Bridge Mowing Services with Special Touch Landscaping, in an amount not to exceed \$66,065.00, for the period of July 10, 2018 through July 9, 2019.

Councilmember Carbone made the motion, seconded by Councilmember Moore to adopt Consent Agenda Items A through K with the exception of A and F as presented on the Consent Agenda.

Voting “Aye” Councilmembers Carbone, Moore, Reed, Hernandez, Little and Owens.

Voting “No” None.

Motion passed 6 to 0, with Councilmember Perez absent.

MATTERS REMOVED FROM CONSENT AGENDA:

As requested by Councilmember Owens Consent Item A was removed for further discussion.

A. Consideration and Possible Action - Excuse the Absence of Councilmember Keith Ordeneaux from the Regular Council Meeting held on June 11, 2018.

Councilmember Carbone made the motion, seconded by Councilmember Moore to excuse the absence of Councilmember Ordeneaux.

Councilmember Owens stated that in his 13 years he is not aware of there ever being an unexcused absence and Councilmember Ordeneaux should be the first so there could be one. Councilmember Owens stated it could be a going away present.

Voting “Aye” Councilmembers Carbone, Moore, Reed, Hernandez, Little and Owens.

Voting “No” None.

Motion passed 6 to 0.

As requested by Councilmember Carbone Consent Item A was removed for further discussion.

F. Consideration and Possible Action – Resolution No. R2018-114 - A Resolution of the City Council of the City of Pearland, Texas, ratifying a contract with Busby Environmental Services, Inc., for water and wastewater

laboratory testing services, in the additional amount of \$15,000.00 for a total contract amount of \$59,036.00.

Councilmember Carbone made the motion, seconded by Councilmember Moore to approve Resolution No. R2018-114.

Councilmember Owens stated he did not have an issue with the Resolution other than there were three bids turned in and it does not show names of the other bidders.

Director of Engineering Robert Upton also stated for Council the other proposers on this were Zanco and Eurofins.

Voting "Aye" Councilmembers Carbone, Moore, Reed, Hernandez, Little and Owens.

Voting "No" None.

Motion passed 6 to 0, with Councilmember Perez absent.

NEW BUSINESS:

Council Action – Resolution No. R2018-116 - A Resolution of the City Council of the City of Pearland, Texas, authorizing publication of notice of intention to issue Certificates of Obligation, for the design, acquisition, construction and improvement of certain public works, authorizing distribution of a preliminary official statement relating to such series of Certificates and authorizing certain other matters relating thereto.

Councilmember Moore made the motion, seconded by Councilmember Reed to approve Resolution No. R2018-116 with the corrected location of Animal Services Shelter to the 2500 block of Hill House Road.

City Manager Clay Pearson stated this is for long term debt issuances that will get paid back by either property taxes or water sewer fees. City Manager Clay Person stated these items were discussed during the budget process and Capital Improvement Plan to make investments in the communities.

Director of Finance Cynthia Pearson advised Council is being asked for approval on the Financial 2019 Capital Improvements Plan. Director of Finance Cynthia Pearson stated this is authorizing publication of notice of intention to issue Certificates of Obligation, for the design, acquisition, construction and improvement of certain public works, authorizing distribution of a preliminary official statement relating to such series of Certificates and authorizing certain other matters relating thereto. Director of Finance Cynthia Pearson introduced John Robuck Financial Advisor with BOK Financial to speak.

Financial Advisor John Robuck stated that he is accompanied by a representative from Orrick, Herrington & Sutcliffe who drafted the documents presented and is a member of the Bond Council if there are any questions. Financial Advisor John Robuck gave a presentation detailing the overview of outstanding debts and debt ratios for the City in addition to Fiscal Year 2018 Bonds. Financial Advisor John Robuck stated his presentations will also address New Business Items

No. 2 and No. 3. Financial Advisor John Robuck provided the tentative timeline for the approval of the Resolution.

Councilmember Carbone stated he would like to see staff pull up the list of projects so Council can see where the money is allocated. Councilmember Carbone stated that while staff pulled up the projects list, he would like to know if on the chart that shows \$8.5 million does the City anticipate selling some of the bonds in the future or did the projects come under budget.

Assistant City Manager Trent Epperson stated that the Green Tee Terrace Trail was reduced by Riverstone Ranch developer contributions, the Orange Street Service Center has been delayed and will be looked at later. Assistant City Manager Trent Epperson stated that funds from that project were added for the Animal Services Shelter and Shadow Creek Library. Assistant City Manager Trent Epperson also stated the Old Alvin widening Project and Max Expansion were reduced by project costs and by allocating existing bonds left over from projects.

Councilmember Carbone stated he needed clarification that the Orange Street services is the only one held for future funding.

Assistant City Manager Trent Epperson confirmed that project is the only one held for future funding.

Councilmember Carbone stated he wanted to clarify that the Certificate of Obligation is debt the City is anticipating to be issued after voter approval and the following items were voter approved in 2007.

Councilmember Owens asked if Fire Station No. 8, No. 1 or No. 7 is in Shadowcreek.

Assistant City Manager Trent Epperson stated that Fire Station No. 8 is in Shadowcreek and the project design is underway and is reimbursable.

Councilmember Owens referred to slide #10 in the presentation asking if the \$621,420,000 for fiscal year 2016/2017 are outstanding bonds.

Financial Advisor John Robuck affirmed it was outstanding and based on General Obligation, Water and Sewer, Development Authority and Economic Development.

Councilmember Owens stated that when these new benefits were initially talked about a Bond Election was discussed and is that included in this.

Assistant City Manager Trent Epperson stated that the 2019 Bond Election would be General Obligation Bonds approved by the voters.

Councilmember Owens stated the projects listed now are what he thought would be in the Bond Election.

Assistant City Manager Trent Epperson stated the City does not have any projects other than the Library and Fire Station discussed in the 2019 Bond Program in this issuance.

Councilmember Owens stated he would like the voters to have the opportunity to vote on the Bonds. Councilmember Owens asked about a notice of dollars not coming in, if projects may have to be taken off the budget.

City Manager Clay Pearson stated that current year collections were more impactful on the General Fund operating side and there are no issues with the Debt Service Fund.

Councilmember Owens stated his concern from the standpoint of coming into Budget there is not an increase in taxes.

Councilmember Reed stated he wanted to echo Councilmember Owens concern with increasing taxes and although the debt to income ratio has lowered it should not mean take out more debt. Councilmember Reed states that at Budget time it will be reviewed carefully with the goal to not increase taxes.

City Manager Clay Pearson stated the tax base is growing and it is being spread out. City Manager Clay Pearson stated the debt service rate adopted for this current budget year is the lowest it has been in five years.

Mayor Reid stated Pearland has a lot to offer to people and the population has increased which has created a need for these bond issues. Mayor Reid states other growing cities are having the same issues.

Voting "Aye" Councilmembers Moore, Reed, Hernandez, Little and Owens.

Voting "No" Councilmember Carbone.

Motion passed 5 to 1, with Councilmember Perez absent.

Council Action – First Reading of Ordinance No. 1560 - An Ordinance of the City Council of the City of Pearland, Texas authorizing the issuance of City of Pearland, Texas, permanent improvement bonds in one or more series; setting certain parameters for the bonds; authorizing a pricing officer to approve the amount, the interest rate, price, and terms thereof and certain other procedures and provisions relating thereto.

Councilmember Reed made the motion, seconded by Councilmember Reed to approve Ordinance 1560 on its first reading.

City Manager Clay Pearson stated these are the GO Bond issuance and this goes back to 2007 and were authorized for the Drainage and Road Improvements projects.

Councilmember Carbone stated these were part of the 2007 Bond Election and were approved and voted on by the voters.

Councilmember Reed stated \$600,000 was wasted on the time taken to put these into effect and the City should be keep that in mind.

Councilmember Carbone asked Staff to talk about the \$600,000 down the drain.

City Manager Clay Pearson asked for clarification on what is being referred to as the \$600,000 lost.

Councilmember Reed stated it is the increase from what was originally adopted for Drainage.

City Manager Clay Pearson stated that has nothing to do with timing and is a reallocation. City Manager Clay Pearson stated the original issue had Drainage projects and as the City's need for drainage has changed and higher priorities were found and funds taken from other projects with lower priority drainage.

Assistant City Manager Trent Epperson stated that there was drainage included in the DL Smith project and the drainage was put off to future years and the funds used for this higher priority project.

Discussion ensued between Councilmember Carbone and Councilmember Reed regarding what was originally voted on and approved by the voters.

Councilmember Owens stated that several issues have come out of the 2007 Bond Vote and just now getting the dollars spent. Councilmember Owens stated he was here during those bonds and they were not done due to bond rates increasing in 2009 and the City did not want to increase taxes on the citizens during tough times.

Voting "Aye" Councilmembers Carbone, Moore, Reed, Hernandez, Little and Owens.

Voting "No" None.

Motion passed 6 to 0, with Councilmember Perez absent.

First Reading of Ordinance No. 1561 - An Ordinance of the City Council of the City of Pearland, Texas, authorizing issuance of City of Pearland, Texas, water and sewer system revenue bonds, Series 2018B; prescribing the terms and conditions thereof; providing for the payment thereof; establishing parameters with respect to the sale of the bonds; authorizing the preparation and distribution of an official statement to be used in connection with the sale of the bonds; making other provisions regarding such bonds and matters incident thereto; authorizing execution and delivery of a paying agent/registrars agreement; and containing other matters related thereto.

Councilmember Hernandez made the motion, seconded by Councilmember Owens to approve Ordinance 1561 on its first reading.

City Manager Clay Pearson stated that this is for water and sewer projects, primarily plant expansions and water meter change outs the City is required to do. City Manager Clay Pearson stated these will be paid back from rates over time.

Councilmember Owens stated that water meters are mentioned and asked if it was already approved prior and what the status is on this project.

City Manager Clay Pearson affirmed it had been approved prior and stated that contracts have been in place since it was awarded 2 months ago. City Manager Clay Pearson stated the contractors have spoken to staff, they are working on the foundations for technology, planning on the transition and the technology work is underway. City Manager Clay Pearson stated that beginning August 1, meters will be installed in new construction.

Councilmember Carbone stated he thought that on the water meter change out the City financed with the Texas Water Development Board (TWBD).

Director of Engineering Robert Upton stated that \$10 million was financed through the Texas Water Development Board.

Councilmember Carbone asked what the life is on the bonds issued by the TWDB.

Director of Engineering Robert Upton stated they are ten (10) Years and the ones tonight will be twenty (20) years.

Councilmember Carbone asked what the life expectancy on the new meters is.

Director of Engineering Robert Upton stated it is a sliding scale that is usually ten (10) years and it also comes down to the amount of gallons pushed through the meters.

Councilmember Carbone stated the meters were financed prior for ten (10) years to closer match the life expectancy and now are being financed for twenty (20) years.

Director of Engineering Robert Upton stated there are other components such as life expectancy versus battery life, which is 20 years.

Councilmember Carbone wanted to clarify we are replacing meters at ten (10) years and batteries at twenty (20) years.

Director of Engineering Robert Upton stated it is a sliding scale and the older types of meters are being replaced with a warranty to extend past the life expectancy.

Assistant City Manager Trent Epperson stated it is ten (10) year full replacement warranty and then pro-rated over the next ten (10) years to cover the twenty (20) year life expectancy of the battery.

Councilmember Owens stated over that period of time the City is assuming a lot of debt on the sewer and water as expected. Councilmember Owens asked if the City is still looking for an increase in the water and sewer rate in 2019 and 2020.

City Manager Clay Pearson stated that much goes into those changes and the water surface treatment plant has to be expanded and bond covenants drive the rate requirements. City Manager Clay Pearson stated the rates are still low.

Councilmember Owens stated that over the next two budget cycles the increase to water and sewer rates can be looked at.

City Manager Clay Pearson stated that the rate increases for last year were 15% annually and early numbers look like rates could be below that.

Councilmember Moore asked what the anticipated saving there will be so that it can be passed on to the taxpayers.

City Manager Clay Pearson stated the meters would be more accurate over time and usage will be better calculated and will indicate leaks throughout the day. It is a requirement of TDBC due to our water loss rate being larger than it should be for a system like the City's.

Voting "Aye" Councilmembers Carbone, Moore, Reed, Hernandez, Little and Owens.

Voting "No" None.

Motion passed 6 to 0, with Councilmember Perez absent.

Council Action – Resolution No. R2018-105 - A Resolution of the City Council of the City of Pearland, Texas, awarding a unit supply contract for fittings, valves and couplings to Core and Main Supply, in an amount not to exceed \$1,068,480.00, for the period of July 5, 2018 through July 4, 2019.

Councilmember Little made the motion, seconded by Councilmember Moore to approve Resolution No. R2018-105.

City Manager Clay Pearson stated that competitive proposals were sent for water and sewer parts and the warehousing of the parts. City Manager Clay Pearson stated that the proposals were broken up into this Resolution and the following two Resolutions so the City could get the best pricing, this being the largest part and the highest cost.

Councilmember Moore stated this is a large amount of money and would like to know the lifespan of these valves.

Director of Engineering Robert Upton stated that the lifespan would be dependent on maintenance and its use, lifespan could range from 15 years to 50 years. Mr. Upton further stated that as the valves fail or water lines are repaired, the City needs to be able to replace them quickly.

Councilmember Moore stated this is a cost based on our estimated need and if they are not used could it come in under this amount.

Director of Engineering Robert Upton stated this is the normal amount needed on an annual basis as repairs are done, cost is not to exceed the amount requested.

Councilmember Owens asked if the City chose Ferguson Enterprises for Items 5 and Item 6 because Main Supply did not bid.

Director of Engineering Robert Upton stated that the bids were accepted from Ferguson Enterprises because the City wanted the best pricing on the parts.

Councilmember Owens questioned if the chosen bid estimates were based on prior years usage.

Director of Engineering Robert Upton affirmed the estimate was based on the prior year's usage.

Councilmember Owens asked if the parts are all ordered at once or as needed throughout the year.

Director of Engineering Robert Upton stated the parts are staged throughout the year as they are needed.

Councilmember Moore stated he assumes the majority of these parts are carbon steel but did see some PVC and brass parts for fire hydrants and asked for clarification.

Director of Engineering Robert Upton stated they are ductile iron pipes and a lot of the fitting and valves are cast ductile iron while the PVC is used for the water mains.

Councilmember Moore asked if any of the iron is wrapped or coated for protection.

Director of Engineering Robert Upton stated that the valves for water lines have a protective coating from the manufacturer, as do the fittings.

Councilmember Little asked if the amount of parts and valves actually used differs from the amount of the bid, are the amounts adjusted off.

Assistant City Manager Trent Epperson stated that the bid is based on per unit price and the City will only pay for what is used.

Councilmember Little asked whether some parts will be used for inventory.

Assistant City Manager Trent Epperson stated some parts would be used for inventory purposes.

Councilmember Hernandez asked if renewal options would be effected by the City not using up to the allotted amount.

Director of Engineering Robert Upton stated that the amount requested is based on past usage and when it comes up for renewal, it will be brought to Council with new usage numbers.

Councilmember Hernandez asked if pricing will be renegotiated at renewal.

Director of Engineering Robert Upton stated it would not be renegotiated but the amounts would be changed to match the usage needs and represented to Council.

Voting "Aye" Councilmembers Carbone, Moore, Reed, Hernandez, Little and Owens.

Voting "No" None.

Motion passed 6 to 0, with Councilmember Perez absent.

Council Action – Resolution No. R2018-104 - A Resolution of the City Council of the City of Pearland, Texas, awarding a unit supply contract for fittings, valves and couplings to Ferguson Enterprises, in an amount not to exceed \$12,059.00, for the period of July 5, 2018 through July 4, 2019.

Councilmember Owens made the motion, seconded by Councilmember Moore to approve Resolution No. R2018-104.

City Manager Clay Pearson stated this is the smaller piece of the bids to get best price for the City.

Voting “Aye” Councilmembers Carbone, Moore, Reed, Hernandez, Little and Owens.

Voting “No” None.

Motion passed 6 to 0, with Councilmember Perez absent.

Council Action – Resolution No. R2018-103 - A Resolution of the City Council of the City of Pearland, Texas, awarding a unit supply contract for fittings, valves and couplings to MDN Enterprises, in an amount not to exceed \$154,328.00, for the period of July 5, 2018 through July 4, 2019.

Councilmember Carbone made the motion, seconded by Councilmember Moore to approve Resolution No. R2018-103.

City Manager Clay Pearson stated this is the final portion of the bids to provide the best pricing to the City.

Voting “Aye” Councilmembers Carbone, Moore, Reed, Hernandez, Little and Owens

Voting “No” None

Motion passed 6 to 0, with Councilmember Perez absent.

Council Action – Resolution No. R2018-115 - A Resolution of the City Council of the City of Pearland, renewing the employee health insurance benefits for stop loss and administration services with Cigna, awarding employee dental insurance to Cigna and awarding the employee vision plan benefits to UNUM for fiscal year 2018-2019.

Councilmember Moore made the motion, seconded by Councilmember Little to approve Resolution No. R2018-115.

City Manager Clay Pearson stated this is renewing the agreement with Cigna to continue to provide health plan administration services, prescription benefits management services and stop loss coverage. City Manager Clay Pearson stated it is adding Dental coverage to the Cigna Plans and moving Vision coverage to UNUM.

Director of Human Resources Michelle Graham introduced Brian Wilson from IPS Advisors who would speak on the changes.

Brian Wilson from IPS advisors made a presentation outlining the changes to Employee benefits with the inclusion of Dental and Vision benefits also the change to costs along with IPS Advisors recommendations.

IPS Advisor Brian Wilson stated that he was able to get Cigna down to a 1.7% increase.

Councilmember Carbone asked what was meant by Cigna going down to 1.7% and to explain further on the changes and terms.

IPS Advisor Brian Wilson stated that meant IPS was able to get Cigna to reduce Administrative fees and provide rebates to the City. IPS Advisor Brian Wilson stated that Cigna was also to increase the contributions to the City's wellness program. IPS Advisors recommendations are for the City to move Dental plans to Cigna and to access Cigna's prior authorization list for prescription drugs.

Councilmember Little asked how many employees participate in the Wellness program.

Director of Human Resources Michelle Graham stated that of the 91% of the employees are participating.

Councilmember Hernandez asked if the Wellness allowance is for internal plan design or a wellness initiative.

IPS Advisor Brian Wilson stated it is money given to the City of Pearland to use towards any type of health initiative or events.

Councilmember Hernandez asked if the City has a history of using all of the funds provided.

Director of Human Resources Michelle Graham stated that through IPS Advisors the City has been able to obtain more funds due to the last three years the funds have been used in full.

Councilmember Hernandez asked if this was used for City wide events or for employees and their dependents.

Director of Human Resources Michelle Graham stated these funds are pointed toward employees and dependents participating in the Healthplan.

Councilmember Hernandez asked if this fund has been used to help identify issues that may help decrease employee rates.

Director of Human Resources Michelle Graham stated that the City currently meets with representatives from Cigna and Kelsey regarding aggregate numbers from wellness visits coming through the Healthplan and programs are built around that, such as diabetes and high blood pressure.

Councilmember Hernandez asked if there is historical data that shows Wellness exams have had an impact on rates or if we hit a threshold does the City get a rate decrease.

City Manager Clay Pearson stated that the result is that it has created positive change in health habits and wellness.

IPS Advisor Brian Wilson stated overall claims per capita go up 10% every year and the City has not experienced that same growth in claims and is negating that trend.

Councilmember Hernandez asked if the employees have been given an opportunity to make an assessment of the Wellness impact.

IPS Advisor Brian Wilson stated there is an Employee Satisfaction Survey done yearly.

Councilmember Carbone stated the slides for HSA and Life and Disability show rates are locked in for 3 years but the City is not on a contract and asked if rates had been shopped to other providers.

IPS Advisor Brian Wilson stated the rates had not been shopped around because it would cause issues for employees with outstanding claims and this way Cigna was already aware of the claims.

Councilmember Carbone asked staff to provide benchmarks for the Dependent Funding portion of the presentation to make sure the City is still on track for the numbers provided.

City Manager Clay Pearson stated the information is available and can be provided to Council.

Councilmember Carbone asked if when the Dental and Vision plans are looked at, is the Pearland area considered for providers to see which networks capture the most providers.

IPS Advisor Brian Wilson stated that a census match is run for all of the employees to make sure the services match the available Providers list in the area.

City Manager Clay Pearson stated that he has more details he can provide to Council later and Providers can start taking the insurance and expand their patients.

Councilmember Carbone asked for explanation on the disruption results going from 53% to 71%.

IPS Advisor Brian Williams stated that shows that there is a stronger network then is currently provided, that the Cigna network is wider than the Aetna network and as it is now more employees are utilizing Out of Network benefits.

Councilmember Carbone asked that the relationship with IPS and the City be reaffirmed.

IPS Advisor Brian Williams stated IPS Advisors is the consultant for the City of Pearland for Employee benefits.

Councilmember Carbone asked how IPS Advisors is being paid for the service they offer.

IPS Advisor Brian Williams stated IPS Advisors is paid a flat fee for consulting the City and no commissions are taken.

Voting "Aye" Councilmembers Carbone, Moore, Reed, Hernandez, Little and Owens.

Voting "No" None.

Motion passed 6 to 0, with Councilmember Perez absent.

MAYOR/COUNCIL ISSUES FOR FUTURE CITY COUNCIL AGENDAS: None

OTHER BUSINESS: None

ADJOURNMENT

Meeting was adjourned at 8:06 p.m.

Minutes approved as submitted and/or corrected this the ____ day of ____, 2018.

Tom Reid
Mayor

ATTEST:

Young Lorfing, TRMC
City Secretary