MINUTES OF A SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, HELD ON MONDAY, JUNE 29, 2015, AT 7:00 P.M., IN THE COUNCIL CHAMBERS, CITY HALL, 3519 LIBERTY DRIVE, PEARLAND, TEXAS.

Mayor Reid called the meeting to order at 8:07 p.m. with the following present:

- Mayor Tom Reid
- Mayor Pro-Tem Tony Carbone
- Councilmember Derrick Reed
- Councilmember Keith Ordeneaux
- Councilmember Greg Hill
- City Manager Clay Pearson
- City Attorney Darrin Coker
- City Secretary Young Lorfing

Absent: Councilmember Gary Moore.

Others in attendance: Claire Bogard Finance Director; Jon Branson Deputy City Manager; Matt Buchanan President of Pearland Economic Development Corporation; J.C. Doyle Police Chief; Michelle Graham Director of Parks and Recreation; Bonita Hall Director of Human Resource; Lata Krishnarao Director of Community Development; Sue Polka Director of Engineering; Vance Riley Fire Chief; Eric Wilson Public Works Director; Sparkle Anderson Communications Manager; Skipper Jones Assistant Director of Capital Projects; Richard Mancilla Assistant City Engineer; John McCarter Management Assistant; Daniel McGhinnis Chief Information Officer; Jennifer Huhn Municipal Court Administrator/Court Clerk.

CALL TO ORDER

PURPOSE OF THE MEETING:

Council Action – Resolution No. R2015-114 — 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 the employee dental insurance benefits to Aetna, and awarding the employee vision plan benefits to Vision Benefits of America for fiscal year 2015-2016.

Mayor Pro-Tem Carbone made the motion, seconded by Councilmember Hill, to approve Resolution No. R2015-114 as amended.

Director of Human Resource Bonita Hall stated the City underwent an open, competitive request for proposal (RFP) process for its health plan administration, prescription benefits manager, stop loss insurance, fully insured dental and fully insured vision insurance programs for the plan year beginning October 1, 2015. The purpose of this agenda item is to provide results of this process including recommended plan design, funding and strategies for the 2015 – 2016 fiscal plan year.
IPS Advisor Representative Brent Weegar gave an overview of the specifics along with making recommendations regarding the health plan.

Discussion ensued between Council and IPS Advisor Representative Brent Weegar regarding the benchmark percentages and enrollment profile.

Mayor Pro-Tem Carbone stated based on the Council Retreat he expected to see a number of solid proposals.

Assistant City Manager Jon Branson stated it was opened up for request for proposals (RFP) and staff evaluated what was received. From a financial standpoint it did not make sense to recommend any changes from what the City is currently doing.

IPS Advisor Representative Brent Weegar explained the evaluation of the request for proposals (RFP) received.

Discussion ensued between Council and IPS Advisor Representative Brent Weegar regarding the benchmark percentages, a contract with Airrosti and what it provides for the employees, and Cigna's MDLive Telephonic medicine program.

Kelsey Seybold Representative John stated Kelsey Seybold is actively exploring the Telephonic medicine capability within their electronic medical record system. The system Kelsey Seybold has today is leading edge within all electronic medical record systems throughout the country. He further stated as part of that application Kelsey has the telephonic medicine capability that we are evaluating to see how best Kelsey can input it in the system. He stated it is not currently active today.

IPS Advisor Representative Brent Weegar gave an explanation of the Working Spouses provision.

Councilmember Ordeneaux stated personally he does not want to see the Health Savings Account (HSA) plan change. He stated he would like to see more employees enter into the HSA plan. He further stated he would like to know how the Working Spouses provision would be implemented.

Assistant City Manager Jon Branson stated what has hurt the City over the last couple of years are large claims. He stated not the majority of the population, but a percentage. That is why the costs have gone up. He further stated the reason for the physical verses the Biometric Screening is the employee will go for the Biometric Screening, receive their results, and most employees will not do anything to better their results. He stated if the employee goes to the doctor for a physical then there is active medical management, and that will benefit the employee and City long term.

Discussion ensued between Council and IPS Advisor Representative Brent Weegar regarding how the City would implement the Working Spouses provision, and the employee participation of the Health Savings Account (HSA) plan.
Mayor Pro-Tem Carbone stated he is not a big fan of cutting the contributions to the Health Savings Account (HSA) plan. He further stated he would like to take away the Working Spouses provision, he does not think it would be a huge benefit for the City. He stated he understands action needs to be taken tonight, but before Council sees the complete budget he would need to see more details and the numbers reworked.

Discussion ensued between Council and IPS Advisor Representative Brent Weegar regarding the stop loss for the Health Savings Account (HAS) plan.

Councilmember Reed stated he needs to see more Health Savings Account (HSA) percentages, and the paperwork showing other options. He further stated he would like to see the Working Spouses provision taken out.

City Manager Clay Pearson stated Council can amend the motion, and remove the Working Spouses provision and modify the Health Savings Account (HSA).

Mayor Pro-Tem Carbone made the motion to amend the motion, seconded by Councilmember Hill to keep the current 70% plan with the reduction in the Health Savings Account (HSA), and remove the Working Spouses provision.

Voting "Aye" Councilmembers Carbone, Reed, Ordeneaux, and Hill.

Voting "No" None.

Motion Passed 4 to 0, with Councilmember Moore absent.

Mayor Reid called for the vote on the original motion as amended.

Voting "Aye" Councilmembers Reed, Ordeneaux, Hill, and Carbone.

Voting "No" None.

Motion Passed 4 to 0, with Councilmember Moore absent.

Council Input and Discussion – Review and Discussion on Fiscal Year 2015 year-end projections and recommended revised Fiscal Year 2015 budget.

City Manager Clay Pearson reported City staff will be submitting for Council consideration and approval a revised budget for the 2014-2015 fiscal year based on fiscal year 2015 year-end projections at the July 13th City Council meeting for first consideration. This revised budget is based on revenue and expenditure projections for the fiscal year completed as part of the fiscal year 2016 budget process.

Director of Finance Claire Bogard gave an overview of the fiscal year 2015 year-end projections.
Mayor Pro-Tem Carbone stated he would like to see the actual debt service payment for Series 2014 bonds versus the Enterprise Resource Planning (ERP) expenses.

Director of Finance Claire Bogard stated she would get the information for Mayor Pro-Tem Carbone.

Mayor Pro-Tem Carbone thanked the Director of Finance Claire Bogard and her staff for the presentation.

**Executive Session under Texas Government Code**

Council adjourned into Executive Session under Texas Government Code at 9:49 p.m. to discuss the following:

1. **Section 551.074 – Personnel Matters** – Regarding appointments to the Boards and Commissions.

Council returned from Executive Session at 10:10 p.m.

**ADJOURNMENT**

Meeting was adjourned at 10:11 p.m.

Minutes approved as submitted and/or corrected this the 10th day of August, A.D. 2015.

Tom Reid
Mayor

**ATTEST:**

Young Lorfing, TRMC
City Secretary