

Council Minutes July 11, 2016

STATE OF TEXAS §

COUNTY OF TARRANT §

CITY OF BEDFORD §

The City Council of the City of Bedford, Texas, met in Work Session at 5:30 p.m. and Special Session at 6:30 p.m. in the Council Chambers of City Hall, 2000 Forest Ridge Drive, on the 11th day of July, 2016 with the following members present:

Jim Griffin	Mayor
Ray Champney	Council Members
Steve Farco	
Roger Fisher	
Dave Gebhart	
Rusty Sartor	
Roy W. Turner	

constituting a quorum.

Staff present included:

Roger Gibson	City Manager
Kelli Agan	Assistant City Manager
Cathy Cunningham	City Attorney
Michael Wells	City Secretary
Natalie Foster	Public Information Officer
Jeff Gibson	Police Chief
Meg Jakubik	Strategic Services Manager
Jill McAdams	Human Resources Director
Emilio Sanchez	Planning Manager
Bobby Sewell	Interim Fire Chief
Bill Syblon	Development Director
Eric Valdez	Community Services Manager

COUNCIL CHAMBER WORK SESSION

Mayor Griffin called the Work Session to order at 6:00 p.m.

- **Review and discuss items on the regular agenda and consider placing items for approval by consent.**

Council discussed placing the following items on consent: 1, 7, 8 and 9.

Human Resources Director Jill McAdams presented information regarding Item #7, which is for the supplemental employee vision program. The program is paid for by the employees and has been offered since 2011. The previous year, the City went out to bid due to complaints with the current vendor. The City moved to VSP, which is a premier vision insurance program. The change in this year's plan is a five-dollar increase in the frames area. It is the joint recommendation of staff and the Employee Insurance Committee to go with the higher renewal rate as employees could pay for the premiums on the Section 125 plan and receive tax savings as opposed to a higher frame cost.

- **Presentation from Texas Health Harris Methodist Hospital HEB on the new Intensive Care Unit expansion.**

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Councilmember Fisher stated he has an abstention affidavit for this item. He left the Council Chamber prior to the following presentation.

Debbie Paganelli, President of Texas Health Harris Methodist Hospital HEB, stated that 100 percent of individuals that have to be in the Intensive Care Unit (ICU) and their family members are grateful for the level of care they receive. Physicians feels that the ICU is of a far higher quality than the other ICUs in the community and Tarrant County. The current ICU opened in 1994 and met the criteria at the time; however, technology and equipment have changed and using ICUs appropriately has become more difficult. With the implementation of the Affordable Care Act, they knew there was going to be a change in the demographic population coming to the hospital. They would be sicker because patients are being taken care of in the out-patient arena, as opposed to coming into the hospital. The ICU is almost at full capacity and it is difficult to maneuver patients through the hospital. Staff realized two years ago that they needed to expand beds and to do high acuity level beds. The market is projected to see an increase in the 65 years plus population, including the highest growth level in Texas Health Resources system. Statistics show that people over the age of 65 have more than one chronic illness. She discussed the primary and secondary service areas of the hospital and statistics showing there to be an increase of 28 percent in patients 65 years or older, and an increase of 32 percent over all. In regards to the capacity level of the current ICU, they have 14 beds and an open bay area with four additional beds, where it is hard to get equipment to the patients. At times when they have had a really ill patient, equipment has to be moved into the hallway. Further, there is not enough space in the rooms for family members. She stated that they are going to overshoot their projections on their budget this year and the acuity level has increased from the first of the year. The ICU has 24/7 intensive care specialists, which is uncommon in hospitals that size.

Margaret Markey, Nursing Manager-Critical Care, displayed a rendering of the new unit. When it was discussed where to put the new ICU, it was decided to build a new building. The new ICU will have floor-to-ceiling windows so patients can keep their days and nights straight. There will not be a change in the quality of care from the nursing perspective, but there will be changes such as being able to include family members and making it a better environment so people can heal more quickly. She discussed the universal bed concept where each room has a full bathroom so there is less movement through the hospital thereby reducing stress. She displayed a rendering of the nursing station, which is three times the size of their current station, and the hallway, which is the length of a football field. She stated there is plenty of room for equipment and showed an example of the rooms being created. She discussed cultural diversity and stated the equipment is on booms so the beds can be turned 360 degrees. The televisions are bigger than the current ones, which are difficult for the aging population to see.

Laura McWhorter, Vice President of Texas Health Resources Foundation, stated that the total cost of the construction of the project is \$25M and they have been going to the community to raise \$2M. So far, they have raised over \$1M from members of the board and community leaders. They are currently working on finalizing fundraising and are respectfully asking the City to consider donating \$10,000. Similar requests are being made to the cities of Hurst and Euless that would collectively make a gift of \$30,000, to name an area in the ICU. In the public area, there would be a donor wall and individually the City would be recognized for supporting the project.

Mayor Griffin stated that he toured the building with members of the foundation and former Mayor Salah of Euless, who hosted the three mayors for lunch. The mayors were given an initial look at this item, which sounded like a great idea but agreed that it need to brought back to their respective councils for discussion. There was discussion on the hospital being an asset to the community overall; and the development of a medical community within the City because of the hospital. Council was in consensus to pursue the \$10,000 donation.

Mayor Griffin adjourned the Work Session at 6:21 p.m.

EXECUTIVE SESSION

To convene in the conference room, if time permits, in compliance with Section 551.001 et. Seq. Texas Government Code, to discuss the following:

a) Pursuant to Section 551.074, personnel matters - City Manager search.

Council convened into Executive Session pursuant to Texas Government Code Section 551.074, personnel matters - City Manager search at 6:23 p.m.

Council reconvened from Executive Session at 6:45 p.m.

Any necessary action to be taken as a result of the Executive Session will occur during the Regular Session of the Bedford City Council Meeting.

SPECIAL SESSION

The Special Session began at 6:48 p.m.

CALL TO ORDER/GENERAL COMMENTS

Mayor Griffin called the meeting to order. He stated that staff did a fantastic job with FourthFest and the ribbon cutting for Phase 1 of the Boys Ranch. There was great music, food, a car show, a kids area, and fireworks. He also thanked residents for being at the event.

INVOCATION (Pastor Chuck Stevenson, Meadow Creek Baptist Church)

Pastor Chuck Stevenson of Meadow Creek Baptist Church gave the invocation.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the flags of the United States and Texas were given.

ANNOUNCEMENTS/UPCOMING EVENTS

Public Information Officer Natalie Foster reported that back in 1915, the Old Bedford School had an ice cream social to commemorate the completion of the building. The ice cream social is being brought back 101 years later. The event will be on Sunday, July 24 beginning at 3:00 p.m. with live music, tours of the school, and ice cream. BluesFest will run Friday, September 2 through Sunday, September 4 and tickets are currently on sale. The lineup includes "Trombone Shorty & Orleans Avenue" and "Tommy Castro & The Painkillers."

OPEN FORUM

Anne Theriot, 813 Birdsong, Bedford – Ms. Theriot signed up to speak on Item #5. She stated she wanted to speak on the proposed signage ordinance as it relates to the Bedford Boys Ranch. There is not currently any signage to prevent people jumping into the pond to retrieve their disks or to prohibit people from bringing glass bottles to the park. It is a big danger and she has picked up a lot of glass from people picnicking. She wanted to call attention to the lack of any signage to prevent dangers at the park, such as using motorized vehicles on the walking paths and preventing people dumping mangled ducks that they have been cruel to into the pond. In regards to not feeding the ducks, she stated it was very difficult to not do so when the pond cannot support the environment and when one sees injured animals brought to the pond or when they have netting mangled around their feet. There should not have to be a sign to tell people they cannot consume controlled substances at the park, but that there is a lot of that going on. She asked who was going to enforce the ordinance to keep people from feeding animals at the park.

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She stated people have been feeding the animals for years. She has lived in the City for 35 years and has frequented the park with her children and grandchildren. It has been an educational experience when feeding the animals and she is glad to share both what she feeds the animals and to teach people what the animals should be fed. She asked Council to consider all these facts she brought to them as they consider the sign ordinance and the item to prohibit people feeding animals at the Boys Ranch.

Patricia Nolan, 1005 Carousel Drive, Bedford – Ms. Nolan signed up to speak on Item #4. She stated the sign ordinance was passed in December by a vote of six to one and it is a much needed addition to the ordinances for Bedford. It was done in accordance according to protocol, six to one in favor of a stricter ordinance. Council received many letters from residents in favor of the ordinance as it stands. Many surrounding cities do not allow large ten-by-twelve signs in front of a property and they are only allowed in the storefront if vacant. A sign does not create enthusiasm and people want to come to a property based on location. She asked that Council stand by the proposal and record from December and move on. She stated there are a lot of other items in the City on which there needs to be focus.

Mr. Rob Stewart, 2541 Stonegate Drive North, Bedford – Mr. Stewart signed up to speak on Item #4. He stated that he and his wife have owned a building at 112 Bedford Road since 2001, and have had an office there since 1996. They have lived in Bedford since 1985. He stated the sign ordinance has 53 types of signs listed and the one he is interested in is real estate agent signs to advertise his property for lease. He is troubled that if somebody put up a sign that was given a permit, starting September 1, they would have to tear it down and replace it with new type of sign. He discussed being involved several years ago with legal non-conformity on masonry fences. The City made an ordinance that was retroactive whereby commercial properties next to residential properties had to build a masonry fence between them. The original fences were built according to ordinances issued by the City and they would have been required to tear fences down and replace them with masonry. He hoped the City would learn that legal non-conformity is a major part of operating cities. He stated that parts of Bedford Road do not have sidewalks or cut-ins for curbs, and there is ample opportunity to improve and enhance the environment. The City should improve street and sidewalks on major thoroughfares instead of worrying about signs. Legal non-conformity is permitted in everything a city does; if not, every house in the City would have a sidewalk in front since new houses are required to have sidewalks. As a business owner, he was offended by the masonry fence issue several years ago as it would have cost him \$100,000 to build one and it was cost prohibitive. He asked Council to consider making legal non-conforming a major consideration of any ordinance, including the sign ordinance.

CONSIDER APPROVAL OF ITEMS BY CONSENT

Motioned by Councilmember Champney, seconded by Councilmember Farco, to approve the following items by consent: 1, 7, 8 and 9.

Motion approved 7-0-0. Mayor Griffin declared the motion carried.

APPROVAL OF THE MINUTES

1. Consider approval of the following City Council minutes:
 - a) June 28, 2016 regular session

This item was approved by consent.

PERSONS TO BE HEARD

2. The following individuals have requested to speak to the Council tonight under Persons to be Heard:
 - a) Helen Martin, 809 Ridge Court, Bedford, Texas 76021 - Request to speak to Council proposed ban on feeding wildlife at BBR and other issues at the park.

Ms. Martin was unable to attend the meeting.

b) Bucky Geer, 2448 Spring Valley Drive, Bedford, Texas 76021 – Request to speak to Council regarding the Bedford Boys Ranch and the feeding of wildlife including the issue of signs and ordinances.

Bucky Geer, 2448 Spring Valley Drive, Bedford, Texas – Mr. Geer stated that he has been a resident for over 30 years. He wanted to speak about the proposed ordinances at the Boys Ranch pertaining to feeding of wildlife. Everybody, including himself, grew up feeding ducks and geese at the Boys Ranch and brought their children to the park to feed them as well. His thinking on the issue changed three years ago while serving on the Parks and Recreation Board, where he was placed in charge of the Boys Ranch. During that time, he had to scoop out loaves of bread and other items from the lake used to feed the ducks and geese, and it became a big problem. In cold winters, he took out 50 pounds of crushed corn to feed ducks and geese. He talked to a game warden regarding the feeding of animals who told him there was such a large population of animals in the winter because they are not migrating due to being fed on a daily basis. He did some research and talked to veterinarians about these issues and was told not to feed the wildlife. One veterinarian wrote a letter, which Mr. Geer distributed around the lake for three weeks and to which he received both positive and negative reactions. He recently had some family members visit from California who were involved in the development of lands and he took them to the lake to get their reaction. They said that whoever built the lake should be commended as it is beautiful and fantastic. Mr. Geer thanked City leaders and staff who worked on the project and continue to work to keep the park maintained. He too worked hard on the development of the Boys Ranch, serving both on the Parks and Recreation Board and the Beautification Commission. He has spent countless hours at the park to make it better for everybody. When the lake was built, it was done so under the auspices of Texas Parks and Wildlife with advisement from them on how it should be done. The City also consulted with the U.S. Fish and Game Services, the New York Department of Wildlife Conservation, People for the Ethical Treatment of Animals, the Humane Society and local veterinarians, who all said not to feed the wildlife and leave it alone. He stated that ducks should scatter when approached but instead come up to be fed. He stated that everybody has good intentions, but it has turned into a feeding frenzy at the lake on a daily basis. At the old lake, the walkways became so infested with feces that one could not walk on them and the pavilion was a disaster because of the mess. He was concerned about children playing on the grass outside the pavilion because it was so heavily soiled. He has walked other parks in the community and asked why the bird population was larger at the Boys Ranch than anywhere else. Per the game warden he spoke to, the lake will support 100 to 150 birds, but there were an estimated 300 to 400 birds on the old lake. If proper steps are not taken, the same thing will happen to the new walkways, lake and pavilion. He encouraged Council to consider the ordinance prohibiting the feeding of wildlife and that it needed consequences attached to it or the daily feeding will continue. He stated that it needs to be enforced through law enforcement. He discussed having previously formed a citizen lake patrol in another community to deal with such issues as crime and vandalism and, after walking the lake for six months, those problems went away. He stated that education is the key with signs like those at the Fort Worth Zoo and programs at the Library.

c) Julian Ghizdareanu, 2509 Sanders Court, Bedford, Texas 76021 / Cindy Hault and Murray Hault, 2517 Sanders Court, Bedford, Texas 76021 – Request to speak to Council regarding the proposed development at 2713 Murphy Drive.

Julian Ghizdareanu, 2509 Sanders Court, Bedford, Texas – Mr. Ghizdareanu stated that his neighborhood was first built in 2014. A certified letter has been sent to the neighboring property owner, his engineer and Planning Manager Emilio Sanchez. He stated the proposed project at 2713 Murphy Drive has not been well received by the residents at the north side of the Sanders Court neighborhood. At the May 26, 2016 Planning and Zoning Commission meeting, there was opposition, but the vote was four to three in favor of the project. As with many projects that develop quickly to make money, there were a few snags. Their property and the owner's property are bordered by a lot of trees, some that are on their property and some that straddle their property lines. From the proposed plans, it is evident that the engineer and property owner have not walked or inspected the property because of these major issues.

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In the professional opinion of a land surveyor, the piece of property was not surveyed properly and they did not take the trees into account. There is no green space on the proposed lot and there would be three parallel parking spaces built along the roadway that abuts his neighbors' bedrooms. What the owner needs to understand is that the trees and small green spaces are selling points for neighborhoods. Homeowners associations (HOA) and small neighborhoods are easy to maintain and dues can be controlled and varied to small amounts per year. In regards to the entrance, they want assurances that the builder will include a sidewalk and grass parkway, which is a feature of all properties along Murphy Drive and must be continued to keep the City beautiful. He discussed the wall along the north side of the property, which will be shared with the businesses, and asked if a HOA will be needed. With the trees preventing the proposed plan from being realized, the owner must go back to drawing board and the City must realize the plans are not functional as submitted. There needs to be the deletion of the large sidewalk along the south end of the property and the proposed retaining wall needs to be pushed back from their property lines as not to damage the trees. These items will more than likely create the inclusion of an HOA and the parallel parking spots should be deleted, which will save several thousands of dollars in concrete and labor and add a small green space for visual appeal. The parking spaces are unnecessary and will be a nuisance to the neighbors. With inclusion of the trees along the property lines, there is the opportunity to clean up the area by removing the scrub brush so the trees grow better and healthier. He and his neighbors bought the house along the north side because of the natural beauty and privacy barrier. He stated the trees on their property are not to be disturbed or damaged, nor does the owner have permission to do anything with the trees that straddle the property line. It was stated by Council that the piece of property in question was zoned MD-3 when Sanders Court was developed. The case on which the Planning and Zoning Commission voted was a re-plat and is out of the Council's hands.

Cindy Hault, 2517 Sanders Court, Bedford, Texas – Ms. Hault stated that it is a common belief that one person's rights end when they encroach on the rights of others, such as in no-smoking laws in public areas. She asked why one man should be allowed to do something that so negatively affects 13 families and their safety, quality of life, and the value of their homes. They were told the property north of Sanders Court, because it was not sold as part of Sanders Addition, was too narrow to do anything with except build a single family house. Most residents chose the north side of Sanders Court because of the trees. She asked why a similar project on Woodson Drive was denied but this one approved. She stated it appears there are separate standards with something having a negative impact on homes owned by City officials. She wanted in on record that if the project proceeds and the developer builds their own fence, leaving dead space between their properties, there will be a worse rodent and mosquito problem than they already have and it will not be accessible to either side to control it. In response to Ms. Hault, Councilmember Fisher stated that he built the house on Woodson Drive but did not attend any of the public hearings when it came for the Planning and Zoning change on Woodson Drive. The zoning was being changed from R-15 to R-4, which is why it went before the Commission and would have come to Council had it not been denied. The objection to that case was going from high density to low density and all of the houses around the property came together and said they did not want this. The notification of the plat change went to the 250-foot radius around the property, as it did with the case on Woodson Drive. The Planning and Zoning Commission is a quasi-judicial body who decided the re-plat by a four to three vote and it is now a civil matter. He wanted to stress there is no special treatment for anybody and his property did not even fall within the 250-foot notification range.

d) Roger Smeltzer, 2921 Brown Trail, Suite 145, Bedford, Texas 76021 – Request to speak to Council regarding commercial signs.

Roger Smeltzer, 2921 Brown Trail, Suite 145, Bedford, Texas – Mr. Smeltzer presented documents to Council including a letter from the North Texas Commercial Association of Realtors, a non-residential based association, which indicated that limiting the size of signs will adversely affect the marketing efforts of realtors and owners. Another letter was from the owner of the property at 1252 Harwood Road, which had a smaller sign for six months and had very few offers. When larger signs were put up, they had four or five showings and the property is now under contract. The owner believes that the larger sign had an impact on how quickly they were able to sell the property.

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Mr. Smeltzer stated that surrounding cities have less strict signage requirements and are not struggling to pull in new tenants to their communities. He feels that Bedford is not hurting by comparing themselves to quality communities nearby. Also included with his documents was a list of 125 supporters that do not want the ordinance changed and want the Council to have a logical discussion with the broker and ownership communities. He stated that commercial signage gets lumped into a category that does not get discussed much. From his records request of 249 pages of emails, only one discussed commercial signage, which was his own email to Council. The 125 supporters represent 2M square feet of commercial property, including every anchored shopping center and who also pay a tremendous amount of tax money into the community. Before these changes were made, the brokerage and commercial owner communities were not sought for their counsel. Nobody on the Council owns commercial property and so seeking that counsel from commercial ownership is critical. He stated that for businesses not on a major thoroughfare, it is impactful to have larger signs. He stated that the explanation given by Council is that the signs are nuisances and look bad, which is hypocritical with the changes made to political signs, including the size and the lack of a permit fee. Council should repeal the changes to the political signs to be the same as the commercial signs. He stated that the people on his list do not want the ability of an owner to have a sign on skids taken away as some properties have no landscaping and therefore have no choice but to put a sign on a skid. The City is setting itself up to not be able to market those properties on the highway that pay higher taxes if the ordinance is not separated. He stated that the City should go to what it had previously, which was already stricter than Euless, Colleyville and Grapevine. He lastly stated that the newer signs cost 30 percent more than the current signs. It was explained by Council that the changes in political signs mirror State law.

e) Macie Condra, 3612 Cummings Court, Bedford, Texas 76021 – Request to speak to Council regarding the proposed sign ordinance.

Macie Condra, 3612 Cummings Court, Bedford, Texas – Mr. Condra asked that the Council reconsider prohibiting portable signs. He owns a sign rental business and does a few signs in Bedford. Currently, businesses are allowed to have portable signs for four months out of the year with a dead period of 30 days. These signs also bring in \$100 with permits, which benefits the City. There are regulations that prohibit these types of signs being up consistently. He stated that it will really hurt the independent businesses and asked Council reconsider that part of the ordinance.

f) Matt Matthews, 850 E. State Highway 114, Suite 100, Southlake, Texas 76092 – Request to speak to Council regarding the real estate signage ordinance.

Matt Matthews, 850 E. State Highway 114, Suite 100, Southlake, Texas – Mr. Matthews stated he wanted to register their opposition to the signage amendments discussed earlier in the evening and the ordinance passed in December. It would make it more difficult for brokers and owners to conduct business in the City.

NEW BUSINESS

3. Public hearing and consider an ordinance to rezone Lots 2,3 and 4, Block 1, Highway 121 Business Park Addition and Lot 2, Block 1, Reliant Rehab Hospital Addition, located at 2308, 2332, 2336 and 2340 Airport Freeway (State Highway 121), Bedford, Texas from (H/MHC) Heavy Commercial/Master Highway Corridor Overlay District to (PUD/MHC) Planned Unit Development/Master Highway Corridor Overlay District, specific to Section 4.15, Planned Unit Development of the City of Bedford Zoning Ordinance, allowing for Heartis Bedford to operate an independent senior living, assisted living and memory care facility. The subject property is generally located north of Bedford Road and east of State Highway 121. (Z-296)

Planning Manager Emilio Sanchez presented information regarding this item, which is to rezone 2308, 2332, 2336 and 2340 State Highway 121. The rezoning request is for Heartis Bedford to construct an independent living, assisted living and memory care facility in the Master Highway Corridor Overlay District (MHC). There will be 86 individual living units, 60 assisted living units, and 32 memory care units, for a total of 178 units.

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The Planning and Zoning Commission recommended approval of this item at their May 26 meeting, with the stipulation that the site plan updated during the meeting be submitted for City Council approval. The stipulation is not in the ordinance but the updated site plan is before Council. The Commission's stipulation was that staff review the submitted document that evening and submit it to Council if it met the 152 parking space requirements. The property is currently zoned Heavy Commercial/MHC and the proposed designs will meet all of the standards for the MHC. When the Reliance Rehabilitation Hospital, now Health South, was approved, as-built plans show the building as 49 feet to the top of the parapet and 55 feet to the top of the screening on the roof.

Councilmember Champney stated that the group is the same one that built Health South; that they did a good job and have been outstanding neighbors; that they demonstrated a great deal of understanding and compassion in relation to the people going to be impacted by the new development; that they made an in-depth presentation on the project to the HOA, of which he is president so the residents would be fully aware of the project and they could take into consideration any comments from the residents; and that the Rustic Hollow HOA had an opportunity to look at the project and was supportive of it.

Mayor Griffin opened the public hearing at 7:45 p.m.

Nobody chose to speak during the public hearing.

Mayor Griffin closed the public hearing at 7:45 p.m.

In answer to questions from Council, Mr. Sanchez confirmed that the MHC requires a maximum building height of 35 feet at the highest elevation but stated that the MHC makes additional allowances to go higher on a foot-for-foot increased setback; that the building would be 90 feet from one property line and 60 feet from the other; and that the height is allowable in the ordinance but Council can put stipulations in the ordinance. There was discussion that that there will be an eight-foot masonry screening wall along the residential neighborhood; that from the west end of the neighborhood, nobody will be overlooking from that elevation into residents' backyards; and that there will be landscaping, which will also contribute to the screening. In answer to further questions from Council, Mr. Sanchez stated that the applicant has not submitted anything in their documentation to staff that included mechanical units; and that the applicant has stated there will be a single story building adjacent to the residential neighborhood before getting to the three story building.

In answer to questions from Council, Steve Zoerner, 401 South Congress Avenue, Austin, Texas 78701, the architect on the project, stated that the building was designed to mitigate any sort of height next to the single family homes; that the single story memory care facility was put adjacent to the single family homes; that from there, the facility steps up to three stories for both the assisted living and independent living units, which will be adjacent to the multi-family high density; that high density will be put next to high density; and that there will be roof wells, which will fully screen the mechanics so there should not be any grade mounted condensers. There was discussion that the MHC only requires screening of mechanical units if they are visible from the service road. In answer to further questions, Mr. Zoerner stated that deliveries will be made to the back of the building; that there will be a full loop road along the back side of the building; that there will be some buffers including a fully enclosed trash dumpster; and that the independent living facility will not include children and is age restricted to 65 years or older.

Motioned by Councilmember Champney, seconded by Councilmember Turner to approve an ordinance to rezone Lots 2,3 and 4, Block 1, Highway 121 Business Park Addition and Lot 2, Block 1, Reliant Rehab Hospital Addition, located at 2308, 2332, 2336 and 2340 Airport Freeway (State Highway 121), Bedford, Texas from (H/MHC) Heavy Commercial/Master Highway Corridor Overlay District to (PUD/MHC) Planned Unit Development/Master Highway Corridor Overlay District, specific to Section 4.15, Planned Unit Development of the City of Bedford Zoning Ordinance, allowing for Heartis Bedford to operate an independent senior living, assisted living and memory care facility. The subject property is generally located north of Bedford Road and east of State Highway 121. (Z-296)

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Motion approved 5-2-0. Mayor Griffin declared the motion carried.

Voting in favor of the motion: Mayor Griffin, Councilmember Champney, Councilmember Farco, Councilmember Turner and Councilmember Fisher.

Voting in opposition to the motion: Councilmember Sartor and Councilmember Gebhart.

4. Consider an ordinance amending Ordinance No. 15-3143; providing for a new Exhibit 'A' being the City of Bedford Sign Regulations; providing a savings clause; providing a severability clause; and providing an effective date.

Mayor Griffin stated that Council's intent was to recraft the ordinance to provide for businesses while at the same time protecting the City's aesthetics. It is an all-encompassing ordinance. Other area cities were evaluated and the Council approved moderate changes that were in-line with other cities and that accomplished Council's goals. Council heard from various parties with different opinions and thoughts, including residents and commercial brokers. Council always wants to include those concerns regarding potential business implications and it is incumbent on them to be receptive to all input from the community. Members of Council have heard from residents, met with business leaders, received emails and met with staff. Council is now finalizing a work product that has minor tweaks and which addresses the main concerns of the business community, while keeping a commitment to an improved ordinance that addresses problematic issues. It is the opinion of the Council that the changes are minor in nature in the overall application of the ordinance but are clearly important to the business community. The ordinance was first approved in December, there was a work session in June and further discussion at the June 28 meeting. Changes to the ordinance include: changing the permitted window size for advertising from 25 percent to 33 percent of the total square footage available; allowing broker signs to be in color; removing the \$30 permit application fee for broker signs; providing legal non-conforming status to broker signs currently in place that are lawfully permitted under the current ordinance; and allowing the use of small, temporary, on-site, free-standing broker signs for garden-type offices that are clustered together. He stated that even though Council has differing opinions, they try to come to a collaborative effort to produce something that benefits the majority of what can be done with the ordinance.

In answer to questions from Council, Development Director Bill Syblon stated the main change to the amended ordinance being considered is that it allows commercial real estate signs to be legal non-conforming. The signs currently out in the field would be allowed to exist as is until they either fall down by an act of nature, go away, or are changed out, at which time the new requirements would go into effect. He clarified that commercial real estate signs that do not have an active permit are illegal signs and must be removed. He confirmed that the commercial real estate signs still require a permit but there would not be a fee.

There was Council discussion on push back whenever a regulatory body says somebody cannot do something; the importance of branding and allowing the branding to be there, just smaller; the permit process being antiquated; the response from residents on the reforms; trying to be better; cleaning up signage on the south side of the City; compromising and making adjustments; the City being business friendly, while also accomplishing things that were badly needed; the discussion on the ordinance being civil; securing feedback from business and monitoring the progress as the City moves forward on the ordinance; making course corrections if needed; doing what is in the best interest of the City; upgrading the look and having an attractive city to draw in businesses; that the City consistently looks for ways to support the business community, such as shopbedfordfirst.com and business roundtables; and raising and maintaining standards.

Motioned by Councilmember Fisher, seconded by Councilmember Farco, to approve an ordinance amending Ordinance No. 15-3143; providing for a new Exhibit 'A' being the City of Bedford Sign Regulations; providing a savings clause; providing a severability clause; and providing an effective date.

Motion approved 7-0-0. Mayor Griffin declared the motion carried.

5. Consider an ordinance amending Chapter 86. "Parks and Recreation," Section 86-1. "Definitions" and Section 86-3. "Prohibited activities generally" of the City of Bedford Code of Ordinances; repealing all ordinances in conflict herewith; containing a savings clause; containing a penalty clause; and declaring an effective date.

Mayor Griffin stated that during this project, the care of the wildlife associated with the Boys Ranch Lake was coordinated with the help of biologists and staff from Texas Parks and Wildlife. There have been changes made to the physical structure of the lake based on input from the public, Texas Parks and Wildlife, and the Army Corps of Engineers. The environment is supporting the existing wildlife, which is confirmed by visits from Parks and Wildlife who are reporting the eco-system is continuing to grow. Council, staff, and the public heard a presentation from a biologist with Parks and Wildlife, whose recommendation is for people, as park visitors, to enjoy the wildlife, but to recognize it is wildlife and to not interfere with the ability of nature at the park to self-regulate. Part of that message was the inherent danger of unintended consequences for those visitors who, wanting to help the wildlife by feeding it, are actually creating opportunities for problems to occur, including overpopulation and the greater potential for the spread of disease and other health risks. Council directed staff to bring before Council a "No Feeding" ordinance for consideration. The ordinance being considered is similar in concept to other municipal ordinances and is similar to what visitors find in state and federal parks as well. The intent of such an ordinance is to help educate those visiting the parks and promote the concept of observing and appreciating nature and the wildlife at the lake and in all the parks but not to inadvertently interfere with nature.

In answer to questions from Council, Community Services Manager Eric Valdez conformed that the ordinance did not just pertain to the Boys Ranch and is City-wide. There was discussion on the need for the ordinance; putting the issue to rest in order of focus on more important issues; education not having worked; wildlife becoming more aggressive because of feeding; the amount of feeding being done; signage; and striking the wording "adjacent thereto" in Section 86-3(3)(b)(1).

Motioned by Councilmember Farco, seconded by Councilmember Fisher, to approve an ordinance amending Chapter 86. "Parks and Recreation," Section 86-1. "Definitions" and Section 86-3. "Prohibited activities generally" of the City of Bedford Code of Ordinances; repealing all ordinances in conflict herewith; containing a savings clause; containing a penalty clause; and declaring an effective date, with the amending of the words "adjacent thereto" be removed from Section 86-3(3)(b)(1).

Motion approved 7-0-0. Mayor Griffin declared the motion carried.

6. Consider a resolution authorizing the City Manager to enter into a contractual agreement for employee health and dental insurance benefits with CIGNA.

Human Resources Director Jill McAdams presented information regarding this item. She stated the City's contract with Cigna for employee health and dental insurance will expire September 30, 2016. The City's benefits consultant, Benefits Seminar Plus (BSP), went out to bid on these products, which were received in May. Companies were asked to bid for a minimum of 12 months. Due to the complexity of medical insurance renewal, it was decided to reconvene the Employee Insurance Committee, which met several times and provided feedback that lead to the decisions being recommended.

In regards to medical insurance, Ms. McAdams stated that each time the City has gone out to bid the last five years, two carriers have declined to bid due to the City's high and ongoing claims. Several adjustments have been made to the plan over the previous five years and the City is at the most cost-effective insurance program that can be maintained from a High Deductible Health Plan (HDHP) standpoint with a Health Savings Account (HSA) for employees to put money away on a tax-free basis. This renewal, claims used by the insurance carriers were for the period April 1, 2015 through March 30, 2016. There were five ongoing claims that exceeded the \$100,000 reinsurance point and several that exceeded \$50,000. Several options were reviewed, including Preferred Provider Organization (PPO) plans, HDHPs with HSA partners, self-funding and providing funding to employees go into the Marketplace and purchase their own insurance.

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Self-funding was ruled out due to the cost of over \$3.6M, which did not include the \$1.4M runoff fee. This represented a 63.48 percent increase over current premiums. Staff looked at a stipend for employees to purchase insurance in the Marketplace, but the Affordable Care Act (ACA) does not allow employers to provide funding to employees so contributions would have to be included in the base salary, which would in-turn increase operational expenses on base salaries such as overtime and retirement. A conservative estimate of the costs, along with penalties for not offering a health insurance plan, is \$3.2M, or 69.5 percent over the current insurance costs. In looking at fully insured products, the Request for Proposals (RFP) was sent to the companies left in the major market place for group plans. Aetna declined to bid because Kaner Medical Group is not in their affordable care network and they did not believe they could be competitive. United Health Care also declined to bid because they could not offer a competitive quote. Bids were received from Blue Cross/Blue Shield (BCBS), Texas Municipal League (TML) and Cigna. The numbers put together for Council's review were adjusted where no increases were passed onto the employees. Cigna's renewal came in at an increase of 39.6 percent, or \$3.6M, which included a 9.61 percent discount taken off the top as a loyalty discount. The bid from BCBS came in at \$3.9M, an increase of 50.94 percent over the current premium paid. The bid from TML had an increase of 97.78 percent, or \$4.9M total, over the current rates. The plans from BCBS and TML also provided smaller networks and lesser benefits. The Committee ruled out those carriers due to the lesser benefits; therefore, Cigna was the only viable bid. Currently, the City is running 123.83 percent over current premium. Some employees did not like Cigna's Local Plus Network, their version of a controlled network, which was a way to keep costs in check. Providers in that network have to commit to certain standards to keep costs contained. Staff went back to Cigna about adding a fourth plan, which is the base plan option with the Open Access Plus network, without increasing costs to the City. Companies typically charge a load fee of one percent on each plan. The City was concerned that claims were starting to increase in the months following the quoting period. BSP was asked to go to Cigna about offering the fourth plan without having their underwriting department look at the additional claims. Cigna did not look at those claims, agreed to add the fourth plan, and waived the load fee. The City is recommending four plans, including three that are on the Open Access Plus network, which are the PPO, the \$1,500 buy-up plan and the \$2,500 plan options. The fourth plan is the Local Plus Network, which is the most cost-effective plan and houses most of the employees.

Ms. McAdams stated that there has been high utilization on dental insurance as well, with claims 109.52 percent over premium. The City has historically run over 100 percent on dental since Fiscal Year 2011/12. RFPs were sent to 13 companies, 11 of which declined to bid due to being non-competitive. The City received bids from Cigna and MetLife, and while the MetLife bid was lower, the network was different from Cigna. By changing to MetLife employees that had work in progress would have to complete it prior to October 1, 2016, which the Committee felt would be difficult to honor and disruptive. Further, there have been no complaints on dental benefits. The Committee felt the employees would be willing to absorb the increase for the convenience of not having to change dentists or complete work in progress. Using the MetLife bid as leverage, Cigna came back with a 0.7 percent decrease on the quote with an additional two-year guarantee on the Dental Maintenance Organization (DMO) product, which is the most cost-effective plan and houses most of the employees. In keeping the rate philosophy consistent with the medical insurance, the City would absorb the increase on the DMO base plan and pass on the additional costs for the buy-up PPO option to employees, keeping the City's contribution to the insurance premium the same across all plans.

In answer to questions from Council, Ms. McAdams stated that Cigna has not made money on the City for five years; that Cigna does put money aside to cover what they perceive to be the costs of some claims, which is built into the renewal; that the bids are based on claims paid; that Cigna purchases insurance for claims that exceed \$100,000; that Cigna paid five claims up to \$100,000 and the remaining balance went into reinsurance; and that the cost of the reinsurance was included in the cost of the renewal, which increased due to the claims. In answer to questions from Council, Lisa Mizell with BSP stated that what is considered high claims depends on the group size and the insurance carrier; that she gets calls from insurance carriers surprised that their RFPs do not include a questionnaire nor demands; that there is a restrictive amount of carriers to work with; that she considers her job selling her clients to the insurance companies,

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which is difficult when there are ongoing claims; that some of her city clients demand a questionnaire as part of their RFP; that BSP represents six cities, of which one is currently with Cigna while another is moving to Cigna from Aetna; that she feels Aetna may not be interested in city business and she is seeing the worst increases from them; that she is interested in seeing if her private sector clients get the same type of horrible renewals; that all of the health insurance carriers in the area work with cities as far as health insurance; that the RFP was sent to the five fully-insured carriers in the area, as well as a third-party administrator to get a quote on self-funding but who also works with approximately 25 stop-loss carriers; that what differentiates BSP from other brokers is service including their 1-800 number for employees, a website at no additional charge, a service that allows Ms. McAdams to contact licensed human resources people, and an annual benefits statement for employees at no extra charge; that their fee has not changed in 20 years; and that Ms. McAdams has been unable to find a broker that does those services for as much money as BSP charges. There was discussion that there has been a 90 percent increase in premiums over the previous five years. Ms. Mizell stated that there have been many changes since 2014, including pre-existing clauses for new hires no longer being allowed and changes in the definition of preventative care, where procedures under that definition have to be covered 100 percent without a cost share; that the ACA requires insurance companies to pay out 80 percent of the premium they collect in claims and if they do not, there is a rebating process; that Cigna has the right to charge 20 percent over the 128 percent, which is the 48 percent figure in their renewal, minus the nine percent discount; and that there is nothing in the calculation for medical inflation such as a new ICU and drugs. There was discussion on the increases not being sustainable by the City and what they can do; putting money into the Kaner employee clinic but not seeing a reflection in the City's health care premiums; and the City not receiving a discount from Cigna for having Kaner. Ms. McAdams stated that the impact from Kaner comes from primary care office visits, which will not negate claims over \$200,000 or hospitalization costs; that the clinic was put in place to address minor emergencies; that the employee utilization of generic drugs is 92 percent; that employees are going to Kaner more often, where there is a potential to catch catastrophic things early; that the costs for the Kaner clinic have decreased from \$100,000 to \$77,000; that there were 623 clinic visits the previous year; that employees are incentivized to get annual physicals, which can catch things before they turn into a long-term claim; that 20 to 30 employees took part in a weight loss clinic through Kaner; that the City has an older population compared to other cities because the City entered into the Texas Municipal Retirement System later; that the City has looked at other options, such as partnering with other cities but has not been successful; that the Employee Wellness Program is very active and has won awards; and that staff tries to manage things the best they can given the situation with the claims. In answer to further questions from Council, Ms. Mizell stated that the claims and on-going risk are the main factors for the high renewal; that self-insurance is bad idea if claims are not running well; that there are penalties and increased taxation from dropping insurance; that if the high claims are carved out, the City is actually doing well; that over the previous 12 months, the City's claims were \$3.5M and the premium was \$2.7M; and that insurance companies have to pay out at least 80 percent of what they take in on claims. There was discussion that if Council delayed the decision on health insurance, it would put the City in a tight bind in trying to get employees enrolled and would require the insurance carriers to look at additional claims that have been incurred. Ms. Mizell stated that the loss ratio in March was 88 percent, in April was 98 percent, in May was 120 percent; and that when insurance companies see that trend going in that direction, it negatively impacts the pricing. There was discussion on the possibility of combining groups to absorb claims and the City already having looked at that option; that TML is an already existing group of cities; and if there was a way to self-insure the high claims versus everything else.

Motioned by Councilmember Champney, seconded by Councilmember Turner, to approve a resolution authorizing the City Manager to enter into a contractual agreement for employee health and dental insurance benefits with CIGNA.

Motion approved 6-1-0. Mayor Griffin declared the motion carried.

Voting in favor of the motion: Mayor Griffin, Councilmember Gebhart, Councilmember Sartor, Councilmember Champney, Councilmember Farco and Councilmember Turner.

Voting in opposition to the motion: Councilmember Fisher

- 7. Consider a resolution authorizing the City Manager to enter into a contractual agreement with VSP to provide supplemental vision insurance to employees as a voluntary benefit option.**

This item was approved by consent.

- 8. Consider a resolution approving the City of Bedford's Section 125 Plan that allows employees to make contributions for insurance premiums and Health Savings Accounts (HSA) on a pre-tax basis as allowable under the Internal Revenue Service (IRS) Code Section 125.**

This item was approved by consent.

- 9. Consider a resolution authorizing the City Manager to enter into an addendum to the current ambulance billing agreement with Intermedix allowing the city to participant in the Ambulance Supplemental Payment Program.**

This item was approved by consent.

- 10. Discussion and action regarding the appointment of the Mayor Pro Tem and Board and Commission Liaisons.**

Council was of the consensus to make no changes to the liaisons to the Boards and Commissions.

Councilmember Turner nominated Councilmember Champney as Mayor Pro-Tem. He stated Councilmember Champney has been a long-term member of the Council and has a lot of experience.

Councilmember Fisher stated that it was fun serving as Mayor Pro-Tem in all its official capacity, which is not much. As the Council should do with the Boards and Commission, they should do the same with the Mayor Pro Tem and make sure they appoint the people that, in the Board and Commission sense, have passion for those items in the particular areas and best represent the goals and wishes of elective body. Everybody on the Council is ready and willing to serve as Mayor Pro-Tem in the absence of the Mayor. He stated that he felt he is capable of doing so and put his name in for reconsideration for another term as Mayor Pro-Tem.

Councilmember Farco stated that whoever is Mayor Pro-Tem, he asked that the show up to ribbon cuttings and public events. Council needs to be more visible in the community, including at HEB events. He stated whoever is Mayor Pro-Tem, he wants them to represent the City and the Council, be out in the public, and promote Bedford.

Mayor Griffin asked for a vote on Councilmember Champney as Mayor Pro-Tem. The vote was 5-2-0 in favor.

Voting in favor: Mayor Griffin, Councilmember Gebhart, Councilmember Farco, Councilmember Champney and Councilmember Turner.

Voting in opposition: Councilmember Sartor and Councilmember Fisher.

- 11. Report on most recent meeting of the following Boards and Commissions:**

- ✓ **Animal Shelter Advisory Board - Councilmember Fisher**

Councilmember Fisher reported that the Board will meet the following Wednesday at 2:00 p.m.

- ✓ **Beautification Commission - Councilmember Turner**

No report was given.

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✓ **Community Affairs Commission - Councilmember Farco**

No report was given.

✓ **Cultural Commission - Councilmember Champney**

Councilmember Champney reported that there was a Bedford Arts Central event on Saturday sponsored by Josh Santillan on the Commission. There were a number of artist and vendors. The event was a success prior to being cut short by a storm.

✓ **Library Advisory Board - Councilmember Farco**

Councilmember Farco reminded everybody to sign up for the Summer Reading Club.

✓ **Parks and Recreation Board - Councilmember Sartor**

Councilmember Sartor reported the Board will not meet until the following month. He wanted to echo the Mayor's comments regarding staff and the FourthFest event. It went off very well and was well attended, and he was not aware of any major issues. He thanked staff and encouraged people to visit the Boys Ranch.

✓ **Teen Court Advisory Board - Councilmember Gebhart**

Councilmember Gebhart reported that the regular Board meetings will resume in September.

✓ **Senior Citizen Liaison - Councilmember Turner**

Councilmember Turner reported that they are in the process of organizing a senior meeting during the month to set goals for the coming year.

12. Council member Reports

No other reports were given.

13. City Manager/Staff Reports

City Manager Roger Gibson discussed the recent horrific events in Dallas, where 12 police officers were shot and five lost their lives. The City has ex-employees in both the Dallas Police Department and Dallas Area Rapid Transit. There are people in the City that have friends and families that work for the Department. He hoped people appreciate that the law enforcement in the north Texas area is truly outstanding. Interim Fire Chief Bobby Sewell shared with him and Police Chief Jeff Gibson that there are now social media threats targeting police and fire personnel. The police and fire personnel in the City are truly outstanding and are amazing people, and he hoped that people appreciate that. He asked if people saw them, to thank them.

14. Take any action necessary as a result of the Executive Session.

No action was necessary as a result of the Executive Session.

ADJOURNMENT

Mayor Griffin adjourned the meeting at 9:26 p.m.

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Jim Griffin, Mayor

ATTEST:

Michael Wells, City Secretary