

# **AGENDA**

**Regular Meeting of the Bedford City Council  
Tuesday, June 24, 2014  
Bedford City Hall Building A  
2000 Forest Ridge Drive  
Bedford, Texas 76021**

**Council Chamber Work Session 5:30 p.m.  
Council Chamber Regular Session 6:30 p.m.**

**COMPLETE COUNCIL AGENDAS AND BACKGROUND INFORMATION ARE AVAILABLE FOR REVIEW  
ONLINE AT <http://www.bedfordtx.gov>**

## **WORK SESSION**

- Review and discuss items on the regular agenda and consider placing items for approval by consent.
- Presentation by Robert Hinkle, NTE, regarding the S.H. 183 expansion.
- Presentation of the 2013-2018 Capital Improvement Plan for Sewer Line Renewals from Gary Burton Engineering.

## **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 551.071, consultation with City Attorney regarding pending or contemplated litigation regarding 533 Bedford Road.
- b) Pursuant to Section 551.071, consultation with City Attorney regarding pending or contemplated litigation regarding 3737 Cummings Road.
- c) Pursuant to Section 551.071, consultation with City Attorney regarding pending or contemplated litigation regarding 608 Annette.

## **REGULAR SESSION 6:30 P.M.**

### **CALL TO ORDER/GENERAL COMMENTS**

**INVOCATION** (Pastor Dr. Kevin Smith, Faith Christian Fellowship Church)

### **PLEDGE OF ALLEGIANCE**

### **ANNOUNCEMENTS/UPCOMING EVENTS**

### **OPEN FORUM**

*(The public is invited to address the Council on any topic that is posted on this agenda. Citizens desiring to speak on Public Hearing(s) must do so at the time the Public Hearing(s) are opened. In order to speak during Open Forum a person must first sign in with the City Secretary prior to the Regular Session being called to order. Speakers will be called upon in the order in which they sign in. Any person not signing in prior to the commencement of the Regular Session shall not be allowed to speak under Open Forum. Further, Open Forum is limited to a maximum of 30 minutes. Should speakers not use the entire 30 minutes Council will proceed with the agenda. At the majority vote of the Council the Mayor may extend the time allotted for Open Forum.)*

### **CONSIDER APPROVAL OF ITEMS BY CONSENT**

### **COUNCIL RECOGNITION**

1. Employee Service Recognition

## **APPROVAL OF THE MINUTES**

2. Consider approval of the following City Council minutes:
  - a) June 10, 2014 regular meeting

## **NEW BUSINESS**

3. Consider an ordinance amending the City of Bedford Code of Ordinances, Chapter 114, Article II, Section 114-39 "Stop intersections" to include the specific locations listed for intersections designated as streets upon which vehicles stop before entering intersections; and for amending Chapter 114, Article II, Section 114-42, "Prohibited turns at intersections" to include the specific locations where drivers of vehicles shall not make a U-Turn where an authorized sign clearly indicates that no U-Turn is permitted; providing for a severability clause; providing for a penalty clause; and declaring an effective date.
4. Consider an ordinance amending the annual budget for the City of Bedford, Texas for the fiscal year October 1, 2013 through September 30, 2014; and declaring an effective date.
5. 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.
6. 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.
7. Consider a resolution authorizing the City Manager to enter into a contractual agreement for employee dental and health benefits with CIGNA.
8. Consider a resolution authorizing the City Manager to enter into a contract with Ron Wright, Tarrant County Tax Assessor-Collector and Tarrant County, for the assessment and collection services of ad valorem taxes levied by the City of Bedford; and providing an effective date.
9. Consider a resolution authorizing the City Manager to enter into a contract with The Rockaway Company, Inc. for renovations to the City's Emergency Operation Center in the amount of \$18,832.50, utilizing the Tarrant County 9-1-1 District PSAP Assistance Program Funding.
10. Consider a resolution authorizing the City Manager to purchase a security camera network and recording system in the amount of \$22,361, from Wildfire Camera Networks.
11. Consider a resolution authorizing the City Manager to purchase two-way radios from Motorola Solutions in the amount of \$33,101.90, utilizing the Tarrant County 9-1-1 P25 Assistance Program Funding.
12. Consider a resolution authorizing the City Manager to cancel a Council meeting in July, November and December; and to reschedule the Council meeting in November to November 18.
13. Consider a resolution authorizing the City Manager to purchase Microsoft 365 user licenses through SHI Government Solutions, a cooperative contract vendor with the Texas Department of Information Resources (DIR).

14. Consider a resolution regarding City of Bedford participation in Tarrant County's Community Development Block Grant, Home Investment Partnership, and Emergency Solutions Grant Consortium for the three program year period, Fiscal Year 2015 through Fiscal Year 2017.
15. Consider a resolution authorizing the City Manager to authorize a payment in the amount of \$2,460,416 to Bluebonnet Contractors, LLC for the relocation of the City of Bedford's existing utilities impacted by the North Tarrant Express Project.
16. Presentation by staff of the history, current status and future plans for the Code Compliance issues associated with 608 Annette. \*\*This item requested by Councilmember Davisson
17. Report on most recent meeting of the following Boards and Commissions:
  - ✓ Animal Shelter Advisory Board - Councilmember Fisher
  - ✓ Beautification Commission - Councilmember Turner
  - ✓ Community Affairs Commission - Councilmember Boyter
  - ✓ Cultural Commission – Councilmember Champney
  - ✓ Library Board - Councilmember Davisson
  - ✓ Parks & Recreation Board - Councilmember Davisson
  - ✓ Senior Citizen Advisory Board - Councilmember Turner
  - ✓ Teen Court Advisory Board - Councilmember Farco
18. Council member Reports
19. City Manager/Staff Reports

#### **EXECUTIVE SESSION**

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

- a) Pursuant to Section 551.071, consultation with City Attorney regarding pending or contemplated litigation regarding 533 Bedford Road.
- b) Pursuant to Section 551.071, consultation with City Attorney regarding pending or contemplated litigation regarding 3737 Cummings Road.
- c) Pursuant to Section 551.071, consultation with City Attorney regarding pending or contemplated litigation regarding 608 Annette.

#### **20. Adjourn into Regular Session**

#### **21. Take any action necessary as a result of the Executive Session**

*(Any item on this posted agenda may be discussed in executive session provided it is within one of the permitted categories under Chapter 551 of the Texas Government Code.)*

#### **ADJOURNMENT**

##### **CERTIFICATION**

I, the undersigned authority, do hereby certify that this Notice of Meeting was posted on the outside window in a display cabinet at the City Hall of the City of Bedford, Texas, a place convenient and readily accessible to the general public at all times, and said Notice was posted by the following date and time: Friday, June 20, 2014 at 5:00 p.m., and remained so posted at least 72 hours before said meeting convened.

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**Michael Wells, City Secretary**

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**Date Notice Removed**

(Auxiliary aids and services are available to a person when necessary to afford an equal opportunity to participate in City functions and activities. Auxiliary aids and services or accommodations must be requested in writing to the City Secretary's Office a minimum of seventy-two hours (72) hours prior to the scheduled starting time of the posted meeting. Requests can be delivered in person or mailed to the City Secretary's Office at 2000 Forest Ridge Drive, Bedford, TX 76021, or emailed to [mwells@bedfordtx.gov](mailto:mwells@bedfordtx.gov). Some requests may take longer due to the nature, extent and/or availability of such auxiliary aids, services or accommodations.)



# Council Agenda Background

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**PRESENTER:** Robert Hinkle, NTE

**DATE:** 06/24/14

Staff Report

**ITEM:**

Presentation by Robert Hinkle, NTE, regarding the S.H. 183 expansion.

City Manager Review: \_\_\_\_\_

**DISCUSSION:**

Robert Hinkle from NTE Mobility Partners will present an update regarding the S.H. 183 expansion project.

**ATTACHMENTS:**

N/A



# Council Agenda Background

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**PRESENTER:** Thomas L. Hoover, P.E.  
Public Works Director

**DATE:** 06/24/14

**Council Mission Area:** Be responsive to the needs of the community.

**ITEM:**

Presentation of the 2013-2018 Capital Improvement Plan for Sewer Line Renewals from Gary Burton Engineering.

**City Attorney Review:** N/A

**City Manager Review:** \_\_\_\_\_

**DISCUSSION:**

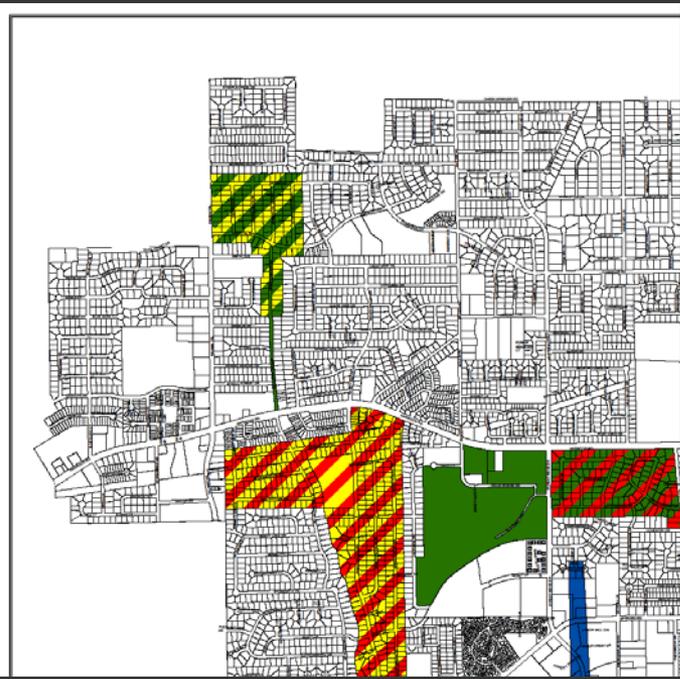
On January 14, 2014, Gary Burton Engineering, Inc. (GBEI) was awarded a professional services contract in the amount of \$108,200 to prepare a five-year Capital Improvement Program for 2013-2018 and for sanitary sewer line improvements associated with the City's Sanitary Sewer Overflow Initiative (SSOI) for 2014. GBEI has completed the plan for spending approximately \$1,000,000 per year as required by the Texas Commission on Environmental Quality SSOI program. GBEI has completed the 2013-2018 Capital Improvement Plan for Sewer Line Renewals on the attached presentation.

**ATTACHMENTS:**

PowerPoint Presentation

Gary Burton Engineering Inc.

**CITY OF BEDFORD  
2013-2018 CAPITAL  
IMPROVEMENT PLAN FOR  
SEWER LINE RENEWALS**



# 2013-2014-C.I.P. SEWER LINE RENEWALS

PROJECT	COST
Bedford Boys Ranch Outfall Sewer Renewal	\$205,000
Renew Basin 19.1W 10" Outfall Sewer with 12" in Kelmont Park from Schumac Lane to Shirley Way	\$230,000
Clean & TV Subdivisions (Harwood Terrace, Rollingwood, Bell Manor)	\$105,000
Renew Basin 19.1W 10" Outfall Sewer with 12" in Spring Valley Dr. from Harwood to Simpson Terrace	\$460,000
<b>TOTAL COST FOR 2013-2014</b>	<b>\$1,000,000</b>

# 2014-2015-C.I.P. SEWER LINE RENEWALS

<b>PROJECT</b>	<b>COST</b>
Clean & TV Subdivisions (Shady Brook, Brookhollow, Oakwood Park East, Bell Hurst)	\$50,000
Harwood Terrace Addition SLR (excluding MH work)	\$455,000
Bell Manor North SLR	\$350,000
Renew Basin 19.0W 8" Outfall Sewer with 10" along Pipeline Rd. from Elizabeth to Glenda	\$145,000
<b>TOTAL COST FOR 2013-2014</b>	<b>\$1,000,000</b>

# 2015-2016-C.I.P. SEWER LINE RENEWALS

PROJECT	COST
GBEI SLR (Deleted portion of Basin 19.1W)	\$55,000
Shady Brook Addition SLR	\$160,000
Rollingwood and Slipline Lincolnshire Additions SLR	\$620,000
Renew Basin 16.0W 15" Outfall Sewer with 18" from Hwy 121 to L. Don Dodson Dr.	\$165,000
<b>TOTAL COST FOR 2015-2016</b>	<b>\$1,000,000</b>

# 2016-2017-C.I.P. SEWER LINE RENEWALS

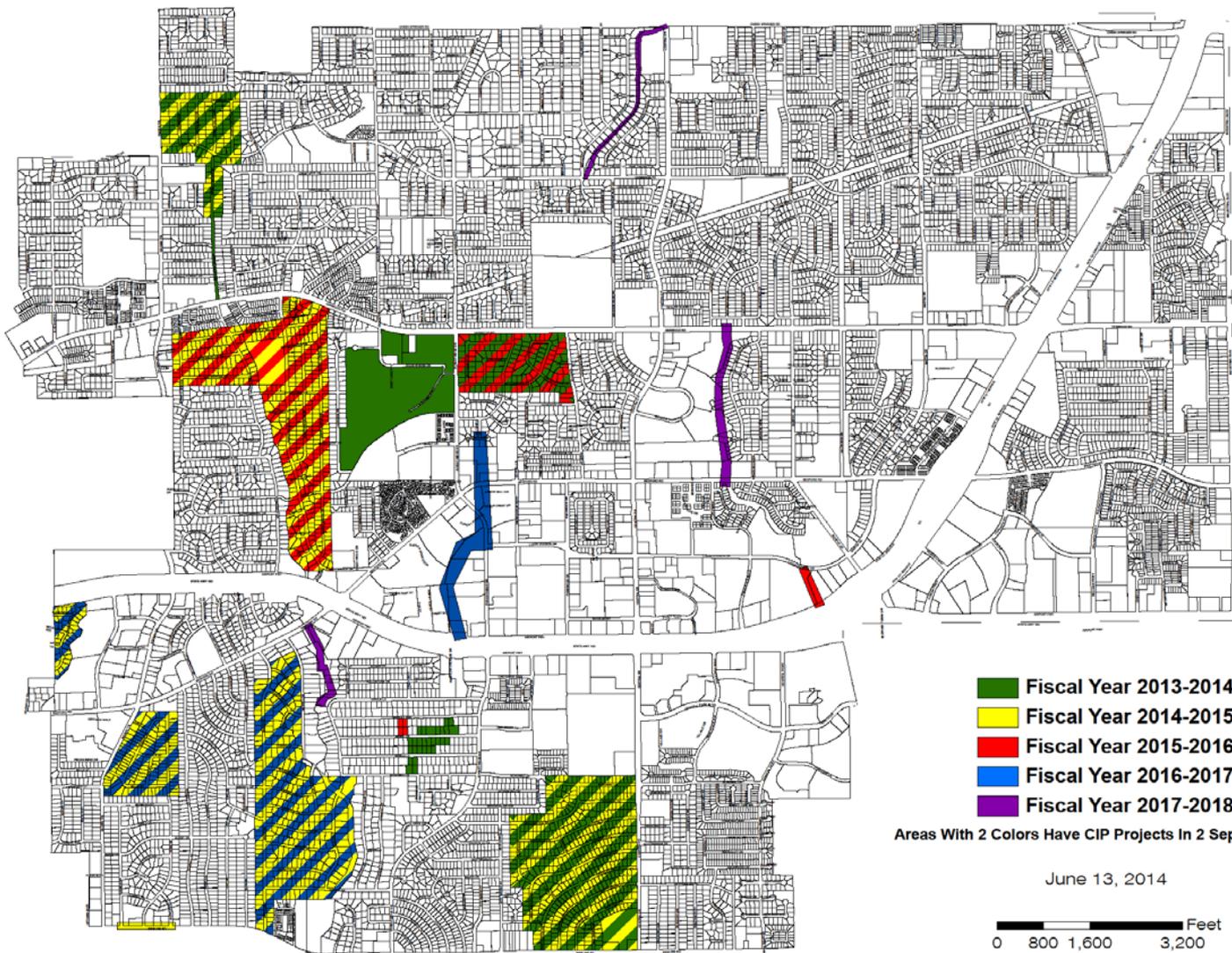
PROJECT	COST
Renew Basin 19.1W 8" Outfall Sewer with 12" from Hwy 183 to Warwickshire Ct.	\$489,000
Bell-Hurst Addition SLR (excluding MH work)	\$280,000
Oakwood Park East Addition SLR	\$135,000
Point Repairs, 2015	\$165,000
Brookhollow Addition SLR	\$65,000
<b>TOTAL COST FOR 2016-2017</b>	<b>\$1,000,000</b>

# 2017-2018-C.I.P. SEWER LINE RENEWALS

PROJECT	COST
Basin 19.1W Sulphur Branch Outfall Renewal upstream of Circle Dr. with Drainage Improvements	\$350,000
Renew Basin 16.0W 12", 10", and 8" Outfall Sewer with 15" and 8" from Bedford Rd. to Harwood	\$485,000
Renew Basin E3 12" - 8" Outfall Sewer with 15" and 10" east of Brookside Dr. from Cheek Sparger Rd. to Cummings Dr.	\$510,000
<b>TOTAL COST</b>	<b>\$1,345,000</b>

**C.I.P. IMPROVEMENTS**  
**WASTEWATER 5 YEAR PLAN**

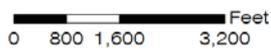
PREPARED BY:  
 PUBLIC WORKS &  
 ENGINEERING DEPARTMENTS



- Fiscal Year 2013-2014
- Fiscal Year 2014-2015
- Fiscal Year 2015-2016
- Fiscal Year 2016-2017
- Fiscal Year 2017-2018

Areas With 2 Colors Have CIP Projects In 2 Separate Years

June 13, 2014



Fiscal Year 2016-2017 Spot Repairs To Be Determined



(817) 992-2200 | 833 Reliance Plaza  
 Bedford, Texas 76022 | www.bedfordtx.gov

\* NOTE: These datum are to be used for graphical representation only. The accuracy is not to be taken as data produced for engineering purposes or by a Registered Professional Land Surveyor for the State of Texas. For this level of detail, supervision and certification of the produced data by a Registered Professional Land Surveyor for the State of Texas would have to be performed. The City of Bedford assumes no responsibility for the accuracy of said data.



# Council Agenda Background

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**PRESENTER:** Beverly Griffith, City Manager

**DATE:** 06/24/14

Council Recognition

**ITEM:**

Employee Service Recognition

City Manager Review: \_\_\_\_\_

**DISCUSSION:**

The following employees have completed a service period and are eligible for recognition:

Ryan Hancock	10 years	Fire Department
Deborah Carlisle	15 years	Police Department
Torin Johnson	20 years	Fire Department

**ATTACHMENTS:**

N/A



# Council Agenda Background

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**PRESENTER:** Michael Wells, City Secretary

**DATE:** 06/24/14

**Minutes**

**ITEM:**

Consider approval of the following City Council minutes:

- a) June 10, 2014 regular meeting

City Manager Review: \_\_\_\_\_

**DISCUSSION:**

N/A

**ATTACHMENTS:**

June 10, 2014 regular meeting

STATE OF TEXAS §

COUNTY OF TARRANT §

CITY OF BEDFORD §

**The City Council of the City of Bedford, Texas, met in Work Session at 6:00 p.m. and Regular Session at 6:30 p.m. in the Council Chambers of City Hall, 2000 Forest Ridge Drive, on the 10th day of June, 2014 with the following members present:**

Jim Griffin	Mayor
Michael Boyter	Council Members
Ray Champney	
Jim Davisson	
Steve Farco	
Roger Fisher	

constituting a quorum.

Councilmember Turner was absent from the meeting.

Staff present included:

Beverly Griffith	City Manager
David Miller	Deputy City Manager
Stan Lowry	City Attorney
Michael Wells	City Secretary
Chuck Carlisle	Risk and Contractual Services Manager
Natalie Foster	Marketing Specialist
Roger Gibson	Police Chief
Eric Griffin	Deputy Police Chief
Mirenda McQuagge-Walden	Managing Director
Bill Syblon	Development Director

### **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 and 2.

Deputy Police Chief Eric Griffin presented information regarding Item #2, which is to replace the control panels in the jail. They were installed in 1999, parts are no longer made for the panels, and staff is starting to experience problems. Bids were solicited from different companies, with the low bid coming from the company that originally installed the panels. The other bids came in at \$69,000 and \$99,000 respectively. The issue is that the indicator would show some of the jail doors open when they were actually locked shut. In answer to questions from Council, Deputy Chief Griffin stated that it is a possibility that the indicator would show doors to be locked when they were actually open; that Immigrations and Customs Enforcement (ICE) performs yearly inspections of the safety and security systems of the jail; and that there are two control panels, a main one and one for where the ICE inmates are held. In answer to a question from Council, Risk and Contractual Services Manager Chuck Carlisle stated that the item would be paid for out of the Facility Maintenance Fund.

- **Discussion regarding modifications to the Council meeting schedule as a result of the recently passed Charter Amendments. \*\*This item requested by Mayor Griffin.**

Mayor Griffin requested this item be on the agenda for discussion. The Council now has the ability to adjust Council meeting dates as they are no longer required to hold two meetings a month. City Manager Beverly Griffith stated several staff members take vacation during July and recommended cancelling the July 8 meeting and holding the regular July 22 meeting. This will be helpful for staff to finalize the budget, and agenda items have either been moved to the second meeting in June or until a later date. She recommended that in November the difference be split between the two regular meeting dates and to hold one meeting on November 18. For December, she recommended cancelling the December 23 meeting and having one meeting on December 9. There was discussion on moving the July meeting to either July 15 or July 29; and whether staff is able to forecast the November and December meetings so far in advance. Council was of the consensus to cancel and move the meeting dates as presented by the City Manager and to tentatively set the July meeting to July 29 upon verification that no legal notices have been advertised for July 22.

- **Receive an update on Economic Development.**

Development Director Bill Syblon presented an update on Economic Development. He discussed staff's recent experience at ICSC and showed slides of the materials used to market the community to brokers, retailers, developers and business owners. He discussed the widening of the highway and the new redevelopment opportunities, and displayed aerials of the available hard corners on the highway that are prime for redevelopment. Productive discussions were held with such companies as McAllister's, Chick-fil-A, Fish Daddy's, Family Dollar, Costco and Corner Bakery, as well as with HEB ISD and the Pappa's Group. Examples of recent redevelopment activity include Applebee's, Twisted Root, Chili's, Mexican Inn and Cisco Jack's. He discussed partnerships with HEB ISD on their new tech center, with Texas Health Resources on their new cancer center and the expansion to their ICU, and with Mac Churchill, who took over and renovated the former Park Place property. Upcoming projects include the Movie Tavern and Adam Smith's Harley Davidson, which is expanding their dealership by 85,000 square feet and will have a cutting edge three story building with a mezzanine and an area on the roof for activities. Hwy 55 will be going into the former Le Peep space at the corner of Central Drive and Harwood Road. They have 100 locations nationwide, with the first two in Texas being in Bedford and North Richland Hills. O'Reilly Auto Parts will be going into the Bedford Meadows Shopping Center, where an outbuilding will be torn down. The Tom Thumb Fuel Station at Harwood Road and Highway 121 is moving forward. Calvert Family Motors will be moving into a former office building off of Brown Trail and Bedford Road. Residential development consists of small infill projects. At Harwood Road and Central Drive, 40 single-family units are going in, built by Megatel Homes. Avalon Place, consisting of 22 single-family homes, is going in on Bedford Road, and Sanders Place, consisting of 13 single-family homes, is going in on Murphy Drive. He stated that the residential market remains hot in the City. In regards to corporate moves and facilities, the national sales headquarters for TXI moved into the former library building and, as a result of a recent merger, even more sales will be going through the City. Polycoat Products recently moved two affiliate businesses to their Bedford site. For 2013, sales tax revenue has remained steady; 17 new single-family permits and a total of 800 single-family permits have been issued; 270 total commercial and 106 new business certificates of occupancy have been issued; and retail vacancy has seen improvements and office occupancy has remained steady.

In answer to questions from Council, Mr. Syblon stated that the sign for the builder at Central Drive and Cheek-Sparger was recently put up and the project is moving forward; that it is hoped the Movie Tavern will be open by the end of the year; that staff is seeing interest in development on both sides of the highway; and that in speaking with TXI, it is anticipated that the sales from their merger will be folded into the Bedford office.

Mayor Griffin adjourned the Work Session at 6:37 p.m.

### **REGULAR SESSION 6:30 P.M.**

The Regular Session began at 6:38 p.m.

### **CALL TO ORDER/GENERAL COMMENTS**

Mayor Griffin called the meeting to order. He presented an update on the property at 3737 Cummings

Drive. He stated that the tenant has come into compliance as far as vehicle storage and the City continues work with Daystar on cleanup. Permits have been pulled for the demolition of two buildings on the property. In regards to the property at 533 Bedford Road, work has been done to remove the pile and the City is continuing to work the legal process to gain control of the property.

Marketing Specialist Natalie Foster presented information on upcoming events. There will be a karaoke night at the Library on Saturday, June 14 from 6:00 p.m. to 8:00 p.m. There will be a Father's Day event at Splash on June 15 from 12:00 p.m. to 6:00 p.m., where dads get a dollar off admission when accompanied by a child. There will be a parent's night out at the Old Bedford School on June 20 from 6:00 p.m. to 10:00 p.m. for children five to 11 and the registration is \$20.00 per child.

### **INVOCATION (Pastor Robert White, Cornerstone North Church)**

Pastor Robert White of Cornerstone North Church gave the invocation.

### **PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was given.

### **OPEN FORUM**

Nobody chose to speak during Open Forum.

### **CONSIDER APPROVAL OF ITEMS BY CONSENT**

Motioned by Councilmember Champney, seconded by Councilmember Davisson, to approve the following items by consent: 1 and 2.

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

### **APPROVAL OF THE MINUTES**

1. **Consider approval of the following City Council minutes:**
  - a) **May 27, 2014 special and regular meeting**
  - b) **May 29, 2014 joint work session**

This item was approved by consent.

### **NEW BUSINESS**

2. **Consider a resolution authorizing the City Manager to purchase two replacement electronic door control panels from Montgomery Technology Systems, LLC in the amount of \$24,995 for the Detention Facility.**

This item was approved by consent.

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

Existing liaisons remained appointed to Boards and Commissions as listed below without notation and newly appointed positions and liaisons are underlined.

Animal Shelter Advisory Board: Councilmember Fisher (Nominated by Councilmember Davisson and seconded by Councilmember Champney)

Beautification Commission: Councilmember Turner

Community Affairs Commission: Councilmember Boyter

Cultural Commission: Councilmember Champney (Nominated by Councilmember Farco and seconded by Councilmember Fisher)

Library Board: Councilmember Davisson  
NCTCOG/RTC: Councilmember Boyter  
Parks and Recreation Board: Councilmember Davisson  
Senior Citizen Advisory Board: Councilmember Turner  
Teen Court Advisory Board: Councilmember Farco (Nominated by Councilmember Champney and seconded by Councilmember Boyter)  
Trinity River Authority: Councilmember Boyter  
Audit Committee: Mayor Griffin, Councilmember Fisher (Nominated by Councilmember Boyter and seconded by Councilmember Champney), Councilmember Turner  
Industrial Development Authority: Mayor Griffin, Councilmember Davisson, Councilmember Champney  
Economic Development Foundation: Mayor Griffin  
Street Improvement Economic Development Corporation: Councilmember Fisher (Nominated by Councilmember Farco and seconded by Councilmember Boyter), Councilmember Turner, Councilmember Farco (Nominated by Councilmember Davisson and seconded by Councilmember Boyter) Councilmember Davisson  
Investment Committee: Councilmember Turner  
Health Facilities Development Corporation: Councilmember Turner, Councilmember Champney, Councilmember Boyter

Councilmember Davisson nominated Councilmember Boyter to serve as Mayor Pro Tem. The nomination was seconded by Councilmember Farco.

Motioned by Councilmember Davisson, seconded by Councilmember Farco, to approve the Council Liaisons and the Mayor Pro Tem as listed.

There was discussion on Councilmember Champney attending the Hotel/Motel Association meetings.

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

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

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

No report was given.

✓ **Beautification Commission - Councilmember Turner**

No report was given.

✓ **Community Affairs Commission - Councilmember Boyter**

Councilmember Boyter thanked Commission Members Mark Massey, Gary Morlock, Roy Savage, David Franklin and Sal Caruso, who were in attendance. He stated that the Commission is hosting a Mayor's Roundtable on June 12 at 7:00 p.m. at the Library to discuss the results of the citizen survey.

✓ **Library Board - Councilmember Davisson**

No report was given.

✓ **Parks & Recreation Board - Councilmember Davisson**

Councilmember Davisson reported that Wells Fargo donated \$1,000 to the Bark Park. The Bedford Meadows Animal Hospital has been given the opportunity to hold vaccination clinics on July 19 and November 8 from 9:00 a.m. to 1:00 p.m. He stated that the memorial trees at the Boys Ranch will be moved. The plaques will be kept and replaced by bricks in a memorial garden.

✓ **Senior Citizen Advisory Board - Councilmember Turner**

No report was given.

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

Councilmember Champney reported that the Board did not reach a quorum for their last meeting and it has been rescheduled for August.

**5. Council member Reports**

No other reports were given.

**6. City Manager/Staff Reports**

No report was given.

**EXECUTIVE SESSION**

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

- a) Pursuant to Section 551.071, consultation with City Attorney regarding pending or contemplated litigation regarding 533 Bedford Road.
- b) Pursuant to Section 551.071, consultation with City Attorney regarding pending or contemplated litigation – Jonathan David Tsuchiya vs. The State of Texas et al.
- c) Pursuant to Section 551.087, deliberation regarding economic development negotiations relative to Lot 3A, First State Addition; Lot Ar1A Plaza Center Addition; and Block A, Lot 4B1 Bedford Plaza Addition.

Council convened into Executive Session pursuant to Texas Government Code Section 551.071, consultation with City Attorney regarding pending or contemplated litigation regarding 533 Bedford Road; Section 551.071, consultation with City Attorney regarding pending or contemplated litigation – Jonathan David Tsuchiya vs. The State of Texas et al.; and Section 551.087, deliberation regarding economic development negotiations relative to Lot 3A, First State Addition; Lot Ar1A Plaza Center Addition; and Block A, Lot 4B1 Bedford Plaza Addition at 6:57 p.m.

**7. Adjourn into Regular Session**

Council reconvened from Executive Session at approximately 7:26 p.m.

**8. 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 7:27 p.m.

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Jim Griffin, Mayor

ATTEST:

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Michael Wells, City Secretary



# Council Agenda Background

**PRESENTER:** Thomas L. Hoover, P.E.  
Public Works Director

**DATE:** 06/24/14

**Council Mission Area:** Be responsive to the needs of the community.

**ITEM:**

Consider an ordinance amending the City of Bedford Code of Ordinances, Chapter 114, Article II, Section 114-39 “Stop intersections” to include the specific locations listed for intersections designated as streets upon which vehicles stop before entering intersections; and for amending Chapter 114, Article II, Section 114-42, “Prohibited turns at intersections” to include the specific locations where drivers of vehicles shall not make a U-Turn where an authorized sign clearly indicates that no U-Turn is permitted; providing for a severability clause; providing for a penalty clause; and declaring an effective date.

**City Attorney Review:** Yes

**City Manager Review:** \_\_\_\_\_

**DISCUSSION:**

Since the last update to Section 114-39, additional stop signs have been installed or are to be installed. The amendments of Section 114-39 “Stop intersections,” are necessary to add the new stop signs placed at the following intersections:

Sign Type	Route	Intersection	Direction
Stop	Wade Drive	King Drive	North
Stop	Wade Drive	King Drive	South
Stop	Circle Lane	King Drive	North
Stop	Circle Lane	King Drive	South
Stop	Bentley Drive	Central Drive	East
Stop	Bear Creek Lane	Central Drive	East
Stop	Bear Creek Lane	Bentley Drive	South
Stop	Bear Creek Lane	Bentley Drive	North
Stop	Bear Creek Lane	Central Drive	East
Stop	Overhill Street	Schumac Lane	North
Stop	Edgecliff Drive	Schumac Lane	North
Stop	Woodvale Drive	Woodmont	West
Stop	Autumn Chase Square	Schumac Lane	South
Stop	Bent Tree Lane	Willow Lane	East
Stop	Bent Tree Court	Willow Lane	West

The amendments to Section 114-42 “Prohibited turns at intersections” are necessary to add the following intersections designated as intersections where drivers of vehicles shall not make a U-Turn where an authorized sign clearly indicates that no U-Turn is permitted.

Sign Type	Route	Intersection	Direction
No U-Turn	Harwood Road	Park Avenue	West
No U-Turn	Harwood Road	2732	West

**RECOMMENDATION:**

Staff recommends the following motion:

Approval of an ordinance amending the City of Bedford Code of Ordinances, Chapter 114, Article II, Section 114-39 "Stop intersections", to include the specific locations listed for intersections designated as streets upon which vehicles stop before entering intersections; and for amending Chapter 114, Article II, Section 114-42, "Prohibited turns at intersections", to include the specific locations where drivers of vehicles shall not make a U-Turn where an authorized sign clearly indicates that no U-Turn is permitted; providing for a severability clause; providing for a penalty clause; and declaring an effective date.

**FISCAL IMPACT:**

Sign Budget FY 13/14:	\$11,888.00
Roadrunner Traffic Supply:	\$811.50
<b>Difference</b>	<b>\$11,076.50</b>

**ATTACHMENTS:**

Ordinance

ORDINANCE NO. 14-

AN ORDINANCE AMENDING THE CITY OF BEDFORD CODE OF ORDINANCES, CHAPTER 114 ARTICLE II, SECTION 114-39 "STOP INTERSECTIONS" TO INCLUDE THE SPECIFIC LOCATIONS LISTED FOR INTERSECTIONS DESIGNATED AS STREETS UPON WHICH VEHICLES STOP BEFORE ENTERING INTERSECTIONS; AND FOR AMENDINGS CHAPTER 114, ARTICLE II, SECTION 114-42, "PROHIBITED TURN AT INTERSECTIONS" TO INCLUDE THE SPECIFIC LOCATIONS WHERE DRIVERS OF VEHICLES SHALL NOT MAKE A U-TURN WHERE AN AUTHORIZED SIGN CLEARLY INDICATES THAT NO U-TURN IS PERMITTED; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING;FOR A PENALTY CLAUSE; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City Council of Bedford, Texas recognizes that approving the Traffic Plan is necessary for the health and safety of its citizens; and,

WHEREAS, the City Council of Bedford, Texas recognizes the importance of providing these improvements to protect the vitality of neighborhoods.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.

SECTION 2. That Section 114-39 of the City of Bedford Code of Ordinances is hereby amended to include the following intersections designated as streets upon which vehicles shall stop before entering such intersections.

All traffic-control signs, signals, devices and markings placed or erected prior to adoption of this Code and in use for the purpose of regulating, warning or guiding traffic are hereby affirmed, ratified and declared to be official traffic-control devices, provided such traffic-control devices are not inconsistent with the provisions of this chapter or state law.

Sign Type	Route	Intersection	Direction
Stop	Wade Drive	King Drive	North
Stop	Wade Drive	King Drive	South
Stop	Circle Lane	King Drive	North
Stop	Circle Lane	King Drive	South
Stop	Bentley Drive	Central Drive	East
Stop	Bear Creek Lane	Central Drive	East
Stop	Bear Creek Lane	Bentley Drive	South
Stop	Bear Creek Lane	Bentley Drive	North
Stop	Bear Creek Lane	Central Drive	East
Stop	Overhill Street	Schumac Lane	North
Stop	Edgecliff Drive	Schumac Lane	North
Stop	Woodvale Drive	Woodmont	West
Stop	Autumn Chase Square	Schumac Lane	South
Stop	Bent Tree Lane	Willow Lane	East
Stop	Bent Tree Court	Willow Lane	West

SECTION 3. That Section 114-42 of the City of Bedford Code of Ordinances is hereby amended to include the following intersections designated as intersections at such drivers of vehicles shall not make U-Turn where an authorized sign clearly indicates that no U-Turn is permitted.

All traffic-control signs, signals, devices and markings placed or erected prior to

ORDINANCE NO. 14-

adoption of this Code and in use for the purpose of regulating, warning or guiding traffic are hereby affirmed, ratified and declared to be official traffic-control devices, provided such traffic-control devices are not inconsistent with the provisions of this chapter or state law.

No U-Turn	Harwood Road	Park Avenue	West
No U-Turn	Harwood Road	2732	West

**SECTION 4.** That all ordinances, parts of ordinances and amendments thereto in conflict with the provisions of this ordinance are hereby repealed.

**SECTION 5.** If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any person or circumstance, is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of the Ordinance, and the City Council hereby declares it would have passed such remaining portion of the Ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

**SECTION 6.** That any person who shall violate any of the provisions of the ordinance or shall fail to comply therewith or with any of the requirements thereof, shall be deemed guilty of a misdemeanor and shall be liable to a fine, and upon conviction of any such violation shall be fined up to the maximum amount allowed by law.

**SECTION 7.** That this ordinance shall become effective from and after its passage and publication as required by law.

**PRESENTED AND PASSED** this 24th day of June, 2014, by a vote of \_\_\_ ayes, \_\_\_ nays, and \_\_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

\_\_\_\_\_  
Jim Griffin, Mayor

**ATTEST:**

\_\_\_\_\_  
Michael Wells, City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Stan Lowry City Attorney



# Council Agenda Background

**PRESENTER:** Meg Jakubik, Assistant to the City Manager    **DATE:** 06/24/14

**Council Mission Area:** Be responsive to the needs of the community.

**ITEM:**

Consider an ordinance amending the annual budget for the City of Bedford, Texas for the fiscal year October 1, 2013 through September 30, 2014; and declaring an effective date.

**City Attorney Review:** N/A

**City Manager Review:** \_\_\_\_\_

**DISCUSSION:**

The Annual Budget was approved by the City Council on September 10, 2013. At that time, staff presented Council with a list of items that were being presented for purchase during the fiscal year, with plans to fund these items through Public Property Finance Contractual Obligations (KOs). Following the completion of the audit, it was determined that actual revenue and expenditures for the previous fiscal year had exceeded projections, resulting in a surplus that could be utilized for several of the needed items in lieu of financing.

Council directed staff to proceed with funding the staff desktop computer replacements, public safety laptops, and a bucket truck through the fund balance in the General Fund (and a portion of the Water Fund), rather than including them in the KOs. This item formalizes the budget adjustment to account for those purchases.

Also in the budget, Council approved funds for market adjustments and merit pay increases. Since the methodology for application of the raises would not be determined until after adoption, funds were appropriated in a consolidated account in each fund. The budget amendment apportions that funding to the divisions based on the actual amounts. However, several divisions have experienced vacancies throughout the year, resulting in salary savings. Therefore, adjustments were only included for divisions where projections for personnel accounts are above current budget. The balance of the salary dollars has been reserved as a contingency amount for any vacancies that are filled sooner than expected.

During the year, other unanticipated expenses have occurred, in amounts greater than can be absorbed within current budget allocations. This includes the clean-up at 533 Bedford Road, the Microsoft 365 licenses, and the Detention Facility Door Controllers. The attached amendment provides an appropriation for those expenditures as well.

Additionally, staff has reviewed the revenue accounts to identify any adjustments that could be made due to current performance of the revenue sources. This has resulted in additional revenue for the General Fund in the amount of \$395,000. The actual difference between the revenue and additional expenses is \$77,317. The salary contingency money is sufficient to cover this additional amount. Should the contingency money be necessary for salary expenses, the year-end surplus will be utilized as initially approved by the Council in April.

At a recent Parks & Recreation Advisory Board meeting, the Board approved a request to fund additional cardio room equipment for the Boys Ranch Activity Center. The Park Donation Fund balance is sufficient to cover this expenditure.

Attachment A details the accounts being adjusted and Attachment B provides a fund level summary for the affected funds with the overall impact on the budget figures.

**RECOMMENDATION:**

Staff recommends the following motion:

Approval of an ordinance amending the annual budget for the City of Bedford, Texas for the fiscal year October 1, 2013 through September 30, 2014; and declaring an effective date.

**FISCAL IMPACT:**

Approved Total Revenue	\$ 60,847,220
Amendments	\$ 427,008
Amended Total Revenue	\$ 61,274,228
Approved Total Expenditures	\$ 59,885,111
Amendments	\$ 404,550
Amended Total Expenditures	\$ 60,289,661

**ATTACHMENTS:**

Ordinance  
Attachment A – Detail of Budget  
Amendments  
Attachment B – Summary of Revenue &  
Expenditures by Fund

**ORDINANCE NO. 14-**

**AN ORDINANCE AMENDING THE ANNUAL BUDGET FOR THE CITY OF BEDFORD, TEXAS FOR THE FISCAL YEAR OCTOBER 1, 2013 THROUGH SEPTEMBER 30, 2014; AND DECLARING AN EFFECTIVE DATE.**

**WHEREAS, the Annual Budget was adopted by Ordinance 13-3068 on September 10, 2013; and,**

**WHEREAS, various unforeseen circumstances affecting the City of Bedford have presented themselves during the course of the fiscal year; and,**

**WHEREAS, the City Council of Bedford, Texas has considered the circumstances independently, deliberating appropriately on the associated revenues and expenditures and the overall impact on the general financial status of the City; and,**

**WHEREAS, the City Council of Bedford, Texas must formally amend the original budget to incorporate the approved changes.**

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:**

**SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.**

**SECTION 2. That the City Council does hereby amend the Annual Budget as reflected in Exhibit A and Exhibit B of this Ordinance.**

**SECTION 3. That the Annual Budget for the City of Bedford, Texas, for the fiscal period of October 1, 2013 through September 30, 2014 in words and figures contained therein, is hereby amended and approved. A copy of said budget shall be maintained in the records of the City.**

**SECTION 4. That this Ordinance shall be in full force and effect from and after passage as required by law.**

**PRESENTED AND PASSED on this 24th day of June 2014, by a vote of \_\_\_ ayes, \_\_\_ nays and \_\_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.**

\_\_\_\_\_  
**Jim Griffin, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Michael Wells, City Secretary**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Stan Lowry, City Attorney**

**Attachment A**

**Detail of Budget Admendments  
2013-2014 Budget**

			<u>Revenue</u>		
			<b>Original Budget</b>	<b>Amended Budget</b>	<b>Amendment Amount</b>
<b><u>General Fund</u></b>					
Jail Fees (Contractual)	01-00-6410	Increased Performance	225,000	320,000	95,000
Ambulance-Intermedix	01-00-6615-0001	Increased Performance	1,275,000	1,400,000	125,000
Municipal Court Fines	01-00-6401	Increased Performance	1,350,000	1,525,000	175,000
<b>Total Amendments</b>					<b>395,000</b>
<b><u>Economic Development Fund</u></b>					
Operating Transfers In	26-00-6201	Incentive Payment Placeholder	216,650	115,000	(101,650)
Miscellaneous Revenue	26-00-6608	Quitclaim Deed Payment	-	133,658	133,658
<b>Total Amendments</b>					<b>32,008</b>
			<u>Expenditures</u>		
<b><u>General Fund</u></b>					
COLA Increase Budget	01-50-20-8001-0099	Market/Merit Placeholder	431,962	121,540	(310,422)
Personnel Accounts		General Fund Market/Merit Adjustments	11,428,081	11,724,503	296,422
Software License	01-20-14-8311	Microsoft 365 License & Conversion Software	9,500	28,090	18,590
Machinery	01-50-20-9109	Desktop Computers	-	103,457	103,457
Machinery	01-50-20-9109	Public Safety Laptops	-	172,020	172,020
Motor Vehicles	01-45-48-9111	Bucket Truck	-	92,250	92,250
Contract Labor	01-55-25-8310	533 Bedford Road Cleanup	82,170	182,170	100,000
<b>Total Amendments</b>					<b>472,317</b>

			Original Budget	Amended Budget	Amendment Amount
<b><u>Expenditures</u></b>					
<b><u>Water &amp; Sewer Fund</u></b>					
COLA Increase Budget	03-50-58-8001-0099	Market/Merit Placeholder	41,920	13,542	(28,378)
Personnel Accounts		Water Fund Market/Merit Adjustments	65,517	74,822	9,305
Software License	03-50-58-8311	Microsoft 365 License	-	1,830	1,830
Machinery	03-50-58-9109	Desktop Computers	-	17,243	17,243
<b>Total Amendments</b>					-
<b><u>Park Donation Fund</u></b>					
Minor Apparatus	12-65-02-8106	Cardio Equipment	-	8,300	8,300
<b>Total Amendments</b>					8,300
<b><u>Economic Development Fund</u></b>					
Contractual TX Reimbursed	26-30-02-8307-0001	Incentive Payments Placeholder	116,650	15,000	(101,650)
<b>Total Amendments</b>					<b>(101,650)</b>
<b><u>Traffic Safety Fund</u></b>					
COLA Increase Budget	55-55-02-8001-0099	Market/Merit Placeholder	1,255	-	(1,255)
Personnel Accounts		Traffic Safety Fund Market/Merit Adjustment	50,335	52,218	1,883
<b>Total Amendments</b>					<b>628</b>
<b><u>Facility Maintenance Fund</u></b>					
Instrument & Apparatus	75-35-02-9110	Detention Facility Door Control Panels	-	24,995	24,995
<b>Total Amendments</b>					<b>24,995</b>

**ATTACHMENT B**

**CITY OF BEDFORD  
SUMMARY OF REVENUE AND EXPENDITURES BY FUND  
FISCAL YEAR 2013-2014**

<b>FUND NAME</b>	<b>BEGINNING BALANCE</b>	<b>REVENUE</b>	<b>REVENUE ADJUSTMENTS</b>	<b>REVISED REVENUE</b>	<b>EXPENDITURES</b>	<b>EXPENDITURE ADJUSTMENTS</b>	<b>REVISED EXPENDITURES</b>	<b>ENDING BALANCE</b>	<b>DIFFERENCE **</b>
<b>General Fund</b>	\$ 5,374,087	\$ 28,402,987	\$ 395,000	\$ 28,797,987	\$ 28,402,987	\$ 472,317	\$ 28,875,304	\$5,296,770	\$ (77,317)
<b>Tourism Fund</b>	\$ 231,406	\$ 1,104,675	\$ -	\$ 1,104,675	\$ 990,907	\$ -	\$ 990,907	\$ 345,174	\$ 113,768
<b>Water &amp; Sewer Fund</b>	* \$ 5,445,146	\$ 19,994,067	\$ -	\$ 19,994,067	\$ 19,699,625	\$ -	\$ 19,699,625	\$5,739,588	\$ 294,442
<b>Stormwater Utility Fund</b>	* \$ 920,034	\$ 1,305,000	\$ -	\$ 1,305,000	\$ 1,341,595	\$ -	\$ 1,341,595	\$ 883,439	\$ (36,595)
<b>Utility Repair &amp; Maint. Fund</b>	\$ 1,656,629	\$ 206,000	\$ -	\$ 206,000	\$ -	\$ -	\$ -	\$1,862,629	\$ 206,000
<b>Drug Enforcement Fund</b>	\$ 71,135	\$ 10,000	\$ -	\$ 10,000	\$ 15,000	\$ -	\$ 15,000	\$ 66,135	\$ (5,000)
<b>Court Security Fund</b>	\$ 6,357	\$ 35,000	\$ -	\$ 35,000	\$ 35,000	\$ -	\$ 35,000	\$ 6,357	\$ -
<b>Cout Technology Fund</b>	\$ 106,257	\$ 45,000	\$ -	\$ 45,000	\$ 20,555	\$ -	\$ 20,555	\$ 130,702	\$ 24,445
<b>Park Donation Fund</b>	\$ 48,286	\$ 11,000	\$ -	\$ 11,000	\$ 25,000	\$ 8,300	\$ 33,300	\$ 25,986	\$ (22,300)
<b>Beautification Commission</b>	\$ 37,340	\$ 10,000	\$ -	\$ 10,000	\$ 10,000	\$ -	\$ 10,000	\$ 37,340	\$ -
<b>Public Safety Training Fund</b>	\$ 12,820	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,820	\$ -
<b>Economic Development</b>	\$ -	\$ 216,650	\$ 32,008	\$ 248,658	\$ 116,650	\$ (101,650)	\$ 15,000	\$ 233,658	\$ 233,658
<b>Street Improvement Economic Dev. Corp.</b>	\$ 1,903,736	\$ 2,310,000	\$ -	\$ 2,310,000	\$ 2,295,955	\$ -	\$ 2,295,955	\$1,917,781	\$ 14,045
<b>Debt Service Fund</b>	\$ 1,060,592	\$ 6,541,841	\$ -	\$ 6,541,841	\$ 6,551,187	\$ -	\$ 6,551,187	\$1,051,246	\$ (9,346)
<b>PEG</b>	\$ 226,432	\$ 130,000	\$ -	\$ 130,000	\$ 51,250	\$ -	\$ 51,250	\$ 305,182	\$ 78,750
<b>Traffic Safety Fund</b>	\$ 45,334	\$ 200,000	\$ -	\$ 200,000	\$ 183,929	\$ 628	\$ 184,557	\$ 60,777	\$ 15,443
<b>Computer Replacement Fund</b>	\$ 96,518	\$ 75,000	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 171,518	\$ 75,000
<b>Aquatics Maintenance Fund</b>	\$ 146,219	\$ 50,000	\$ -	\$ 50,000	\$ 45,516	\$ -	\$ 45,516	\$ 150,703	\$ 4,484
<b>Library Maintenance Fund</b>	\$ 25,001	\$ 25,000	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ 50,001	\$ 25,000
<b>Facility Maintenance Fund</b>	\$ 335,356	\$ 75,000	\$ -	\$ 75,000	\$ 84,955	\$ 24,955	\$ 109,910	\$ 300,446	\$ (34,910)

<b>FUND NAME</b>	<b>BEGINNING BALANCE</b>	<b>REVENUE</b>	<b>REVENUE ADJUSTMENTS</b>	<b>REVISED REVENUE</b>	<b>EXPENDITURES</b>	<b>EXPENDITURE ADJUSTMENTS</b>	<b>REVISED EXPENDITURES</b>	<b>ENDING BALANCE</b>	<b>DIFFERENCE **</b>
<b>Equipment Replacement Fund</b>	\$ 92,382	\$ 50,000	\$ -	\$ 50,000	\$ 15,000	\$ -	\$ 15,000	\$ 127,382	\$ 35,000
<b>Water/Sewer Vehicle Replacement Fund</b>	\$ 95,950	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 145,950	\$ 50,000
		<b>\$ 60,847,220</b>	<b>\$ 427,008</b>	<b>\$ 61,274,228</b>	<b>\$ 59,885,111</b>	<b>\$ 404,550</b>	<b>\$ 60,289,661</b>		

\* Beginning balance is based on Working Capital as calculated on information included in the City Annual Financial Report (CAFR).

\*\* Differences to be covered by Fund Balance



# Council Agenda Background

**PRESENTER:** Jill McAdams, *SPHR*  
Human Resources Director

**DATE:** 06/24/14

**Council Mission Area:** Be responsive to the needs of the community.

**ITEM:**

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.

**City Attorney Review:** N/A

**City Manager Review:** \_\_\_\_\_

**DISCUSSION:**

Employees have the option to pay for their insurance benefits and HSA contributions on a pre-tax basis under the IRS Code Section 125. By doing so, their premiums and contributions are made before taxes, thus eliminating taxation on those monetary contributions.

The IRS requires that the City of Bedford reinstate, on a yearly basis, the Premium Only Section 125 Plan ("Plan") adopted by the City on January 1, 1989. The Plan expires on September 30, 2014.

The City of Bedford intends that the Plan qualify as a "cafeteria plan" under Section 125 of the IRS Code of 1986 as amended. A copy of the summary plan document is attached.

**RECOMMENDATION:**

Staff recommends the following motion:

Approval of 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.

**FISCAL IMPACT:**

N/A

**ATTACHMENTS:**

Resolution  
Summary Plan Document-Premium Only Section  
125 Plan

**RESOLUTION NO. 14-**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO REINSTATE THE PREMIUM ONLY SECTION 125 PLAN ADOPTED BY THE CITY OF BEDFORD ON JANUARY 1, 1989.**

**WHEREAS, the City Council of Bedford, Texas has previously determined on January 1, 1989 that it would be in the best interests of its employees to adopt a Section 125 Premium Only Plan allowing for pre-taxed medical benefit coverage and Health Savings Account (HSA) contributions; and,**

**WHEREAS, the current plan for this benefit will expire on September 30, 2014; and,**

**WHEREAS, the City will continue to allow employees to pay for their premiums and HSA contributions on a pre-tax basis.**

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:**

**SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.**

**SECTION 2. That the City of Bedford reinstates its Section 125 Premium Only Plan all in accordance with the specifications outlined in the attached Summary Plan Document; and, be it known that this document was executed on January 1, 1989 and is to be reinstated October 1 of each year thereafter.**

**SECTION 3. That it be further resolved that the City of Bedford undertake all actions necessary to implement and administer said plan.**

**SECTION 4. That the undersigned hereby certifies that he/she is the custodian of books and records of the City of Bedford, Texas, an entity duly formed pursuant to the laws of the State of Texas, and that the foregoing is a true resolution duly adopted, and that said meeting was held in accordance with state law and the bylaws of the City of Bedford.**

**PRESENTED AND PASSED on this 24th day of June 2014, by a vote of \_\_\_ ayes, \_\_\_ nays and \_\_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.**

\_\_\_\_\_  
**Jim Griffin, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Michael Wells, City Secretary**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Stan Lowry, City Attorney**



# The City of Bedford Premium Only Section 125 Plan

Summary Plan Description  
Effective January 1, 1989; Amended October 1, 2012

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*As used in this Summary Plan Description (SDP), “Your” means an active employee as described under “who is Eligible”*

## **Plan Purpose**

The purpose of the City of Bedford Premium Only Plan (“Plan”) is to allow you to purchase coverage for health care with pre-tax dollars through a special type of spending account.

The advantage of this special spending account is that you pay no federal taxes on the contributions you make. This means a higher take-home pay for you than if you purchased health coverage with after-tax dollars.

The following pages explain how the plan works.

## **Who is Eligible?**

If you are an employee regularly scheduled to work 30 or more hours per week at the City of Bedford (“Employer”), or any affiliate of the Employer which adopts the Plan (“Participating Employer”) then you are eligible to participate in the Plan.

## **How to Enroll**

To enroll in the Plan, you must complete an election form; thereafter, in order to participate, you must re-enroll during the calendar month period preceding each Plan Year. If you are already a Plan Participant and you fail to complete an election form for the upcoming Plan Year then you will be deemed to have elected cash compensation to the extent permissible. If you are a newly Eligible Employee and fail to complete an election form then you will be deemed to have elected cash compensation to the extent permissible, (this means you have agreed to accept your pay after-taxes have been taken out, to pay for qualifying benefits). For the purpose of this Plan, “Plan Year” means the twelve month period commencing October 1 and ending on the subsequent September 30. Keep in mind that your choices are in effect for the entire Plan Year. Generally, you cannot change the elections you have made after the beginning of the Plan Year. However, there are certain limited situations when you can change your elections, see “Election Changes” in this Summary. If for any reason you become unable to make the required contributions for the Plan, your benefits will cease at that time. You will not be able to resume pre-tax payment of premiums until the new Plan Year.

## **Election Changes**

You usually cannot change your election to participate in the Salary Reduction Plan or vary the salary reduction amounts that you have selected during the Plan Year (known as the irrevocability rule). Of course you can change your elections for benefits and salary reductions during the Open Enrollment Period, but that will apply only for the upcoming Plan Year. During the Plan Year, however, there are several important exceptions to the irrevocability rule, known as “Changes in Election Events.” Participants can change their elections under the Salary Reduction Plan during a Plan Year if an event occurs that is a Change in Election Event and certain other conditions are met, as described below. For details, see the various Change in Election Events headings below for the specific type of Changes in Election Event: Leaves of absence, including FMLA leave; Changes in Status; Certain Judgments, Decrees and Orders; Medicare and Medicaid; Changes in Cost; and Changes in Coverage. In addition, the Plan Administrator can change certain elections on its own initiative. Note also that no changes can be made with respect to Medical Insurance Benefits if they are not permitted under the Medical Insurance Plan.

If any change in Election Event occurs, you must inform the Plan Administrator and complete a new Election Form/Salary Reduction Agreement within 30 days after the occurrence. If the change involves a loss of your Spouse's or Dependent eligibility for Medical Insurance Benefits, then the change will be deemed effective as of the date that eligibility is lost due to the occurrence of the Change in Election Event, even if you do not request it within 30 days.

**1. Leaves of Absence.** You may change an election under the Salary Reduction Plan upon FMLA and non-FMLA leaves.

**2. Change in Status.** If one or more of the following Changes in Status occur, you may revoke your old election and make a new election provided that both the revocation and new election are on account of and correspond with the Change in Status. Those occurrences that qualify as a Change in Status include the events described below, as well as any other events that the Plan Administrator, in its sole discretion and on a uniform and consistent basis, determines are permitted under IRS regulations:

- a change in your legal marital status (such as marriage, death of a Spouse, divorce, legal separation, or annulment). "Spouse" means the person who is legally married to you and is treated as a spouse under the Internal Revenue Code ("the Code");
- a change in the number of Dependents (such as the birth of a child, adoption or placement for adoption of a Dependent, or death of a Dependent). "Dependent" means your tax dependent under the code;
- any of the following events that change the employment status of you, your Spouse, or your Dependent and that affects benefits eligibility under a cafeteria plan (including this Salary Reduction Plan) or other employee benefit plan of you, your Spouse, or your Dependents. Such events include any of the following changes in employment status: termination or commencement of employment; a strike or lockout; a commencement of or return from an unpaid leave of absence; a change in worksite; switching from salaried to hourly-paid; union to non-union; or full-time to part-time (or vice versa); incurring a reduction or increase in hours of employment; or any other similar change that makes the individual become (or cease to be) eligible for a particular employee benefit;
- an event that causes your Dependent to satisfy or cease to satisfy an eligibility requirement for a particular benefit (such as attaining a specific age, ceasing to be a student, or a similar circumstance).
- A change in your, your Spouse's or your Dependent's place of residence.

**3. Change in Status – Other Requirements.** If you wish to change your election based on a Change in Status, you must establish that the revocation is on account of and corresponds with the Change in Status. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, shall determine whether a requested change is on account of and corresponds with a Change in Status. As a general rule, a desired election change will be found to be consistent with a Change in Status event if the event affects coverage.

In addition, you must satisfy the following specific requirements in order to alter your election based on that Change in Status:

- *Loss of Spouse or Dependent Eligibility; Special COBRA Rules.* For accident and health benefits a special rule governs which types of election changes are consistent with the Changes in Status. For a Change in Status involving your divorce, annulment, or legal separation from your Spouse, the death of your Spouse or your Dependent, or your Dependent's ceasing to satisfy the eligibility requirements for coverage, you may elect only to cancel the accident or health benefits for the affected Spouse or Dependent. A change in election for any individual other than your

Spouse involved in the divorce, annulment, or legal separation, your deceased Spouse or Dependent, or your Dependent that ceased to satisfy the eligibility requirements would fail to correspond with the Change in Status.

However, if you, your Spouse, or your Dependent elects COBRA continuation coverage under the Employer's plan because you ceased to be eligible because of a reduction of hours or because your Dependent ceases to satisfy eligibility requirements for coverage, and if you remain a Participant under the terms of the Salary Reduction Plan, then you may in certain circumstances be able to increase your contributions to pay for such coverage.

- **Gain of Coverage Eligibility Under Another Employer's Plan.** For a Change in Status in which you, your Spouse, or your Dependent gains eligibility for coverage under another employer's cafeteria plan (or qualified benefit plan) as a result of change in your marital status or a change in your, your Spouse's, or your Dependent's employment status, your election to cease or decrease coverage for that individual under the Salary Reduction Plan would correspond with the Change in Status only if coverage for that individual becomes effective or is increased under the other employer's plan.

**4. Special Enrollment Rights.** In certain circumstances, enrollment for Medical Insurance Benefits may occur outside the Open Enrollment Period, as explained in materials provided to you separately describing the Medical Insurance Benefits. (The Employer's Special Enrollment Notice also contains important information about the special enrollment rights that you may have, a copy of which was previously furnished to you. Contact Human Resources if you need another copy.) When a special enrollment right explained in those separate documents applies to your Medical Insurance Benefits, you may change your election under the Salary Reduction Plan to correspond with the special enrollment right.

**5. Certain Judgments, Decrees, and Orders.** If a judgment, decree, or order from a divorce, separation, annulment or custody change requires your child (including a foster child who is your Dependent) to be covered under the Medical Insurance Benefits, you may change your election to provide coverage for the child. If the order requires that another individual (such as your former Spouse) cover the child, then you may change your election to revoke coverage for the child if such coverage is, in fact, provided for the child.

**6. Medicare or Medicaid.** If you, your Spouse, or your Dependent becomes entitled to (i.e., becomes enrolled in) Medicare or Medicaid, then you may reduce or cancel that person's accident or health coverage under the Medical Insurance Plan. Similarly, if you, your Spouse, or your Dependent who has been entitled to Medicare or Medicaid loses eligibility for such coverage, then you may elect to commence or increase that person's accident or health coverage.

**7. Change in Cost.** If the cost charged to you for your Medical Insurance Benefits significantly increases during the Plan Year, then you may choose to do any of the following: (a) make a corresponding increase in your contributions; (b) revoke your election and receive coverage under another benefits package option (if any) that provides similar coverage, or elect similar coverage under the plan of your Spouse's employer; or (c) drop your coverage, but only if no other benefits package option provides similar coverage.

For insignificant increases or decreases in the cost of benefits, however, the Plan Administrator will automatically adjust your election contributions to reflect the minor change in cost. The Plan Administrator generally will notify you of increases in the cost of Medical Insurance benefits.

- 8. Change in Coverage.** You may also change your election if one of the following events occurs:

- *Significant Curtailment of Coverage.* If your Medical Insurance Benefits coverage is significantly curtailed without a loss of coverage (for example, when there is an increase in the deductible under the Medical Insurance Benefits), then you may revoke your election for that coverage and elect coverage under another benefits package option that provides similar coverage. (Coverage under a plan is significantly curtailed only if there is an overall reduction of coverage under the plan generally – loss of one particular physician in a network does not constitute significant curtailment). If your Medical Insurance Benefits coverage is significantly curtailed with a loss of coverage (for example, if you lose all coverage under the option by reason of an overall lifetime or annual limitation), then you may either revoke your election and elect coverage under another benefits package option that provides similar coverage, elect similar coverage under the plan of your Spouse’s employer, or drop coverage but only if there is no option available under the plan that provides similar coverage. (The Plan Administrator generally will notify you of significant curtailments in Medical Insurance Benefits coverage.)
- *Addition or significant Improvement of Salary Reduction Plan Option.* If the Salary Reduction Plan adds a new option or significantly improves an existing option, then the Plan Administrator may permit Participants who are enrolled in an option other than the new or improved option to elect the new or improved option. Also, the Plan Administrator may permit eligible Employees to elect the new or improved option on a prospective basis, subject to limitations imposed by the applicable option.
- *Loss of Other Group Health Coverage.* You may change your election to add group health coverage for you, your Spouse, or your Dependent, if any of you loses coverage under any group health coverage sponsored by a governmental or educational institution (for example, a state children’s health insurance program or certain Indian tribal programs).
- *Change in Election Under Another Employer Plan.* You may make an election change that is on account of and corresponds with a change made under another employer plan (including a plan of the Employer or a plan of your Spouse’s or Dependent’s employer), so long as (a) the other cafeteria plan or qualified benefits plan permits its participants to make an election change permitted under the IRS regulations; or (b) the Salary Reduction Plan permits you to make an election for a period of coverage (for example, the Plan Year) that is different from the period of coverage under the other cafeteria plan or qualified benefits plan. For example, if an election to drop coverage is made by your Spouse during his or her employer’s open enrollment, you may add coverage under the Salary Reduction Plan to replace the dropped coverage.

**9. Modifications Required by the Plan Administrator.** The Plan Administrator may modify your election(s) downward during the Plan Year if you are a key employee or highly compensated individual (as defined by the Code), if necessary to prevent the Salary Reduction Plan from becoming discriminatory within the meaning of the federal income tax law. Additionally, if a mistake is made as to your eligibility or participation, the allocations made to your account, or the amount of benefits to be paid to you or another person, then the Plan administrator shall, to the extent that it deems administratively possible and otherwise permissible under the Code and other applicable law, allocate, withhold, accelerate, or otherwise adjust such amounts as will in its judgment accord the credits to the account or distributions to which you are or such other person is properly entitled under the Salary Reduction Plan. Such action by the Plan Administrator may include withholding of any amounts due from your compensation.

## **When You May Participate**

You are eligible to participate on the first day of the calendar month coinciding with or next following your completion of one day of active employment as an Eligible Employee. It is specifically the Participant's responsibility regarding insurance premium reimbursement not to request anything that could violate the terms of their insurance policy.

## **Health Savings Account (HSA) Module**

An Eligible Employee can elect to participate in the HSA Module by electing to pay the HSA Contribution on a pre-tax Salary Reduction basis to the HSA established and maintained outside the Plan by a trustee/custodian to which the Employer can forward contributions to be deposited (this funding feature constitutes the HSA Benefits offered under this Plan). Such election can be increased, decreased or revoked prospectively at any time during the Plan Year, effective no later than the first day of the next calendar month following the date that the election change was filed.

The annual Contribution for your HSA Benefits is equal to the annual benefit amount elected by you (for example, if the maximum \$5,950 annual benefit amount is elected, then the annual contribution amount is also \$5,950). In no event shall the amount elected exceed the statutory maximum amount for HSA contributions applicable to the Participant's High Deductible Health Plan coverage option (i.e., single or family) for the calendar year in which the Contribution is made (See the IRS website for annual contribution limits).

An additional catch-up Contribution (See the IRS website for catch-up limit provisions) may be made for Employees who are age 55 or older. In addition, the maximum annual Contribution shall be reduced by any matching (or other) Employer Contribution made on the Participant's behalf other than pre-tax Salary Reduction made under the plan.

The Plan Year covers two calendar years which may result in the IRS guidelines for HSA contributions being modified mid-plan year. If this occurs the Employer will electronically communicate all changes in HSA contribution guidelines to Plan Participants.

The HSA is not an employer-sponsored employee benefit plan – it is an individual trust or custodial account separately established and maintained by a trustee/custodian outside the Plan. Consequently, the HSA trustee/custodian, not the Employer, will establish and maintain the HSA. The HSA trustee/custodian will be chosen by the Employer. The Plan Administrator will maintain records to keep track of HSA Contributions an Employee makes via pre-tax Salary Reductions, but it will not create a separate fund or otherwise segregate assets for this purpose. The Employer has no authority or control over the funds deposited in a HSA.

The tax treatment of the HSA (including contributions and distributions) is governed by Code § 223.

HSA Benefits under this Plan consist solely of the ability to make Contributions to the HSA on a pre-tax Salary Reduction basis. Terms and conditions of coverage and benefits will be provided by and are set forth in the HSA, not this Plan. The terms and conditions of each Participant's HSA trust or custodial account are described in the HSA trust or custodial agreement provided by the applicable trustee/custodian to each electing Participant and are not a part of this Plan.

The HSA is not an employer-sponsored employee benefits plan. It is a savings account that is established and maintained by an HSA Trustee/Custodian outside this Plan to be used primarily for reimbursement of "qualified eligible medical expenses" as set forth in Code § 223(d)(2). The Employer has no authority or control over the funds deposited in a HSA. Even though this Plan may allow pre-tax

Salary Reduction contributions to a HSA, the HSA is not intended to be an ERISA benefit plan sponsored or maintained by the Employer.

An election to make a Contribution to your HSA can be increased, decreased or revoked at any time during the year on a prospective basis. Such election changes shall be effective no later than the first day of the next calendar month following the date that the election change was filed. No Benefit Package Option election changes can occur as a result of a change in HSA election. See your Plan Administrator for more details.

### **Flexible Spending Account (FSA) Module**

An Employee who works a minimum of 1560 hours per year can elect to participate in the FSA Module by electing to pay the FSA contribution on a pre-tax Salary Reduction basis to the FSA established and maintained outside the Plan by a trustee/custodian to which the Employer can forward contributions to be deposited (this funding feature constitutes the FSA Benefits offered under this Plan).

The maximum allowable annual Contribution for your (medical) FSA Benefits is \$2000 and \$5000 for your (dependent care) FSA. In no event shall the amount elected exceed maximum amounts listed above. All funds must be used by the end of the calendar year in which the plan is in effect, otherwise, funds are forfeited back to the employer.

The Employer will electronically communicate any changes to the maximum FSA contribution guidelines to Plan Participants.

The FSA is an employer-sponsored employee benefit plan in addition to an individual trust or custodial account separately established and maintained by a trustee/custodian outside the Plan. Consequently, the FSA trustee/custodian, not the Employer, will establish and maintain the FSA. The FSA trustee/custodian will be chosen by the Employer. The Plan Administrator will maintain records to keep track of FSA Contributions an Employee makes via pre-tax Salary Reductions, but it will not create a separate fund or otherwise segregate assets for this purpose. The Employer has no authority or control over the funds deposited in a FSA other than limiting the maximum allowable contributions as listed above.

The tax treatment of the FSA (including contributions and distributions) is governed by Code § 223.

FSA Benefits under this Plan consist solely of the ability to make Contributions to the FSA on a pre-tax Salary Reduction basis. Terms and conditions of coverage and benefits will be provided by and are set forth in the FSA, not this Plan. The terms and conditions of each Participant's FSA trust or custodial account are described in the FSA trust or custodial agreement provided by the applicable trustee/custodian to each electing Participant and are not a part of this Plan.

### **FMLA Leaves of Absence** *(Applicable to groups of 50+ employees)*

If you go on a qualifying leave under the Family and Medical Leave Act of 1993 (FMLA), then to the extent required by the FMLA your Employer will continue to maintain your Medical Insurance Benefits on the same terms and conditions as if you were still active (that is, your Employer will continue to pay its share of the contributions to the extent that you opt to continue coverage). Your Employer may require you to continue all Medical Insurance Benefits coverage while you are on paid leave (so long as Participants on non-FMLA paid leave are required to continue coverage). If so, you will pay your share of the contributions by the method normally used during any paid leave (for example, on a pre-tax salary-reduction basis). If you are going on unpaid FMLA leave (or paid FMLA leave where coverage is not required to be continued) and you opt to continue your Medical Insurance Benefits, then you may

pay your share of the contributions in one of three ways: (a) with after-tax dollars while on leave; (b) with pre-tax dollars to the extent that you receive compensation during the leave, or by pre-paying all or a portion of your share of the contributions for the expected duration of the leave on a pre-tax salary reduction basis out of your pre-leave compensation, including unused sick days and vacation days (to pre-pay in advance, you must make a special election before such compensation normally would be available to you (but note that prepayments with pre-tax dollars may not be used to pay for coverage during the next Plan Year); or (c) by other arrangements agreed upon by you and the Plan Administrator (for example, the Plan Administrator may pay for coverage during the leave and withhold amounts from your compensation upon your return from leave).

If your Employer requires all Participants to continue Medical Insurance Benefits during the unpaid FMLA leave, then you may discontinue paying your share of the required contributions until you return from leave. Upon returning from leave, you must pay your share of any required contributions that you did not pay during the leave. Payment for your share will be withheld from your compensation either on a pre-tax or after-tax basis, depending on what you and the Plan Administrator agree to. If your Medical Insurance Benefits coverage ceases while you are on FMLA leave (e.g., for non-payment of required contributions), you will be permitted to re-enter such Benefits, as applicable, upon return from such leave on the same basis as when you were participating in the Plan before the leave or as otherwise required by the FMLA. You may be required to have coverage for such Benefits reinstated so long as coverage for Employees on non-FMLA leave is required to be reinstated upon return from leave. If that policy permits you to discontinue contributions while on leave, then upon returning from leave you will be required to repay the contributions not paid by you during leave. Payment will be withheld from your compensation either on a pre-tax or after-tax basis, as agreed to by the Plan Administrator and you or as the Plan Administrator otherwise deems appropriate.

### **Non-FMLA Leaves of Absence**

If you go on an unpaid leave of absence that does not affect eligibility, then you will continue to participate and the contribution due from you (if not otherwise paid by your regular salary reductions) will be paid by pre-payment before going on leave, with after-tax contributions while on leave or with catch-up contributions after the leave ends, as determined by the Plan Administrator. If you go on an unpaid leave that does affect eligibility, then the Change in Status rules will apply (see Q-1).

### **About Social Security Taxes**

Social Security taxes are not deducted from the amount you pay in premiums on a pre-tax basis. This could result in a small reduction in the Social Security benefit you receive at retirement. This is because Social Security benefits are based on what you earned while you were working, up to the Taxable Wage Base (TWB). If your salary is above the TWB, your Social Security benefit is not likely to be affected. If you are below the TWB, the benefit would be reduced. The tax advantages you gain through this Plan may offset any possible reduction in Social Security benefits.

### **About Income Taxes**

If you cover dependent children under medical plan(s) sponsored by the City of Bedford and your family's adjusted income is \$35,458 or less, you may be eligible to receive the Supplemental Earned Income Credit for Health Insurance Premiums (based on the tax code as of January 1, 2004). However, the amount of your contributions for health coverage, which are paid on a pre-tax basis, would reduce

the amount of this tax credit. You should, therefore, review whether it is more advantageous for you to take the full tax credit or to elect to have your medical and dental contributions paid on a pre-tax basis.

### **Future of the Premium Only Account**

The Plan is based on the Employer's understanding of the current provisions of the Internal Revenue Code. The Employer reserves the right to amend or discontinue the Plan if regulations or changes in the tax law make it advisable to do so. If the Plan is amended or terminated, it will not affect any benefit to which you were entitled before the date of the amendment or termination. It is specifically the Participant's responsibility regarding insurance premium reimbursement not to request anything that could violate the terms of their insurance policy.

### **Insurance Contracts**

Any moneys refunded to the Employer or a participating Employer, due to actuarial error in the rate calculation, will be the property of and retained by the Employer or the Participating Employer.

### **COBRA Continuation Coverage** *(Generally applicable to groups of 20+ employees)*

If you terminate employment, under Federal law, you, your spouse, and/or your covered dependents lose coverage under this Plan. You, your spouse, and/or your covered dependents may be entitled to continuation of health care coverage. The Administrator will inform you of these rights if you lose coverage for any reason other than divorce, legal separation or a covered dependent ceasing to be a dependent. Generally, if we employed twenty (20) or more employees "on a typical business day" in the preceding calendar year, health plan continuation must be made available for a period not to exceed eighteen (18) months if a loss of benefits occurs because of your termination of employment or reduction of hours, or for a period not to exceed three (3) years for any of the other reasons given in (b) or (c) below. Under certain circumstances, persons who are disabled at the time of termination of employment or reduction of hours and/or within the first 60 days of COBRA coverage may be eligible for continuation of coverage for a total of 29 months (rather than 18). You should check with the Administrator for more details regarding this extended coverage. However, in certain circumstances, this continuation coverage may be terminated for reasons such as failure to pay continuation coverage cost, coverage under another employer's plan (whether as an employee or otherwise, provided the other employer's health plan does not contain any exclusion or limitation with respect to any pre-existing condition of the beneficiary unless the pre-existing condition limit does not apply to, or is satisfied by, the qualified beneficiary by reason of the group health plan portability, access and renewability requirements of the Health Insurance Portability and Accountability Act, ERISA or the Public Health Services Act), termination of our health plan, a "for cause" termination of coverage for reasons such as fraud, or you (or the person entitled to continued coverage) become enrolled in Medicare. However, if you become enrolled in Medicare, your covered dependents may still qualify for continuation coverage. The cost of continuation coverage must be paid by the individual choosing such coverage; however, the cost may not exceed 102% of the cost of the same coverage for a "similarly situated" employee or family member. When the continuation coverage for a disabled person is extended from 18 months to 29 months, the disabled person may be charged 150% (rather than 102%) of the cost of the coverage after expiration of the initial 18-month period.

(a) If you would otherwise lose your health plan coverage under this Plan because of a termination of employment or a reduction in hours, you may continue the health plan coverage provided under this plan. However, this will not be a tax-deductible expense to you, absent unusual circumstances.

(b) Your spouse may choose continuation of coverage for himself or herself if he or she loses group health coverage for any of the following reasons: (1) your death; (2) your divorce or legal separation; or (3) you become enrolled in Medicare.

(c) Your dependent children, including a child born to or placed for adoption with the Participant during the period of COBRA coverage, may choose continuation coverage for themselves if they lose group health coverage for any of the following reasons: (1) death of a parent; (2) your divorce or legal separation; (3) you become enrolled in Medicare; or (4) your dependent ceases to be a dependent child under this Plan.

It is your responsibility to notify the Plan Administrator of a divorce, legal separation or other change in marital status, change in a spouse's address, or a child losing dependent status under the plan, within sixty (60) days of the event. It is our responsibility to notify the Plan Administrator of your death, termination of employment or reduction in hours, the Employer's bankruptcy, or Medicare eligibility.

"Medicare" means the Health Insurance For the Aged and Disabled Act, Title XVIII of Public Law 89-97, Social Security, as amended.

### **Revised Definition of "Dependent" by WFTRA**

The definition of "Dependents" has been revised under Section 152 of the Code by the Working Families Tax Relief Act of 2005, effective January 1, 2005. An individual is considered to be a dependent if he or she is a qualifying child or qualifying relative of the taxpayer.

The following four criteria must be met to be a qualifying child:

1. The individual has a specific family type relationship to the taxpayer
2. The individual does not provide more than half of his or her own support
3. The individual has the same place of residence as the taxpayer for more than half of the year
4. The individual does not turn age 19 (24 if a full time student), by the end of the Plan Year

In addition the following four criteria must be met to be a qualifying relative:

1. The individual has a specific family type relationship to the taxpayer
2. The individual is not a qualifying child of any other taxpayer
3. The individual receives more than half of his or her support from the taxpayer
4. The individual's annual gross income is less than the Section 151 limit (this criteria does not apply to health plans)

In the case of an individual who is permanently and totally disabled (as defined in Code Section 22 (e)(3)) at any time during such calendar year, the age requirement for a qualifying child does not apply.

No person shall be considered a Dependent of more than one Employee. If both an Employee and an Employee's spouse are employed by the Employer dependent children may be covered by either spouse, but not by both.

### **ERISA Rights Statement**

The Employee Retirement Income Security Act of 1974 ("ERISA") was enacted to help assure that all employer-sponsored group Medical Insurance Benefits conform to standards set by Congress. An employee who is a Participant in the Plan is entitled to certain rights and protections under ERISA which

provides that all Participants will be entitled to (1) examine, without charge, at the Plan Administrator's office and at other appropriate locations, all Plan documents and copies of documents filed with the U.S. Department of Labor, such as detailed annual reports and Plan descriptions; (2) obtain copies of all Plan documents and other Plan information upon written request to the Plan Administrator, subject to a reasonable charge for copies; and, (3) receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each Participant with a copy of this Summary Annual Report. Plan records are kept on a Plan Year basis.

In addition to creating rights for plan participants, ERISA imposes duties upon those responsible for the operation of a plan who are called "fiduciaries" and who have a duty to operate the Plan prudently and in the interest of Participants and Beneficiaries. If a claim for a benefit under the Plan is denied in whole or in part, the claimant must receive a written explanation of the reason for the denial. The claimant has the right to have the claim reviewed and reconsidered.

Within 180 days of receipt of a notice denying a claim you or your duly authorized representative may request in writing a full and fair review of the claim by the Plan Administrator, or by an appeals committee appointed by the Employer for that purpose ("Committee"). The Plan Administrator may extend the 180-day period where the nature of the benefit involved or other attendant circumstances make such extension appropriate.

Under ERISA, there are steps an Employee covered under a plan can take to enforce the above rights. For instance, if the person requests materials and does not receive them within 30 days, the person may file suit in a federal court. In such a case, the court may require the City to provide the materials and pay the person up to \$110 a day until the person receives the materials, unless the materials were not sent because of reasons beyond the city's control.

If a person has a claim for benefits which is denied or ignored, in whole or in part, the person may file suit in a state or federal court. If it should happen that plan fiduciaries misuse the Plan's money, or if an Employee covered under this Plan is discriminated against for asserting his or her rights, the person may seek assistance from the U.S. Department of Labor, or may file suit in a federal court. The court will decide who should pay court costs and legal fees. If the claimant loses, the court may order the claimant to pay these costs and fees, for example, if it finds the claim to be frivolous.

If an Employee covered under the Plan has any questions about the Plan, the Employee should contact the City of Bedford Human Resources department. If an Employee has any questions about this statement of the Employee's rights under ERISA, the Employee should contact the nearest Area office of the U.S. Labor-Management Services Administration, Department of Labor.

*Special Note: This is a Summary Plan Description only. Your specific rights to benefits under the Plan are governed solely, and in every respect by your Employer's Premium Only Plan Document, a copy of which is available from the City upon your request (see Statement of ERISA Rights). If there is any discrepancy between the description of the Plan as contained in this material and the official Plan document, the language of the Plan document shall govern.*

## **Administrative Facts**

### **Plan Sponsor and Administrator**

The Plan is sponsored by the City of Bedford, 2000 Forest Ridge Drive, Bedford, TX 76021. The City of Bedford Human Resources Department shall act as Plan Administrator. The Plan Administrator manages the overall operations of the Plan and decides all questions that come to it on a fair and equitable basis for participants and their Beneficiaries. The HR Coordinator, the person in charge of

benefits of the City of Bedford, located at 2000 Forest Ridge Drive, Bedford, TX 76021, is responsible for the day-to-day operation of the Plan.

**Plan Identification Numbers**

The Employer Identification Number (“EIN”) assigned to the City of Bedford by the Internal Revenue Service (“IRS”) is 75-1166224. The Plan Number (“PN”) assigned to the Premium Only Plan by the City is 501. You should refer to these numbers in any correspondence about the Plan.

**Service of Legal Process**

The City of Bedford has designated the Plan Administrator as its agent for service of legal process in connection with claims under the Plan. Such process may be served on the City by directing the process to the Plan Administrator at the City of Bedford address.

**Classification and Funding**

This Plan is classified as a Code section 125 welfare benefits plan by the Department of Labor and is funded by Employer and Employee contributions.

**Not a Contract of Employment**

No provision of the Plan is to be considered a contract of employment between you and the Employer. The Employer’s rights with regard to disciplinary action and termination of the Employee, if necessary, are in no manner changed by any provision of the Plan.



**CITY OF BEDFORD**

**Schedule A**

**SCHEDULE OF BENEFITS**

- (X) GROUPS HEALTH INSURANCE PLAN
- (X) HSA HIGH DEDUCTIBLE HEALTH PLAN
- (X) HEALTH SAVINGS ACCOUNT (HSA) MODULE
- (X) HEALTH AND DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS (FSA)
- (X) GROUP DENTAL COVERAGE
- (X) VISION CARE INSURANCE
- ( ) GROUP TERM LIFE INSURANCE
- ( ) DISABILITY INCOME-SHORT TERM (A & S)
- ( ) DISABILITY INCOME-LONG TERM (LTD)
- (X) CANCER INSURANCE
- ( ) ACCIDENTAL DEATH AND DISMEMBERMENT
- (X) INTENSIVE CARE INSURANCE
- (X) ACCIDENT INSURANCE
- (X) HOSPITAL INDEMNITY INSURANCE

The Employee contributions necessary to obtain the coverage options set forth in this Schedule A above will be communicated by the Employer to Eligible Employees upon commencement of participation and to Participants at the time of the Enrollment Period. The required Employee contribution amounts will be considered as the maximum elective Employee contributions necessary for participation in each Plan option above. It is specifically the Participant's responsibility regarding insurance premium reimbursement not to request anything that could violate the terms of their insurance policy.



# Council Agenda Background

<b>PRESENTER:</b> Jill McAdams, <i>SPHR</i> Human Resources Director Lisa Mizell, Principal Benefit Seminars Plus		<b>DATE:</b> 06/24/14
<b>Council Mission Area:</b> Be responsive to the needs of the community.		
<b>ITEM:</b>  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.  <b>City Attorney Review:</b> Yes  <b>City Manager Review:</b> _____		
<b>DISCUSSION:</b>  The City has offered vision insurance as a supplemental employee benefit through Davis Vision since 2011. During this time, employees have voiced concerns to Human Resources (HR) staff regarding the narrow network of providers offered by Davis. HR staff has also received many complaints from employees regarding customer service issues associated with Davis. In addition, the HR staff has experienced difficulty in using the Davis enrollment website to enroll and make benefit changes for members and when attempting to terminate member coverage. As a result, staff asked Benefit Seminars Plus, the City’s consultant/broker, to obtain quotes in order to change carriers.  There were five quotes received, including the current carrier, Davis Vision. The attached spreadsheet “2014 Voluntary Vision Comparison for City of Bedford,” contains quote information. After review of all carrier options, VSP was selected due to the expansive network of providers, their outstanding reputation for providing superior customer service and the ease of use as it relates to their website for enrollment, changes and termination of coverage.  HR staff held a series of employee meetings during the week of May 31, 2014 and followed up the meetings with an employee survey. Response from employees indicates that this is a favorable option. As a supplemental benefits program, 100% of the premium is paid for by the employee through a payroll deduction; therefore, there is no cost incurred by the City for this employee benefit.		
<b>RECOMMENDATION:</b>  Staff recommends the following motion:  Approval of 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.		
<b>FISCAL IMPACT:</b>  N/A	<b>ATTACHMENTS:</b>  Resolution Spreadsheet-“2014 Vision Comparison for City of Bedford” Sample Contract	

RESOLUTION NO. 14-

**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.**

**WHEREAS, the City of Bedford provides various voluntary supplemental insurance benefits for all eligible regular full time employees; and,**

**WHEREAS, the City of Bedford has received bids for supplemental vision insurance and has evaluated all options; and,**

**WHEREAS, the City of Bedford has determined that VSP should provide the City's supplemental employee vision insurance benefit.**

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:**

**SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.**

**SECTION 2. That the City Council does hereby authorize the City Manager to enter into a contractual agreement with VSP to provide supplemental vision insurance to employees as a voluntary benefit option.**

**PRESENTED AND PASSED this 24th day of June 2014, by a vote of \_\_\_ ayes, \_\_\_ nays and \_\_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.**

\_\_\_\_\_  
**Jim Griffin, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Michael Wells, City Secretary**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Stan Lowry, City Attorney**

## 2014 Voluntary Vision Comparison for City of Bedford

	A	B	C	D	E	F
1		Davis	VSP	Superior	United	MetLife
2	<b>Eye Exam</b>	\$10	\$0	\$10	\$10	\$10
3	Frequency	12 months	12 months	12 months	12 months	12 months
4	<b>Materials copay</b>	\$10	\$25	\$10	\$25	\$25
5	<b>Lenses</b>					
6	Frequency	12 months	12 months	12 months	12 months	12 months
7	Single	\$0	\$0	\$0	\$0	\$0
8	Lined Bifocal	\$0	\$0	\$0	\$0	\$0
9	Trifocal	\$0	\$0	\$0	\$0	\$0
10	<b>Frames</b>	\$130 Allowance, \$175 for Davis	\$130 Allowance	\$130 Allowance,	\$130 Allowance,	\$130 Allowance
11						
12	Frequency	24 months	24 months	24 months	24 months	24 months
13	<b>Contacts (lieu of glasses)</b>	\$130 Allowance	\$130 Allowance	\$130 Allowance	\$150 Allowance	\$130 Allowance
14	Frequency	12 months	12 months	12 months	12 months	12 months
15	Rate Guarantee	To 10/1/15	24 months	48 months	36 months	24 months
16	<b>Monthly Premium:</b>					
17	Employee	\$5.17	\$7.29	\$5.99	\$5.17	\$5.92
18	Employee and Spouse	\$9.29	\$11.67	\$11.99	\$9.29	\$11.86
19	Employee and Child(ren)	\$9.81	\$11.91	\$13.56	\$9.81	\$10.04
20	Employee and Family	\$15.49	\$19.21	\$20.97	\$15.49	\$16.56

**VISION SERVICE PLAN INSURANCE COMPANY  
3333 QUALITY DRIVE  
RANCHO CORDOVA, CALIFORNIA 95670  
CLIENT VISION CARE POLICY**

Client Name                   **ACTS 29 NETWORK**  
Policy Number               **30048853**  
State of Delivery             **TEXAS**  
Effective Date               **JUNE 1, 2014**  
Premium Due Date           **FIRST DAY OF MONTH**  
Policy Term                   **TWENTY-FOUR (24) MONTHS**

In consideration of the statements and agreements contained in the Client Application, if applicable, and in consideration of payment by the Client of the premiums as herein provided, VISION SERVICE PLAN INSURANCE COMPANY ("VSP") agrees to insure certain individuals under this Client Vision Care Policy ("Policy") for the benefits provided herein, subject to the exceptions, limitations and exclusions hereinafter set forth. This Policy is delivered in and governed by the laws of the state of delivery and is subject to the terms and conditions recited on the subsequent pages hereof, including any Exhibits or state-specific Addenda, which are a part of this Policy.

**This is not a policy of worker's compensation insurance. The employer does not become a subscriber to the worker's compensation system by purchasing this policy, and if the employer is a non-subscriber, the employer loses those benefits which would otherwise accrue under the worker's compensation laws. The employer must comply with the worker's compensation law as it pertains to non-subscribers and the required notifications that must be filed and posted.**

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James M. McGrann, Secretary

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I.

**TERM, RENEWAL AND TERMINATION**

**1.01. Term:** This Policy shall commence on the Effective Date noted on the front page of this Policy, and shall remain in effect for the Policy Period, also noted on the front page of this Policy.

**1.02. Renewal:**

(a) VSP shall issue written renewal notice to the Client at least sixty (60) days before the end of the Policy Term and this Policy shall be automatically renewed for an additional period of time and at premium rate(s) specified in such notice. Such renewal shall take effect, without any lapse in coverage, on the first calendar day following the last day of the Policy Term described herein. Client may refuse renewal by notifying VSP in writing at least thirty (30) days prior to renewal.

**1.03. Termination:**

(a) This Policy may be terminated by either the Client or VSP upon expiration of a Policy Period as set forth in paragraph 1.02.

(b) This Policy may also be terminated by VSP immediately upon written notice, if Client fails to:

(i) Pay premiums by the dates defined in paragraph 3.04.

(ii) Report a material change in accordance with paragraph 3.03.

(c) If Client terminates this Policy as of any date other than the end of the Policy Period, such termination will be treated by VSP as a breach by Client.

(d) If this Policy is terminated under paragraph 1.03(b) or (c), coverage is terminated and VSP is released from all obligations of this Policy, effective as of the termination date (except for preexisting obligations specifically set forth in Section 1.03 (e), below). Client will remain liable to VSP for the lesser amount of any deficit incurred by VSP or the payments which Client would have paid for the remaining term of this Policy, not to exceed one year. A deficit incurred by VSP will be calculated by subtracting the cost of incurred and outstanding claims, as calculated on an incurred date basis with a claim run-out not to exceed six months from the date of termination, from the net premiums received by VSP from Client over the current term. Net premiums shall mean premiums paid by Client minus any applicable retention

amounts and/or broker commissions. Client shall also be responsible for any legal and/or collection fees incurred by VSP to collect amounts due under this Policy.

SAMPLE

(e) If this Policy is terminated for any cause as stated in this section 1.03, VSP is not required to pay for services provided after such termination date, except for any outstanding, unexpired benefit that is authorized before termination, or any other claim obligations that arose prior to termination.

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## II.

### **OBLIGATIONS OF VSP**

**2.01. Coverage of Covered Person:** VSP will enroll for coverage, as directed by Client, each eligible Enrollee and his/her Eligible Dependents (if dependent coverage is provided), all of whom shall be referred to upon enrollment as "Covered Persons." To institute coverage, VSP may require Client to complete, sign and forward to VSP a Client Application along with information regarding Enrollees and Eligible Dependents, and all applicable premiums.

Following the enrollment of the Covered Persons, VSP will provide Client with an Evidence of Coverage for distribution to Covered Persons by Client. Such Evidence of Coverage and Member Benefit Summaries will summarize the terms and conditions set forth in this Policy.

**2.02. Administration of Plan Benefits:** Through VSP Preferred Providers (or through other licensed vision care providers where a Covered Person is eligible for, and chooses to receive Plan Benefits from, an Open Access Provider) VSP shall provide Covered Persons such Plan Benefits listed in the Schedule of Benefits (Exhibit A(s)) and when purchased by Client, the Additional Benefit Rider (Schedule C(s)) attached hereto, subject to any limitations, exclusions, or Copayments therein stated. VSP Preferred Providers have agreed to accept payments for services with no additional billing to the Covered Person other than Copayments, applicable tax, co-insurance and any amounts for non-covered services and/or materials.

A Benefit Authorization must be obtained before a Covered Person can use Plan Benefits from a VSP Preferred Provider. When a Covered Person seeks Plan Benefits from a VSP Preferred Provider, the Covered Person must schedule an appointment and identify himself/herself as a VSP Covered Person so the VSP Preferred Provider can obtain a Benefit Authorization from VSP. VSP shall provide a Benefit Authorization to the VSP Preferred Provider to authorize the administration of Plan Benefits to the Covered Person. Each Benefit Authorization will contain an expiration date and must be used by the Covered Person to obtain Plan Benefits prior to the date the Benefit Authorization expires. VSP shall issue Benefit Authorizations in accordance with the latest eligibility information furnished by Client and the Covered Person's past service utilization, if any. Any Benefit Authorization so issued by VSP shall constitute a certification to the VSP Preferred Provider that payment will be made to VSP Preferred Provider, irrespective of a later loss of eligibility of the Covered Person, as long as Plan Benefits are utilized prior to the Benefit Authorization expiration date.

VSP shall pay or deny claims for Plan Benefits provided to Covered Persons, less any applicable Copayment, within a reasonable time but not more than thirty (30) calendar days after VSP receives a completed claim. VSP may not

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request a refund or offset against a claim paid to a vision care provider more than twelve (12) months after it has paid a claim except in cases of fraud or misrepresentation by such provider.

**2.03. Open Access Provider Services:** When Covered Persons elect to utilize the services of an Open Access Provider, benefit payments for services from such Open Access Provider will be determined according to the Plan's Open Access Provider benefit fee schedule if Open Access Provider reimbursement is available. COVERED PERSONS MAY BE LIABLE FOR MORE THAN THE COPAYMENT. The Open Access Provider may bill Covered Persons for that Provider's standard rates, regardless of the amount of VSP's Plan Benefits. If Covered Person is eligible for and obtains Plan Benefits from an Open Access Provider, Covered Person remains liable for the provider's full fee. Covered Person will be reimbursed by VSP in accordance with the Open Access Provider reimbursement schedule shown on the attached Schedule of Benefits (Exhibit A (s)) and Additional Benefit Rider (Schedule C(s)) (if purchased by Client), less any applicable Copayments.

**2.04. Information to Covered Persons:** Upon request, VSP shall make available to Covered Persons necessary information describing Plan Benefits and instructions for use. A copy of this Policy shall be provided to Client and will be made available at the offices of VSP for any Covered Persons. Covered Persons may obtain information on VSP's Preferred Providers through VSP's website at [www.vsp.com](http://www.vsp.com), VSP's Customer Care toll-free number (1-800-877-7195), or by written request. If Client supplies email addresses of Covered Persons to VSP, VSP may use the email addresses to communicate information to Covered Persons about their vision benefits.

**2.05. Preservation of Confidentiality:** VSP shall hold in strict confidence all Confidential Matters and exercise its best efforts to prevent any of its employees, VSP Preferred Providers, or agents, from disclosing any Confidential Matter, except to the extent that such disclosure is permitted or required under 45 CFR Part 160, 162 and 164 ("HIPAA Privacy Rule") and in accordance with applicable law.

**2.06. Urgent Vision Care:** When vision care is necessary for Urgent Conditions, Covered Persons may obtain Plan Benefits by contacting a VSP Preferred Provider or Open Access Provider, if Open Access benefits are available. Services for conditions of a medical nature are covered by VSP only under supplemental eyecare plans. If Client purchased one of these plans, such coverage will be evidenced in an Additional Benefit Rider (Schedule C). If Client has not

purchased one of these plans, Covered Persons are not covered by VSP for such services and should contact a physician under Covered Persons' medical insurance plan for care.

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For situations of a non-medical nature, such as lost, broken or stolen glasses, Covered Person should call VSP's Customer Care toll-free number (1-800-877-7195) for assistance. Reimbursement and eligibility are subject to the terms of this Policy.

**2.07. Coordination of Benefits:** Unless otherwise agreed to by Client and VSP, the following rules governing coordination of benefits shall apply. When VSP is the primary insurer, it will pay benefits according to the terms of this Policy, subject to any applicable state or federal codes, statutes or regulations. When VSP is the secondary insurer, it will coordinate those vision care services and materials that were considered by the primary insurer as allowable expenses. VSP will pay the lesser of:

- a) The normal Plan Benefit, in the absence of other coverage, or
- b) The remaining balance up to Covered Person's Plan Benefits, not to exceed the billed amount.

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### III.

#### OBLIGATIONS OF CLIENT

**3.01. Identification of Eligible Enrollees:** An Enrollee is eligible for coverage under this Policy if he/she satisfies the enrollment criteria specified by the Client, and in accordance with applicable state and federal law. Client shall provide VSP with required eligibility information, in a mutually agreed upon timeframe, format and medium, to identify all Enrollees who are eligible for coverage under this Policy.

If dependent coverage is provided, the persons eligible for dependent coverage are:

- (1) the legal spouse of any Enrollee, and
- (2) any unmarried child of an Enrollee, including any natural child from the moment of birth, legally adopted child, the natural or adopted child of the legal spouse of the insured group member, or other child for whom a court holds the Enrollee responsible; and
  - a. has not yet attained the limiting age, or
  - b. the child of the Enrollee's child who has not yet attained the limiting age and is a dependent of the Enrollee for federal income tax purposes at the time of application for coverage of the child is made. A child is considered to be a the child of an insured if the insured is a party to a suit in which the insured seeks to adopt the child. Coverage for a child of the Enrollee's child under this subsection may not be terminated solely because the covered child is no longer a dependent of the Enrollee for federal income tax purposes.
- (3) As further defined by Client.

If a dependent, unmarried child prior to attainment of the prescribed age for termination of eligibility becomes, and continues to be, incapable of self-sustaining employment because of mental or physical disability, that Eligible Dependent's coverage shall not terminate so long as he remains chiefly dependent on Enrollee for the support and the Enrollee's coverage remains in force; PROVIDED that satisfactory proof of the Eligible Dependent's coverage would have otherwise terminated or at such other times as VSP may request proof, but not more frequently than annually after the second anniversary of the date the child attains the limiting age.

**3.02. Retroactive Eligibility Terminations:** Retroactive eligibility changes are limited to the month in which notification is received by VSP, plus two prior months. VSP may refuse retroactive termination of a Covered Person if Plan Benefits have been obtained by, or authorized for, the Covered Person after the effective date of the requested termination.

**3.03. Change of Client Composition:** Client's percentage of Enrollees covered under the Policy as well as Client's contribution and eligibility requirements are factors used to determine rates and are considered material to VSP's obligations under this Policy. During the term of this Policy and in accordance with section 1.03, Client must provide VSP with written notification of any changes that will significantly impact utilization of the benefits and such changes must be agreed upon by VSP. Nothing in this section shall limit Client's ability to add Enrollees or Eligible Dependents under the terms of this Policy.

In the event Client is notified of any change in a Covered Person's family status [by marriage, the addition (e.g. newborn or adopted child) or deletion of Dependent, etc.] Client shall provide notice of such change to VSP via the next eligibility listing required under Paragraph 3.01. If notice is given, the change in Covered Person's status will be effective on the first day of the month following the change request, or at such later date as may be requested by or on behalf of the Covered Person.

Notwithstanding any other provision in this section, a newborn child will be covered during the thirty-one (31) day period after birth, and an adopted child will be covered for the thirty-one (31) day period after the date the Enrollee or the Enrollee's spouse acquires the right to control that child's health care. To continue coverage for a newborn or adopted child, or child in a suit for adoption beyond the initial thirty-one (31) day period, the Client must be properly notified of the Enrollee's change in family status and applicable Premiums must be paid to VSP.

VSP will pay benefits on a dependent child's behalf to a person who is not a group member, if an order providing for appointment of a possessory or managing conservator of a dependent child has been issued by a court in this state or another state.

**3.04. Payment of Premiums:** Upon receipt of VSP's billing statement, Client shall remit to VSP the premiums as set forth in Exhibit B. The premiums set forth in Exhibit B shall remain in effect for the term of this Policy unless the Client requests a change in the Schedule of Benefits and/or Additional Benefits Rider (if purchased by Client), or there is a material change in Policy terms or conditions, provided any such change is mutually agreed upon in writing by VSP. Client

premium payments are due upon receipt of VSP's billing statement and shall become delinquent after thirty-one (31) days. If the premium payment remains unpaid the coverage may be cancelled and the Client will be responsible for payment for all

SAMPLE

Plan Benefits provided to Covered Persons. Client shall also be responsible for any legal and/or collection fees incurred by VSP to collect amounts due under this Policy.

**3.05. Distribution of Required Materials:** Client shall provide to Enrollees any materials required by any regulatory authority, within the timeframe required under applicable law.

**3.06. Communication Materials:** Communication materials created by Client which relate to this Vision Care Policy may be submitted to VSP for review and approval. VSP's review of such materials shall be limited to approving the accuracy of Plan Benefits and shall not encompass or constitute certification that Client's materials meet any applicable legal or regulatory requirements including, but not limited to, ERISA requirements. In the event of any dispute between the communication materials and this Policy, the provisions of this Policy shall prevail.

SAMPLE

## IV.

### **OBLIGATIONS OF COVERED PERSONS UNDER THE POLICY**

**4.01. General:** This Policy provides coverage for Client's Enrollees. If Client offers dependent coverage, this Policy will also cover Enrollees' Eligible Dependents. This Policy may be amended or terminated by agreement between VSP and Client without the consent or concurrence of Covered Persons. This Policy with any and all Exhibits and/or attachments constitutes the entire obligation of VSP to Covered Persons.

**4.02. Copayments for Services Received:** Any Copayments required under this Policy shall be the personal responsibility of the Covered Person receiving Plan Benefits. Copayments are to be paid at the time services are rendered or materials ordered. Amounts which exceed Plan allowances, annual maximum benefits or any other stated Plan limitations are not considered Copayments but are also the responsibility of the Covered Person.

**4.03. Obtaining Services from VSP Preferred Providers:** To utilize Plan Benefits, Covered Persons must select a VSP Preferred Provider, schedule an appointment and inform the doctor's office that they are Covered Persons of VSP. The VSP Preferred Provider will contact VSP to obtain a Benefit Authorization. If a Covered Person receives Plan Benefits from a VSP Preferred Provider without a Benefit Authorization, any services or materials received from the doctor will be treated as benefits from an Open Access Provider.

**4.04. Open Access Provider Benefits:** If required by state law, or if purchased by Client, this Policy provides Plan Benefits for services and materials received from Open Access Providers. Covered Persons or Open Access Providers may submit requests for reimbursement to VSP. VSP will pay available Plan Benefits to Covered Persons, or directly to Open Access Providers when claims include a valid Assignment of Benefits. VSP may deny any claims received after three hundred sixty-five (365) calendar days from the date services are rendered and/or materials provided.

**4.05. Complaints and Grievances:** Complaints and grievances may be submitted by Covered Persons to VSP in writing, by telephone, online or through Covered Persons' VSP Preferred Providers, as explained in the Evidence of Coverage for this Policy. VSP will resolve all complaints and grievances within thirty (30) calendar days following receipt unless special circumstances require an extension of time. Where such extension is required, VSP will resolve all complaints and grievances as soon as possible, but not later than one hundred twenty (120) calendar days after receipt. If VSP determines that a complaint or grievance cannot be resolved within thirty (30) calendar days, it will notify Covered Person of the expected resolution date. VSP will notify Covered Person in writing of the final resolution of all complaints and grievances.

**4.06. Claim Denial Appeals:** If a claim is denied in whole or in part, under the terms of this Policy, a request may be submitted to VSP by Covered Person or Covered Person's authorized representative for a full review of the denial. Covered Person may designate any person, including their provider, as their authorized representative. References in this section to "Covered Person" include Covered Person's authorized representative, where applicable.

**a) Initial Appeal:** All requests for review must be made within one hundred eighty (180) calendar days following denial of a claim. The Covered Person may review, during normal business hours, any documents held by VSP pertinent to the denial. The Covered Person may also submit written comments or supporting documentation concerning the claim to assist in VSP's review. VSP's response to the initial appeal, including specific reasons for the decision, shall be communicated to the Covered Person within thirty (30) calendar days after receipt of the request for the appeal.

**b) Second Level Appeal:** If Covered Person disagrees with the response to the initial appeal of the denied claim, Covered Person has the right to a second level appeal. A request for a second level appeal must be submitted to VSP within sixty (60) calendar days after receipt of VSP's response to the initial appeal. VSP shall communicate its final determination to Covered Person within thirty (30) calendar days from receipt of the request, or as required by any applicable state or federal laws or regulations. VSP's communication to the Covered Person shall include the specific reasons for the determination.

c) **Other Remedies:** When Covered Person has completed the appeals stated herein, additional voluntary alternative dispute resolution options may be available, including mediation or arbitration. Additional information is available from the U. S. Department of Labor or the insurance regulatory agency for Covered Persons' state of residency. Additionally, under the provisions of ERISA (Section 502(a) (1) (B) [29 U.S.C. 1132(a) (1) (B)], Covered Person has the right to bring a civil action when all available levels of reviews, including the appeal process, have been completed. ERISA remedies may apply in those instances where the claims were not approved in whole or in part as the result of appeals under this Policy and Covered Person disagrees with the outcome of such appeals.

**4.07. Time of Action:** No action in law or in equity shall be brought to recover on this Policy prior to the Covered Person exhausting his/her rights under this Policy and/or prior to the expiration of sixty (60) calendar days after the claim and any applicable documentation has been filed with VSP. No such action shall be brought after the expiration of any applicable statute of limitations, in accordance with the terms of this Policy.

**4.08. Insurance Fraud:** Any Covered Person who intends to defraud, knowingly facilitates a fraud, submits a claim containing false or deceptive information, or who commits any other similar act as defined by applicable state or federal law, is guilty of insurance fraud. Such an act is grounds for immediate termination of the coverage under this Policy of the Covered Person committing such fraud.

V.

**CONTINUATION OF COVERAGE**

5.01. **COBRA**: If, and only to the extent, COBRA applies to the parties to this Policy, VSP shall make the required COBRA continuation coverage available to Covered Persons in accordance with the provisions of COBRA.

5.02. **Replacement Coverage**: VSP reserves the right to offer replacement VSP coverage to individuals whose previous VSP coverage has terminated or is subject to termination. Any such offer of replacement coverage shall be separate and distinct from, and not in lieu of, any COBRA-required offer of continuation coverage.

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## VI.

### **DISPUTE RESOLUTION**

**6.01. Dispute Resolution:** VSP and Client agree that all disputes arising out of or relating to this Policy shall be resolved, wherever possible, through mediation. When such negotiation is not successful, both parties agree to try in good faith to settle disputes by mediation administered by the American Arbitration Association under its Commercial Mediation Procedures. All efforts shall be made by both parties to avoid arbitration, litigation, or other dispute resolution procedures.

**6.02. Choice of Law:** If any matter arises in connection with this Policy which becomes the subject of arbitration or legal process, the law of the State of Delivery of this Policy shall be the applicable law.

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## VII.

### NOTICES

**7.01. Notices:** Any notices required under this Policy to either Client or VSP shall be in written format. Notices sent to the Client will be sent to the address or email address shown on the Client's Application unless otherwise directed by Client. Notices to VSP shall be sent to the address shown on the front page of this Policy. Notwithstanding the above, any notices may be hand-delivered by either party to an appropriate representative of the other party. The party effecting hand-delivery bears the burden to prove delivery was made, if questioned.

SAMPLE

**VIII.**  
**STANDARD PROVISIONS**

**8.01. Entire Agreement:** This Policy, the Client Application, the Evidence of Coverage, and all Exhibits and attachments hereto, constitute the entire agreement of the parties and supersede any prior understandings and agreements between them, either written or oral. Any change or amendment to this Policy must be mutually agreed upon by both VSP and Client. No agent has the authority to change this Policy or waive any of its provisions. Communication materials prepared by Client for distribution to Enrollees do not constitute a part of this Policy.

**8.02. Indemnity:** VSP agrees to indemnify, defend and hold harmless Client, its shareholders, directors, officers, agents, employees, successors and assigns from and against any and all liability, claim, loss, injury, cause of action and expense (including defense costs and legal fees) of any nature whatsoever arising from the failure of VSP, its officers, agents or employees, to perform any of the activities, duties or responsibilities specified herein. Client agrees to indemnify, defend and hold harmless VSP, its members, shareholders, directors, officers, agents, employees, successors and assigns from and against any and all liability, claim, loss, injury, cause of action and expense (including defense costs and legal fees) of any nature whatsoever arising or resulting from the failure of Client, its officers, agents or employees to perform any of the duties or responsibilities specified herein.

**8.03. Liability:** VSP arranges for the provision of vision care services and materials through agreements with VSP Preferred Providers. VSP Preferred Providers are independent contractors and are responsible for exercising independent judgment. VSP does not itself directly furnish vision care services or supply materials. Under no circumstances shall VSP or Client be liable to each other for the negligence, wrongful acts or omissions of any doctor, non-VSP owned laboratory, or any other person or organization performing services or supplying materials in connection with this Policy.

**8.04. Assignment:** Neither this Policy nor any of the rights or obligations of either of the parties hereto may be assigned or transferred without the prior written consent of both parties hereto, except as expressly authorized herein.

**8.05. Severability:** Should any provision of this Policy be declared invalid, the remaining provisions shall remain in full force and effect.

**8.06. Governing Law:** This Policy shall be governed by and construed in accordance with applicable federal and state law. Any provision that is in conflict with, or not in conformance with, applicable federal or state statutes or

regulations is hereby amended to conform with the requirements of such statutes or regulation, now or hereafter existing.

SAMPLE

**8.07. Gender:** All pronouns used herein are deemed to refer to the masculine, feminine, neuter, singular, or plural, as the identity(ies) of the person(s) may require.

**8.08. Equal Opportunity:** VSP is an Equal Opportunity and Affirmative Action employer.

**8.09 Texas Department of Human Services:** Benefits may be made payable to the Texas Department of Human Services on behalf of a child; 1) whose parent is Covered Person and required to pay child support by a court order or court-approved agreement and is a possessory conservator of the child under a court order issued in this state; or is not entitled to possession of or access to the child. 2) The Texas Department of Human Services is paying benefits on behalf of the child under Chapter 31 or 32 of the Human Resource code. 3) If VSP is notified that the benefits must be paid directly to the Texas Department of Human Services, through an attachment to the claim for benefits at the time of claim is first submitted to VSP.

**8.10 Incontestability of Policy:** The validity of the policy may not be contested after the policy has been in force for two years after its date of issue. In the absence of fraud, a statement made by any individual covered by the policy relating to the individual's insurability may not be used in contesting the validity of the insurance with respect to which the statement was made.

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## IX.

### DEFINITIONS

The key terms in this Policy are defined:

**9.01. ADDITIONAL BENEFIT RIDER:** The document, attached as Exhibit C to this Policy (when purchased by Client), which lists selected vision care services and vision care materials which a Covered Person is entitled to receive under this Policy. Additional Benefits are only available when purchased by Client in conjunction with a Plan Benefit offered under Exhibit A.

**9.02. ADMINISTRATIVE SERVICES PROGRAM:** A self-insured vision care plan whereby Client pays VSP for the Plan Benefits in addition to a monthly administrative fee.

**9.03 ASSIGNMENT OF BENEFITS:** A written order signed by a Covered Person eighteen (18) years of age or older and included with each claim, directing VSP to pay available Plan Benefits to a named Open Access Provider.

**9.04. BENEFIT AUTHORIZATION:** A process used to confirm eligibility of an individual named as a Covered Person of VSP, and identifying those Plan Benefits to which Covered Person is entitled.

**9.05. CLIENT:** An employer or other entity which contracts with VSP to provide coverage under this Policy for its Enrollees and their Eligible Dependents.

**9.06. CLIENT APPLICATION:** The form signed by an authorized representative of the Client to apply for Enrollee coverage under this Policy.

**9.07. COBRA:** The Consolidated Omnibus Budget Reconciliation Act of 1985.

**9.08. COMPLAINTS AND GRIEVANCES:** Disagreements regarding access to care, quality of care, treatment or service.

**9.09. CONFIDENTIAL MATTER:** All confidential information concerning the medical, personal, financial or business affairs of Covered Persons acquired by VSP in the course of providing Plan Benefits hereunder.

**9.10. COORDINATION OF BENEFITS:** A procedure which allows more than one insurance plan to consider a Covered Person's vision care claims for payment or reimbursement.

**9.11. COPAYMENTS:** Those amounts required to be paid by or on behalf of a Covered Person for Plan Benefits which are not fully covered, and which are payable at the time services are rendered or materials ordered.

- 9.12. **COVERED PERSON**: An Enrollee or Eligible Dependent who meets Client's eligibility criteria and on whose behalf premiums have been paid to VSP, and who is covered under this Policy.
- 9.13. **ELIGIBLE DEPENDENT**: Any dependent of an Enrollee who meets the criteria for eligibility established by Client.
- 9.14. **ENROLLEE**: An employee or member of Client who meets the criteria for eligibility established by Client.
- 9.15. **EVIDENCE OF COVERAGE (“EOC”)**: A summary of the provisions of this Policy, prepared by VSP and provided to Client for distribution to Enrollees by Client.
- 9.16. **OPEN ACCESS PROVIDER**: Any optometrist, therapeutic optometrist, optician, ophthalmologist or other licensed and qualified vision care provider who has not contracted with VSP to provide vision care services and/or vision care materials to Covered Persons of VSP.
- 9.17. **PLAN or PLAN BENEFITS**: The vision care services and vision care materials which a Covered Person is entitled to receive by virtue of coverage under this Policy.
- 9.18. **POLICY PERIOD**: The length of time this Policy is in effect, as shown on the front page of this Policy.
- 9.19. **RENEWAL DATE**: The date when this Policy shall renew or terminate if proper notice is given.
- 9.20. **RETENTION**: VSP's administrative fee deducted from net premiums paid by Client.
- 9.21. **RISK PROGRAM**: A fully insured vision care plan whereby VSP will calculate a rate per Enrollee to cover the cost of claims incurred and administrative costs. Under the arrangement, VSP assumes the risk of utilization exceeding the rate per Enrollee over the full Policy Term.
- 9.22. **SCHEDULE OF BENEFITS**: The document, attached as Exhibit A to this Policy, which lists the vision care services and vision care materials which a Covered Person is entitled to receive under this Policy.

**9.23. SCHEDULE OF PREMIUMS:** The document, attached as Exhibit B to this Policy, which defines the payments a Client is obligated to pay to VSP on behalf of a Covered Person to entitle him/her to Plan Benefits.

**9.24. STATE OF DELIVERY:** The State in which this Policy is being issued, delivered or renewed.

**9.25. TERMINATION:** Cancellation of the Policy as stated in Article I.

**9.26. URGENT CONDITION:** A condition with sudden onset and acute symptoms which requires the Covered Person to obtain immediate care; or an unforeseen occurrence calling for immediate action.

**9.27. VISION CARE POLICY or POLICY:** The Policy issued by VSP to a Client, under which the Client's Enrollees or members, and their Eligible Dependents, are entitled to become Covered Persons of VSP and receive Plan Benefits in accordance with the terms of such Policy. The Policy includes any and all Exhibits and/or attachments thereto.

**9.28. VSP PREFERRED PROVIDER:** An optometrist, therapeutic optometrist or ophthalmologist licensed and otherwise qualified to practice vision care and/or provide vision care materials who has contracted with VSP to provide Plan Benefits to Covered Persons of VSP.

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## EXHIBIT A

### SCHEDULE OF BENEFITS VSP Choice Plan®

#### GENERAL

This Schedule of Benefits lists the vision care services and materials to which Covered Persons of VISION SERVICE PLAN INSURANCE COMPANY("VSP") are entitled, subject to any Copayments and other conditions, limitations and/or exclusions stated herein, and forms a part of the Policy or Evidence of Coverage to which it is attached.

VSP Preferred Providers are those providers who have agreed to participate in VSP's Choice Network.

#### ELIGIBILITY

The following are Covered Persons under this Plan, pursuant to eligibility criteria established by Client:

- Enrollee
- Legal Spouse of Enrollee
- Any unmarried child of Enrollee, including natural child from the date of birth, legally adopted child from the date of placement for adoption with the Enrollee, or other child for whom a court or administrative agency holds the Enrollee responsible.

Unmarried dependent children are covered up to age – or to age – if full-time students.

A dependent, unmarried child over the limiting age may continue to be eligible as a dependent if the child is incapable of self-sustaining employment because of mental or physical disability, and chiefly dependent upon Enrollee for support and maintenance.

#### PLAN BENEFITS VSP PREFERRED PROVIDERS

#### COPAYMENT

A Copayment amount of \$ .00 shall be payable by the Covered Person at the time services are rendered.

## **COVERED SERVICES AND MATERIALS**

### **EYE EXAMINATION- Covered in full\* once every -- months\*\***

Comprehensive examination of visual functions and prescription of corrective eyewear.

### **LENSES - Covered in full\* once every -- months\*\***

Spectacle Lenses (Single, Lined Bifocal, Lined Trifocal or Lenticular)

Polycarbonate lenses are covered in full for dependent children up to age --.

SAMPLE

**FRAMES - Covered up to the Plan allowance\* once every -- months\*\***

The VSP Preferred Provider will prescribe and order Covered Person's lenses, verify the accuracy of finished lenses, and assist Covered Person with frame selection and adjustment.

**CONTACT LENSES**

**ELECTIVE**

Elective Contact Lenses (materials only) are covered up to \$.00 once every -- months\*\*

The Elective Contact Lens fitting and evaluation services are covered in full once every -- months\*\*, after a maximum \$.00 Copayment.

**NECESSARY**

Necessary Contact Lenses are covered in full\* once every -- months\*\*

Necessary Contact Lenses are a Plan Benefit when specific benefit criteria are satisfied and when prescribed by Covered Person's VSP Preferred Provider.

Contact Lenses are provided in place of spectacle lens and frame benefits available herein.

\*Less any applicable Copayment.

\*\*beginning with the first date of service.

**LOW VISION**

Professional services for severe visual problems not correctable with regular lenses, including:

**Supplemental Testing: Covered in full\*.**

**-Includes evaluation, diagnosis and prescription of vision aids where indicated.**

**Supplemental Aids: 75% of VSP Preferred Provider's fee, up to \$1000.00\***

\*Maximum benefit for all Low Vision services and materials is \$1000.00 every two (2) years and a maximum of two supplemental tests within a two-year period.

Low Vision Services are a Plan Benefit when specific benefit criteria are satisfied and when prescribed by Covered Person's VSP Preferred Provider.

## **EXCLUSIONS AND LIMITATIONS OF BENEFITS**

Some brands of spectacle frames may be unavailable for purchase as Plan Benefits, or may be subject to additional limitations. Covered Persons may obtain details regarding frame brand availability from their VSP Member Doctor or by calling VSP's Customer Care Division at (800) 877-7195.

### **NOT COVERED**

- Services and/or materials not specifically included in this Schedule as covered Plan Benefits.
- Plano lenses (lenses with refractive correction of less than  $\pm .50$  diopter), except as specifically allowed in the Frames benefit section, above.
- Two pair of glasses instead of bifocals.
- Replacement of spectacle lenses, frames and/or contact lenses furnished under this plan which are lost or damaged, except at the normal intervals when services are otherwise available.
- Orthoptics or vision training and any associated supplemental testing.
- Medical or surgical treatment of the eyes.
- Replacement of lost or damaged contact lenses, except at the normal intervals when services are otherwise available.
- Contact lens modification, polishing or cleaning.
- Local, state and/or federal taxes, except where VSP is required by law to pay.

SAMPLE

**REIMBURSEMENT SCHEDULE  
OPEN ACCESS PROVIDERS**

**COPAYMENT**

A Copayment amount of \$.00 shall be payable by the Covered Person at the time services are rendered.

**COVERED SERVICES AND MATERIALS**

**EYE EXAMINATION:** Up to \$.00\* once every -- months\*\*  
Comprehensive examination of visual functions and prescription of corrective eyewear.

**SPECTACLE LENSES**

Single Vision Up to \$.00\* once every -- months\*\*

Bifocal Up to \$.00\* once every -- months\*\*

Trifocal Up to \$.00\* once every -- months\*\*

Lenticular Up to \$.00\* once every -- months\*\*

**FRAMES:** Covered up to \$ .00\* once every -- months\*\*

**CONTACT LENSES**

**Elective**

Elective Contact Lenses are covered up to \$.00 once every -- months\*\*

The Elective Contact Lens allowance applies to both the doctor's fitting and evaluation fees, and to materials.

**Necessary**

Necessary Contact Lenses are covered up to \$.00\* once every -- months\*\*

Necessary Contact Lenses are a Plan Benefit when specific benefit criteria are satisfied and when prescribed by Covered Person's Doctor.

Contact Lenses are provided in place of spectacle lens and frame benefits available herein.

\*Less any applicable Copayment.

\*\*beginning with the first date of service.

## **LOW VISION**

Professional services for severe visual problems not correctable with regular lenses, including:

Supplemental Testing: Up to \$125.00\*.

-Includes evaluation, diagnosis and prescription of vision aids where indicated.

Supplemental Aids: 75% of VSP Preferred Provider's fee, up to \$1000.00\*

\*Maximum benefit for all Low Vision services and materials is \$1000.00 every two (2) years and a maximum of two supplemental tests within a two-year period.

Low Vision Services are a Plan Benefit when specific benefit criteria are satisfied and when prescribed by Covered Person's VSP Preferred Provider.

SAMPLE

## **EXCLUSIONS AND LIMITATIONS OF BENEFITS**

### **OPEN ACCESS PROVIDERS**

- Exclusions and limitations of benefits described above for VSP Preferred Providers shall also apply to services rendered by Open Access Providers.
- Services from an Open Access Provider are in lieu of services from a VSP Preferred Provider.
- There is no guarantee that the amount reimbursed will be sufficient to pay the cost of services or materials in full.
- VSP is unable to require Open Access Providers to adhere to VSP's quality standards.

SAMPLE

**Exhibit B**

**VISION SERVICE PLAN INSURANCE COMPANY  
SCHEDULE OF PREMIUMS  
VSP Signature Plan®**

VSP shall be entitled to receive premiums for each month on behalf of each Enrollee and his/her Eligible Dependents, if any, in the amounts specified below.

NOTICE: The premium under this Policy is subject to change upon renewal (after the end of the initial Policy Term or any subsequent Policy Term), or upon change of the Schedule of Benefits or a material change in any other terms or conditions of the Policy.

SAMPLE

## Exhibit C

### ADDITIONAL BENEFIT RIDER SUPPLEMENTAL PRIMARY EYECARE PLAN

#### GENERAL

This Rider lists additional vision care benefits to which Covered Persons of VISION SERVICE PLAN INSURANCE COMPANY ("VSP") are entitled, subject to any applicable Copayments and other conditions, limitations and/or exclusions stated herein. The Supplemental Primary EyeCare Plan is designed for the detection, treatment and management of ocular conditions and/or systemic conditions which produce ocular or visual symptoms. Under the Plan, Eyecare Professionals provide treatment and management of urgent and follow-up services. Primary eyecare also involves management of conditions which require monitoring to prevent future vision loss. This Rider forms a part of the Policy and Evidence of Coverage to which it is attached.

#### ELIGIBILITY

The following are Covered Persons under this Plan, pursuant to eligibility criteria established by Client:

- Enrollee
- Legal Spouse of Enrollee
- Any unmarried child of Enrollee, including natural child from the date of birth, legally adopted child from the date of placement for adoption with the Enrollee, or other child for whom a court or administrative agency holds the Enrollee responsible.

Unmarried dependent children are covered up to age – or to age – if full-time students.

A dependent, unmarried child over the limiting age may continue to be eligible as a dependent if the child is incapable of self-sustaining employment because of mental or physical disability, and chiefly dependent upon Enrollee for support and maintenance.

#### PLAN DESCRIPTION

The Supplemental Primary EyeCare Plan ("PEC") is intended to be a supplement to Covered Person's group medical plan. Providers will first submit a claim to Covered Person's group medical insurance plan, and then to VSP. Any amounts not paid by the medical plan will be considered for payment by VSP. (This is referred to as "Coordination of Benefits" or "COB"). Please refer to the Coordination of Benefits section of Covered Person's Evidence of Coverage for additional information regarding COB.) If Covered Person does not have a group medical plan, providers will submit claims directly to VSP.

Examples of symptoms which may result in a Covered Person seeking services on an urgent basis under the PEC Plan may include, but are not limited to:

- ocular discomfort or pain
- transient loss of vision
- flashes or floaters
- ocular trauma
- diplopia
- recent onset of eye muscle dysfunction
- ocular foreign body sensation
- pain in or around the eyes
- swollen lids
- red eyes

Examples of conditions which may require management under the PEC Plan may include, but are not limited to:

- ocular hypertension
- retinal nevus
- glaucoma
- cataract
- pink eye
- macular degeneration
- corneal dystrophy
- corneal abrasion
- blepharitis
- sty

## REFERRALS

If Covered Services cannot be provided by Covered Person's VSP Preferred Provider, the doctor will refer the Covered Person to another VSP Preferred Provider or to a physician whose offices provide the necessary services.

If the Covered Person requires services beyond the scope of the PEC Plan, the VSP Preferred Provider will refer the Covered Person to a physician.

Referrals are intended to insure that Covered Persons receive the appropriate level of care for their presenting condition. **Covered Persons do not require a referral from a VSP Preferred Provider in order to obtain Plan Benefits.**

## PLAN BENEFITS

### VSP PREFERRED PROVIDERS

### COVERED SERVICES

#### Eye Examinations, Consultations, Urgent/Emergency Care:

Covered in Full after a Copayment of \$20.00.

**Special Ophthalmological Services:** Covered in Full

**Eye and Ocular Adnexa Services:** Covered in Full

## EXCLUSIONS AND LIMITATIONS OF BENEFITS

The Supplemental Primary EyeCare Plan provides coverage for limited vision-related medical services as a supplement to Covered Person's group medical plan. A current list of the covered procedures will be made available to Covered Persons upon request.

## NOT COVERED

- Services and/or materials not specifically included in this Rider as covered Plan Benefits.
- Frames, spectacle lenses, contact lenses or any other ophthalmic materials.
- Orthoptics or vision training and any associated supplemental testing.
- Surgery, and any pre- or post-operative services, except as an adnexal service included herein.
- Treatment for any pathological conditions.
- An eye exam required as a condition of employment.
- Insulin or any medications or supplies of any type.
- Local, state and/or federal taxes, except where VSP is required by law to pay.

SAMPLE

## SUPPLEMENTAL PRIMARY EYECARE PLAN DEFINITIONS

Blepharitis	Inflammation of the eyelids.
Cataract	A cloudiness of the lens of the eye obstructing vision.
Conjunctiva	The mucous membrane that lines the inner surface of the eyelids and is continued over the forepart of the eye.
Conjunctivitis	See Pink Eye.
Corneal Abrasion	Irritation of the transparent, outermost layer of the eye.
Corneal Dystrophy	A disorder involving nervous and muscular tissue of the transparent, outermost layer of the eye.
Diplopia	The observance by a person of seeing double images of an object.
Eyecare Professional	Any duly licensed optometrist (O.D.), ophthalmologist or other doctor of medicine (M.D.), or doctor of osteopathy (D.O.).
Eye Muscle Dysfunction	A disorder or weakness of the muscles that control the eye movement.
Flashes or Floaters	The observance by a person of seeing flashing lights and/or spots.
Glaucoma	A disease of the eye marked by increased pressure within the eye which causes damage to the optic disc and gradual loss of vision.
Macula	The small, sensitive area of the central retina, which provides vision for fine work and reading.
Macular Degeneration	An acquired degenerative disease which affects the central retina.
Ocular	Of or pertaining to the eye or the eyesight.
Ocular Conditions	Any condition, problem or complaint relating to the eyes or eyesight.
Ocular Hypertension	Unusually high blood pressure within the eye.
Ocular Trauma	A forceful injury to the eye due to a foreign object.
Pink Eye	An acute, highly contagious inflammation of the conjunctiva. Also known as conjunctivitis.
Retinal Nevus	A pigmented birthmark on the sensory membrane lining the eye which receives the image formed by the lens.
Systemic Condition	Any condition of problem relating to a person's general health.
Sty	An inflamed swelling of the fatty material at the margin of the eyelid.

Transient Loss of Vision    Temporary loss of vision.

SAMPLE

**PLAN BENEFITS**  
**OPEN ACCESS PROVIDERS**

An Eyecare Professional that is an Open Access Provider may require Covered Person to pay for all services in full at the time of the visit. If so, Covered Person should then submit a claim to VSP for reimbursement.

**COVERED SERVICES**

**Eye Examinations, Consultations, Urgent/Emergency Care:** Covered up to \$100.00 less a Copayment amount of \$20.00.

**Special Ophthalmological Services:** Covered up to \$120.00 per individual service.

**Eye and Ocular Adnexa Services:** Covered up to \$120.00 per individual service.

**EXCLUSIONS AND LIMITATIONS OF BENEFITS**

- Exclusions and limitations of benefits described above for VSP Preferred Providers shall also apply to services rendered by Open Access Providers.
- Services from an Open Access Provider are in lieu of services from a VSP Preferred Provider.
- There is no guarantee that the amount reimbursed will be sufficient to pay the cost of services or materials in full.
- VSP is unable to require Open Access Providers to adhere to VSP's quality standards.

SAMPLE



# Council Agenda Background

**PRESENTER:**

Jill McAdams, *SPHR*  
Human Resources Director  
Lisa Mizell, Principal  
Benefits Seminars Plus

**DATE:** 06/24/14

**Council Mission Area:** Be responsive to the needs of the community.

**ITEM:**

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

**City Attorney Review:** N/A

**City Manager Review:** \_\_\_\_\_

**DISCUSSION:**

The City's contracts for health and dental insurance with CIGNA expire on September 30, 2014. As a result, the City through, their benefits consultants Benefit Seminars Plus, went out to bid for these insurance products. Bids were received in May 2014. Bidding organizations were asked to provide a bid for a minimum of a 12 month contract period with an expiration date of September 30, 2015.

In the Request for Proposal (RFP) process, the City requested bids for the current high deductible health plans (HDHP), a Preferred Provider Organization (PPO) plan and a HDHP with a reduced network. The City received four bids for medical insurance, including the current carrier, CIGNA. The attached spreadsheet titled "City of Bedford Health Insurance Comparison 2014" contains the renewal rates. The spreadsheet takes into account the annual premium (as listed on line 35) and also factors in an eight percent value for an immature plan year (as listed on line 36) for all carriers other than the current carrier, CIGNA, illustrating an "apples to apples" mature premium comparison.

During the bidding process, carriers provided quotes contingent on having the ability to review April 2014 claims. Upon review of claims for April 2014, Aetna pulled their offer to reduce their bid by 5% due to the high claims experienced in April. Therefore, staff is recommending staying with CIGNA for health insurance and renewing the two current HDHP (Base and Buy up) and offering a PPO plan with the stipulation to employees that if the PPO plan causes major shifts on the other two plans in the future, it would be discontinued. Columns F, G and J of the attached spreadsheet titled "City of Bedford Health Insurance Comparison 2014" contain rate information. The reduced network was eliminated due to the fact that it would force many employees to change doctors. Human Resources staff held several employee meetings the week of May 25, 2014 to explain the various insurance options that were being considered. At the end of the week, employees were asked to complete a survey, after reviewing the insurance networks being considered, indicating if their doctors were on the network. Employees were also asked if they had an interest in "buying up" to a PPO plan. There were 110 employees that responded to the survey. Of those, 63.64% of the employees indicated that their primary care physician was not on the reduced network plan and 61.82% indicated that their specialists were not in the reduced network plan. Of the survey respondents, 20.75% indicated that they would be interested in purchasing a PPO plan as a buy up option.

The attached spreadsheet titled "City of Bedford Health Insurance Comparison 2014 Increase to ALL" contains a breakdown of the proposed insurance premium rates for the employees and the City. As indicated in this spreadsheet, the City's contributions across all plans would remain flat, ensuring that all employees receive the same benefit dollars from the City.

In reviewing the dental insurance bids, the City received six bids. Of the six, CIGNA offered the best renewal rate of the current plan (Freedom of Choice) with a 13% (\$21,009.94) increase over the current premium. MetLife, however, offered a renewal of 6% (\$9,655.56) over the current rate with a slightly modified plan. The City's consultants went back to CIGNA and asked for a revised quote for a plan similar to the MetLife plan and received a quote from CIGNA for a dual option plan. The dual option plan bid was 2% (-\$3,231.60) less than the current premium.

The revised CIGNA dual option plan and MetLife plan differs from the Freedom of Choice dental plan in the fact that employees do not have the option of moving from the DMO to the PPO and vice versa anytime throughout the year. Instead, employees must pick a plan, either DMO or PPO, and stay with that plan for the entire year. Although employees have the ability to move from plan to plan under the Freedom of Choice plan, approximately eight employees actually utilized this benefit option. Therefore, staff recommends a renewal with CIGNA for the dual option plan with an annual savings of \$3,231.60.

**RECOMMENDATION:**

Staff recommends the following motion:

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

**FISCAL IMPACT:**

The proposed budget for FY 2014/2015 will include funding for health and dental insurance.

**ATTACHMENTS:**

Resolution  
Spreadsheet-City of Bedford Health Insurance Comparison 2014  
Spreadsheet-City of Bedford Health Insurance Comparison 2014 Increase to ALL  
Spreadsheet-City of Bedford Dental Comparison 2014

RESOLUTION NO. 14-

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACTUAL AGREEMENT FOR EMPLOYEE DENTAL AND HEALTH INSURANCE BENEFITS WITH CIGNA.

WHEREAS, the City of Bedford provides medical and dental insurance benefits for all eligible employees; and,

WHEREAS, the current contracts for dental and medical insurance benefits will expire on September 30, 2014; and,

WHEREAS, the City of Bedford has received bids for medical and dental insurance benefits and has evaluated all options; and,

WHEREAS, the City Council of Bedford, Texas has determined that CIGNA should provide the City's employee dental and medical insurance.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.

SECTION 2. That the City Council does hereby authorize the City Manager to enter into a contractual agreement with CIGNA for provision of employee dental insurance benefits for the period of October 1, 2014 to September 30, 2015.

SECTION 3. That the City Council does hereby authorize the City Manager to enter into a contractual agreement with CIGNA for provision of employee health insurance benefits for the period of October 1, 2014 to September 30, 2015.

PRESENTED AND PASSED this 24th day of June 2014, by a vote of \_\_ ayes, \_\_ nays and \_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

\_\_\_\_\_  
Jim Griffin, Mayor

ATTEST:

\_\_\_\_\_  
Michael Wells, City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Stan Lowry, City Attorney

## City of Bedford Health Insurance Comparison 2014

	A	B	C	D	E	F	G	H	I	J
		CIGNA Current		CIGNA Renewal		CIGNA Revised Revised Renewal		CIGNA Alternate		CIGNA
1										
2		Base	Buy Up	Base	Buy Up	Base	Buy Up	Base	Buy Up	PPO
3	Plan Type	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	PPO
4	Maximum Benefit	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
5	Family Collective Deductible	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
6	Deductible (In Net/Out of Net)	\$2,500/5,000	\$1,500/3,000	\$2,500/5,000	\$1,500/3,000	\$2,500/5,000	\$1,500/3,000	\$2,500/5,000	\$1,500/3,000	\$1,000/2,000
7	Family Deductible	\$5,000/10,000	\$3,000/6,000	\$5,000/10,000	\$3,000/6,000	\$5,000/10,000	\$3,000/6,000	\$5,000/10,000	\$3,000/6,000	\$2,000/4,000
8	Out of Pocket (Not including ded.)	\$2,500/10,000	\$2,000/9,000	\$2,500/10,000	\$2,000/9,000	\$2,500/10,000	\$2,000/9,000	\$2,500/10,000	\$2,000/9,000	\$2,500/8,500
9	Family Out of Pocket	\$5,000/20,000	\$4,000/18,000	\$5,000/20,000	\$4,000/18,000	\$5,000/20,000	\$4,000/18,000	\$5,000/20,000	\$4,000/18,000	\$5,000/\$17,000
10	Coinsurance	80%/50%	80%/50%	80/60%	80/60%	80/60%	80/60%	80/60%	80/60%	80/60%
11	Office Visit Co-pay	NA	NA	NA	NA	NA	NA	NA	NA	\$30/50
12	Lab and X-ray	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI
13	At Facility	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI
14	Inpatient Hospital	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI
15	Outpatient Services	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI
16	Urgent Care	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	\$75
17	Emergency Room Co-pay	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	\$150+20%
18	Prescription Drugs:									
19	Generic	30%	30%	30%	30%	30%	30%	30%	30%	\$10
20	Generic Preventatives at 0%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
21	Name brand	40%	40%	40%	40%	40%	40%	40%	40%	\$25
22	Non-formulary	50%	50%	50%	50%	50%	50%	50%	50%	\$50
23	Wellness	\$12,000		\$12,000		\$12,000		\$12,000		
24	Network	Cigna OAP	Cigna OAP	Cigna OAP	Cigna OAP	Cigna OAP	Cigna OAP	Local Plus	Local Plus	Cigna OAP
25	<b>MONTHLY Premium</b>									
26	Employee 137 / 27	\$380.31	\$431.76	\$452.76	\$514.02	\$437.36	\$496.53	\$400.26	\$453.98	\$619.18
27	Employee + Spouse 10 / 9	\$775.81	\$880.80	\$923.61	\$1,048.60	\$892.19	\$1,012.93	\$816.52	\$926.13	\$1,263.13
28	Employee + Child(ren) 44 / 3	\$737.76	\$837.61	\$878.31	\$997.18	\$848.43	\$963.26	\$776.50	\$880.73	\$1,201.19
29	Employee + Family 45 / 3	\$1,232.14	\$1,398.91	\$1,466.88	\$1,665.42	\$1,416.97	\$1,608.76	\$1,296.83	\$1,470.91	\$2,006.13
30	<b>MONTHLY Employee Cost</b>									
31	Employee 137 / 27	\$0.00	\$44.74	\$0.00	\$61.26	\$0.00	\$59.17	\$0.00	\$53.73	\$181.82
32	Employee + Spouse 10 / 9	\$140.58	\$231.88	\$140.58	\$265.57	\$161.67	\$282.41	\$140.58	\$250.18	\$532.61
33	Employee + Child(ren) 44 / 3	\$89.88	\$176.70	\$89.88	\$208.75	\$103.36	\$218.19	\$89.88	\$194.12	\$456.12
34	Employee + Family 45 / 3	\$272.78	\$417.78	\$272.78	\$471.32	\$313.70	\$505.49	\$272.78	\$446.86	\$902.86
35	Total Annual	\$2,088,751		\$2,486,678		\$2,402,082		\$2,198,056		
36	Mature Plan Year + 8%	\$2,088,751		\$2,486,678		\$2,402,082		\$2,198,056		
37	Minus Ee Contributions	\$272,568		\$284,640		\$319,096		\$279,130		
38	<b>City Paid Portion</b>	<b>\$1,816,184</b>		<b>\$2,202,039</b>		<b>\$2,082,986</b>		<b>\$1,918,926</b>		
39	Total Increase to the City *			\$385,855		\$266,802		\$102,742		
40	* Apples to Apples Mature Plan			21.25%		14.69%		5.66%		

## City of Bedford Health Insurance Comparison 2014

	A	K	L	M	N	O	P	Q	R	U	V	W	X
1		Aetna		Aetna	Aetna Alternate		Aetna	BCBS		BCBS	BCBS	United Healthcare	
2		Base	Buy Up	PPO	Base	Buy Up	PPO	Base	Buy Up	PPO	PPO	Base	Buy Up
3	Plan Type	HSA	HSA	PPO	HSA	HSA	PPO	HSA	HSA	PPO	PPO	HSA / EPO	HSA
4	Maximum Benefit	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
5	Family Collective Deductible	Yes	Yes	No	Yes	Yes	No	Yes	Yes	No	No	Yes	Yes
6	Deductible (In Net/Out of Net)	\$2,500/5,000	\$1,500/3,000	\$1,000/3,000	\$2,500/5,000	\$1,500/3,000	\$1,000/3,000	\$2,500/5,000	\$1,500/3,000	\$2,500/5,000	\$1000/3,000	\$2,500	\$1,500/5,000
7	Family Deductible	\$5,000/10,000	\$3,000/6,000	\$2,000/6,000	\$5,000/10,000	\$3,000/6,000	\$2,000/6,000	\$5,000/10,000	\$3,000/6,000	\$5,000/10,000	\$3,000/6,000	\$5,000	\$3,000/10,000
8	Out of Pocket (Not including ded.)	\$2,500/10,000	\$2,000/9,000	\$2,500/7,500	\$2,500/10,000	\$2,000/9,000	\$2,500/7,500	\$2,500/10,000	\$2,000/9,000	\$2,500/5,000	\$2,000/3,000	\$3,850	\$2,000/5,000
9	Family Out of Pocket	\$5,000/20,000	\$4,000/18,000	\$5,000/15,000	\$5,000/20,000	\$4,000/18,000	\$5,000/15,000	\$5,000/20,000	\$4,000/18,000	\$5,000/10,000	\$3,000/6,000	\$7,700	\$4,000/10,000
10	Coinsurance	80/60%	80/60%	80/60%	80/60%	80/60%	80/60%	80/60%	80/60%	80/60%	80/60%	80%	80/50%
11	Office Visit Co-pay	NA	NA	\$30/50	NA	NA	\$30/50	NA	NA	\$40/55	\$35/50	NA	NA
12	Lab and X-ray	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI
13	At Facility	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI
14	Inpatient Hospital	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI
15	Outpatient Services	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI
16	Urgent Care	SAAOI	SAAOI	\$75	SAAOI	SAAOI	\$75	SAAOI	SAAOI	\$75	\$75	SAAOI	SAAOI
17	Emergency Room Co-pay	SAAOI	SAAOI	\$200+20%	SAAOI	SAAOI	\$200+20%	SAAOI	SAAOI	\$200+20%	\$150+20%	SAAOI	SAAOI
18	Prescription Drugs:												
19	Generic	30%	30%	30%	30%	30%	30%	SAAOI	SAAOI	\$25	\$15	\$10	\$10
20	Generic Preventatives at 0%	No	No	No	No	No	No	No	No	No	No	No	No
21	Name brand	40%	40%	40%	40%	40%	40%	SAAOI	SAAOI	\$40	\$30	\$35	\$35
22	Non-formulary	50%	50%	50%	50%	50%	50%	SAAOI	SAAOI	\$60	\$45	\$60	\$60
23	Wellness	\$15,000			\$15,000			\$10,000				Available	
24	Network	OAMC	OAMC	OAMC	Aexcel	Aexcel	Aexcel	BCBS	BCBS	BCBS	BCBS	Choice	Choice Plus
25	<b>MONTHLY Premium</b>												
26	Employee 137 / 27	\$437.09	\$496.22	\$545.05	\$419.60	\$472.96	\$519.50	\$475.70	\$540.05	\$530.60	\$621.17	\$423.20	\$526.51
27	Employee + Spouse 10 / 9	\$891.64	\$1,012.30	\$1,111.88	\$849.85	\$964.86	\$1,059.76	\$970.39	\$1,101.72	\$1,082.44	\$1,267.20	\$924.80	\$1,150.56
28	Employee + Child(ren) 44 / 3	\$847.91	\$962.66	\$1,057.34	\$808.17	\$917.55	\$1,007.79	\$922.80	\$1,047.69	\$1,029.36	\$1,205.05	\$816.05	\$1,015.26
29	Employee + Family 45 / 3	\$1,416.10	\$1,607.76	\$1,765.88	\$1,349.73	\$1,532.41	\$1,683.11	\$1,541.18	\$1,749.78	\$1,719.16	\$2,012.60	\$1,362.90	\$1,695.60
30	<b>MONTHLY Employee Cost</b>												
31	Employee 137 / 27	\$0.00	\$59.13	\$107.96	\$0.00	\$53.36	\$99.90	\$0.00	\$64.35	\$54.90	\$90.57	\$0.00	\$103.31
32	Employee + Spouse 10 / 9	\$140.58	\$261.24	\$360.82	\$140.58	\$255.59	\$350.49	\$140.58	\$271.91	\$252.63	\$437.39	\$140.58	\$366.34
33	Employee + Child(ren) 44 / 3	\$89.88	\$204.63	\$299.31	\$89.88	\$199.26	\$289.50	\$89.88	\$214.77	\$201.93	\$377.62	\$89.88	\$289.09
34	Employee + Family 45 / 3	\$272.78	\$464.44	\$622.56	\$272.78	\$455.46	\$606.16	\$272.78	\$481.38	\$450.76	\$744.20	\$272.78	\$605.48
35	Total Annual	\$2,400,602			\$2,293,015			\$2,612,644				\$2,365,998	
36	Mature Plan Year + 8%	\$2,592,650			\$2,476,456			\$2,821,656				\$2,555,278	
37	Minus Ee Contributions	\$283,086			\$280,090			\$286,905				\$316,869	
38	<b>City Paid Portion</b>	<b>\$2,309,564</b>			<b>\$2,196,366</b>			<b>\$2,534,751</b>				<b>\$2,238,409</b>	
39	Total Increase to the City *	\$493,381			\$380,183			\$718,568				\$422,225	
40	* Apples to Apples Mature Plan	27.17%			20.93%			39.56%				23.25%	

**City of Bedford Health Insurance Comparison 2014  
Increase to ALL**

	A	B	C	F	G	J
1		<b>CIGNA Current</b>		<b>CIGNA Revised Revised Renewal</b>		<b>CIGNA</b>
2		<b>Base</b>	<b>Buy Up</b>	<b>Base</b>	<b>Buy Up</b>	<b>PPO</b>
3	Plan Type	<b>H S A</b>	<b>H S A</b>	<b>H S A</b>	<b>H S A</b>	<b>PPO</b>
4	Maximum Benefit	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
5	Family Collective Deductible	Yes	Yes	Yes	Yes	No
6	Deductible (In Net/Out of Net)	\$2,500/5,000	\$1,500/3,000	\$2,500/5,000	\$1,500/3,000	\$1,000/2,000
7	Family Deductible	\$5,000/10,000	\$3,000/6,000	\$5,000/10,000	\$3,000/6,000	\$2,000/4,000
8	Out of Pocket (Not including ded.)	\$2,500/10,000	\$2,000/9,000	\$2,500/10,000	\$2,000/9,000	\$2,500/8,500
9	Family Out of Pocket	\$5,000/20,000	\$4,000/18,000	\$5,000/20,000	\$4,000/18,000	\$5,000/\$17,000
10	Coinsurance	80%/50%	80%/50%	80/60%	80/60%	80/60%
11	Office Visit Co-pay	NA	NA	NA	NA	\$30/50
12	Lab and X-ray	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI
13	At Facility	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI
14	Inpatient Hospital	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI
15	Outpatient Services	SAAOI	SAAOI	SAAOI	SAAOI	SAAOI
16	Urgent Care	SAAOI	SAAOI	SAAOI	SAAOI	\$75
17	Emergency Room Co-pay	SAAOI	SAAOI	SAAOI	SAAOI	\$150+20%
18	Prescription Drugs:					
19	Generic	30%	30%	30%	30%	\$10
20	Generic Preventatives at 0%	Yes	Yes	Yes	Yes	No
21	Name brand	40%	40%	40%	40%	\$25
22	Non-formulary	50%	50%	50%	50%	\$50
23	Wellness	\$12,000		\$12,000		
24	Network	Cigna OAP	Cigna OAP	Cigna OAP	Cigna OAP	Cigna OAP
25	<b>MONTHLY Premium</b>					
26	Employee 137 / 27	\$380.31	\$431.76	\$437.36	\$496.53	\$619.18
27	Employee + Spouse 10 / 9	\$775.81	\$880.80	\$892.19	\$1,012.93	\$1,263.13
28	Employee + Child(ren) 44 / 3	\$737.76	\$837.61	\$848.43	\$963.26	\$1,201.19
29	Employee + Family 45 / 3	\$1,232.14	\$1,398.91	\$1,416.97	\$1,608.76	\$2,006.13
30	<b>MONTHLY Employee Cost</b>					
31	Employee 137 / 27	\$0.00	\$44.74	\$0.00	\$59.17	\$181.82
32	Employee + Spouse 10 / 9	\$140.58	\$231.88	\$161.67	\$282.41	\$532.61
33	Employee + Child(ren) 44 / 3	\$89.88	\$176.70	\$103.36	\$218.19	\$456.12
34	Employee + Family 45 / 3	\$272.78	\$417.78	\$313.70	\$505.49	\$902.86
35	Total Annual	\$2,088,751		\$2,402,082		
36	Mature Plan Year + 8%	\$2,088,751		\$2,402,082		
37	Minus Ee Contributions	\$272,568		\$319,095		
38	City Paid Portion	\$1,816,184		\$2,082,987		
39	Total Increase to the City *			\$266,804		
40	* Apples to Apples Mature Plan			14.69%		

# City of Bedford Dental Comparison 2014

A	B	C	D	E	F	G	H	I	
Provider	CIGNA Freedom of Choice Current		CIGNA Freedom of Choice Renewal		CIGNA Dual Option Renewal		MetLife Dual Option		
Plan	PPO	DMO	PPO	DMO	PPO	DMO	PPO	DMO	
1									
2									
3	<b>Must use Network</b>	No	Yes	No	Yes	No	Yes	No	Yes
4	<b>Must pick Dentist</b>	No	Yes	No	Yes	No	Yes	No	Yes
5	<b>Maximum Annual Benefit</b>	\$1,500	Unlimited	\$1,500	Unlimited	\$1,500	Unlimited	\$1,500	Unlimited
6	<b>Deductible</b>	\$50	\$0	\$50	\$0	\$50	\$0	\$50	\$0
7	Family	\$150	\$0	\$150	\$0	\$150	\$0	\$150	\$0
8	<b>Preventive</b>	100%	\$5	100%	\$5	100%	\$5	100%	\$5
9	Definition of Cleanings	2 per year	2 per year	2 per year	2 per year	2 per year	2 per year	2 per year	2 per year
10	Cleanings	100%	100%	100%	100%	100%	100%	100%	100%
11	X-rays	100%	100%	100%	100%	100%	100%	100%	100%
12	Oral Evalutaion	100%	100%	100%	100%	100%	100%	100%	100%
13	<b>Basic</b>	80%	Copays	80%	Copays	80%	Copays	80%	Copays
14	Fillings	80%	\$0	80%	\$0	80%	\$0	80%	\$12-30
15	Includes endo + perio	Yes	NA	Yes	NA	Yes	NA	Yes	NA
16	<b>Major</b>	60%	Copays	60%	Copays	60%	Copays	60%	Copays
17	Crown	60%	\$390-480	60%	\$390-480	60%	\$390-480	60%	\$335+Lab
18	Wait for timely new hires	None	None	None	None	None	None	None	None
19	Late Adds	OE no wait	NA	OE no wait	NA	OE no wait	NA	OE no wait	NA
20	<b>Orthodontics</b>	50%	Copays	50%	Copays	50%	Copays	50%	Copays
21	Deductible	Combined	\$0	Combined	\$0	Combined	\$0	Combined	\$0
22	Adult coverage	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
23	Child treatment (Lifetime)	\$1,500	\$1,872	\$1,500	\$1,872	\$1,500	\$1,872	\$1,500	\$2,410
24	Adult treatment (Lifetime)	\$1,500	\$2,184	\$1,500	\$2,184	\$1,500	\$2,184	\$1,500	\$2,410
25	Waiting period	None	None	None	None	None	None	None	None
26	<b>Network</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
27	<b>% of usual + customary OON</b>	90%	NA	90%	NA	90%	NA	90%	NA
28	<b>Rate guarantee</b>	To 10/1/14		12 months		12 months		12 months	
29	<b>Premium: PPO/DMO (Totals)</b>								
30	Employee Only           137/21 (158)	\$28.50		\$31.44		\$29.93	\$12.79	\$32.49	\$8.88
31	Employee and Spouse or 1 Child 58/7 (65)	\$47.10		\$51.92		\$49.46	\$22.76	\$53.70	\$16.86
32	Employee and 2 or more   90/10 (100)	\$94.48		\$104.21		\$99.20	\$41.82	\$107.71	\$25.30
33	<b>Total Emp Premium</b>	\$54,036.00		\$59,610.24		\$49,204.92	\$3,223.08	\$53,413.56	\$2,237.76
34	<b>Total +1 Dep</b>	\$36,738.00		\$40,497.60		\$34,424.16	\$1,911.84	\$37,375.20	\$1,416.24
35	<b>Total +2 Dep (or more)</b>	\$113,376.00		\$125,052.00		\$107,136.00	\$5,018.40	\$116,326.80	\$3,036.00
36	<b>Total Annual Premium</b>	\$204,150.00		\$225,159.84		\$190,765.08	\$10,153.32	\$207,115.56	\$6,690.00
37	<b>Total Annual Cost to Employees</b>	\$39,327.80		\$39,327.80		\$39,327.80		\$39,327.80	
38	<b>Total Annual Cost to City</b>	\$164,822.20		\$185,832.04		\$161,590.60		\$174,477.76	
39	<b>Increase to City</b>			\$21,009.84		-\$3,231.60		\$9,655.56	
40	<b>% Increase to City</b>			13%		-2%		6%	

This illustration is proprietary and illustrative only. Please refer to contracts, benefit summaries and proposals for policy benefits, exclusions and limitations.



# Council Agenda Background

**PRESENTER:** Clifford Blackwell, CGFO, Director of Administrative Services

**DATE:** 06/24/14

**Council Mission Area:** Demonstrate excellent customer service in an efficient manner.

**ITEM:**

Consider a resolution authorizing the City Manager to enter into a contract with Ron Wright, Tarrant County Tax Assessor-Collector and Tarrant County, for the assessment and collection services of ad valorem taxes levied by the City of Bedford; and providing an effective date.

**City Attorney Review:** Yes

**City Manager Review:** \_\_\_\_\_

**DISCUSSION:**

The City of Bedford has outsourced the ad valorem tax assessment and collection function to Tarrant County for the past 22 fiscal years and the services provided continue to be satisfactory.

The Tax Assessor-Collector, Ron Wright, submits the property tax bills on behalf of the City and collects the tax revenue throughout the fiscal year. In addition, they report delinquent taxes to Linebarger, Goggan, Blair & Sampson, LLP, the City's delinquent tax collection firm. As a result, the City usually receives its collected tax dollars, including penalties and interest, on a daily basis. Tarrant County provides multiple reports that accurately account for the changes in property values, as well as the total amount collected and attributed to the appropriate year.

Each year, Tarrant County submits its contract for collection services for the upcoming fiscal year. Per the Tax Assessor Collector, Ron Wright, in order for the City to have its collection services contract in place prior to the upcoming tax season, he urges the City of Bedford to have it approved and returned no later than July 31 of each year.

In addition, State law requires a tax assessor to charge taxing entities actual cost for tax collection. The Tarrant County Tax Office charges a fee of \$1.10 per account for their services, which is the same rate charged for Fiscal Year 2013-2014. The City of Bedford has approximately 16,000 accounts; therefore, the total amount due will be \$17,600 to be assessed in Fiscal Year 2014-2015. This amount is still far less than what it would cost to bring this function in-house. Funds will be appropriated in the Fiscal Year 2014-2015 operating budget, which commences on October 1, 2014.

**RECOMMENDATION:**

Staff recommends the following motion:

Approval of a resolution authorizing the City Manager to enter into a contract with Ron Wright, Tarrant County Tax Assessor-Collector and Tarrant County, for the assessment and collection services of ad valorem taxes levied by the City of Bedford; and providing for an effective date.

**FISCAL IMPACT:**

Budget FY 2014/15: \$17,600

**ATTACHMENTS:**

- Resolution
- Tarrant County Cover Letter
- Tarrant County Contract for Collection Services
- Tarrant County Delinquent Attny Confirmation

RESOLUTION NO. 14-

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH RON WRIGHT, TARRANT COUNTY TAX ASSESSOR-COLLECTOR AND TARRANT COUNTY, FOR THE ASSESSMENT AND COLLECTION SERVICES OF AD VALOREM TAXES LEVIED BY THE CITY OF BEDFORD; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of Bedford, Texas determines the necessity to contract for ad valorem tax assessment and collection services; and,

WHEREAS, the City has contracted with the Tarrant County Tax Assessor-Collector and Tarrant County for assessment and collection services for the past 22 fiscal years; and,

WHEREAS, the City Council of Bedford, Texas has determined that the contract for these services should be renewed for Fiscal Year 2014-2015.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.

SECTION 2. That the City Council authorizes the City Manager to enter into an agreement with Ron Wright, Tarrant County Tax Assessor-Collector and Tarrant County, for the assessment and collection of ad valorem taxes levied by the City of Bedford at a rate of \$1.10 per account.

SECTION 3. That this resolution shall take effect from and after the date of its passage.

PRESENTED AND PASSED this 24th day of June 2014, by a vote of \_\_\_ ayes, \_\_\_ nays and \_\_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

\_\_\_\_\_  
Jim Griffin, Mayor

ATTEST:

\_\_\_\_\_  
Michael Wells, City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Stan Lowry, City Attorney



## TARRANT COUNTY TAX OFFICE

100 E. Weatherford, Room 105 • Fort Worth, Texas 76196-0301 • 817-884-1100  
taxoffice@tarrantcounty.com

**RON WRIGHT**  
Tax Assessor-Collector

April 11, 2014

Mr Cliff Blackwell  
Finance Officer  
2000 Forest Ridge Drive  
Bedford, TX 76095

Dear Mr. Blackwell,

I am pleased to enclose our tax collection contract for the coming year. Our collection fee for the coming year is \$1.10 per property tax account, the lowest collection fee of any urban county in Texas. The fee for out of county accounts will be \$2.60 per account

State law requires that I charge taxing entities my actual costs for tax collection.

Enclosed are two original renewal contracts for the assessment and collection of your ad valorem taxes by Tarrant County for the tax year 2014. After the contracts have been signed, please return **BOTH** copies to my office to the attention of Sheila Moore, Entity Liaison. I will mail a fully executed contract to you after the Commissioner's Court has made formal approval of the contract. This will be at the end of September, so the contract will be returned in October. If you require more than one original, please make a copy of the contract and mail all three back to my office. In order to have your contract in place prior to the upcoming tax season, I would ask that you have the properly executed contract returned to me no later than **July 31, 2014**.

In addition to your 2014 contract, I am enclosing an attorney confirmation form. Please fill out the requested information, sign and return to my office along with the collection contracts.

You will be invoiced for your collection commission by January 31, 2015 with payment due no later than February 28, 2015.

The time for rate calculations is rapidly approaching and many of you are already in budget preparations. Please remember the importance of getting the rate and exemption information to us prior to the **September 12<sup>th</sup>** rate submission deadline. My office will provide more information on this requirement in the near future.

If you have questions, please contact my Entity Liaison, Sheila Moore, at 817-884-1526, or you may contact me at 817-884-1106 or by e-mail [rjwright@tarrantcounty.com](mailto:rjwright@tarrantcounty.com).

Sincerely,

A handwritten signature in cursive script that reads "Ron Wright".

Ron Wright,  
Tax Assessor Collector  
Tarrant County

COUNTY OF TARRANT

§  
§

*Agreement For the Collection of Taxes*

Agreement made this \_\_\_\_ day of \_\_\_\_\_, 2014, by and between the Tarrant County Tax Assessor/Collector, hereinafter referred to as **ASSESSOR/COLLECTOR**, and Tarrant County, hereinafter referred to as the **COUNTY**, both of whom are addressed at 100 E. Weatherford Street, Fort Worth, Texas 76196-0301, and the City of Bedford hereinafter referred to as **City**, whose address is 2000 Forest Ridge Drive, Bedford, TX 76095.

**PURPOSE OF AGREEMENT**

The purpose of this Agreement is to state the terms and conditions under which the **ASSESSOR/COLLECTOR** will provide assessment and collection services of Ad Valorem taxes levied by the City.

NOW THEREFORE, in consideration of the mutual promises herein contained, the parties hereto agree as follows:

**I.**

**SERVICES TO BE PERFORMED**

The **ASSESSOR/COLLECTOR** agrees to bill and collect the taxes due and owing on taxable property upon which the City has imposed said taxes. The **ASSESSOR/COLLECTOR** shall perform the said services in the same manner and fashion as Tarrant County collects its own taxes due and owing on taxable property. The services performed are as follows: receiving the Certified Appraisal Roll from the appropriate Appraisal District and monthly changes thereto; providing mortgage companies, property owners and tax representatives, tax roll and payment data; providing all necessary assessments of taxes and Truth in Taxation calculations as required; the transmittal of tax statements via the U.S. Mail or electronic transfer of data; and payment processing. All City disbursements, made by check or by electronic transfer (ACH), for collected tax accounts will be made to the City on the day the **COUNTY** Depository Bank indicates the mandatory assigned "float" period has elapsed and the funds are posted to the collected balance. If any daily collection total is less than one hundred dollars (\$100.00), the disbursement may be withheld until the cumulative total of taxes collected for the City equals at least one hundred dollars (\$100.00), or at the close of the month.

**II.**

**REPORTS**

The **ASSESSOR/COLLECTOR** will provide the City the following reports, if requested:

- Daily: General Ledger Distribution Report
- Weekly: Detail Collection Report (Summary)
- Monthly: Tax Roll Summary (Totals Only)
- Year-to-Date Summary Report
- Detail Collection Report (Summary)
- Distribution Report (Summary)
- Delinquent Tax Attorney Tape
- Annual: Paid Tax Roll
- Delinquent Tax Roll
- Current Tax Roll

A selection of the above listed Reports will only be available by internet access. The **ASSESSOR/COLLECTOR** will provide the City the General Ledger Revenue & Expense Report monthly as required by Sec. 31.10 of the Texas Property Tax Code.

**III.**

**COMPENSATION**

In consideration of the services to be performed by the **ASSESSOR/COLLECTOR**, compensation for the services rendered is a rate of one-dollar and ten cents (\$1.10) per account located within Tarrant County, and two-dollars and sixty cents (\$2.60) per account located outside Tarrant County. The number of accounts billed will be based on the October billing roll certified to the **ASSESSOR/COLLECTOR**, net of subsequent account additions and deletions made by the Appraisal District. The **ASSESSOR/COLLECTOR** will invoice for these accounts by **January 31, 2015** with payment to be received from the City by **February 28, 2015**.

The scope of services identified in this contract does not include the administration of a rollback election. In the event of a successful rollback election, these costs incurred by the Tarrant County Tax Office will be separately identified, billed,

and paid by the entity.

**IV.  
AUDITS**

The ASSESSOR/COLLECTOR will provide to the City auditor necessary explanations of all reports and access to ASSESSOR/COLLECTOR in-house tax system computer terminals to assist the City auditor in verifying audit samples of the financial data previously provided by the ASSESSOR/COLLECTOR during the past audit period.

**V.  
TAX RATE REQUIREMENT**

The City will provide the ASSESSOR/COLLECTOR, in writing, the City's newly adopted tax rate and exemption schedule to be applied for assessing purposes by Friday, September 12, 2014. Under authority of Section 31.01 (h) of the Property Tax Code, any additional cost of printing and mailing tax statements because of late reporting of the tax rate or the exemption schedule will be charged to and must be paid by the City.

The tax rate and the exemption schedule for each of the last five (5) years in which an ad valorem tax was levied, or all prior years where there remains delinquent tax, must be furnished in writing to the ASSESSOR/COLLECTOR at the time of the initial contract.

**VI.  
COMPLIANCE WITH APPLICABLE  
STATUTES, ORDINANCES, AND REGULATIONS**

In performing the services required under this Agreement, the ASSESSOR/COLLECTOR shall comply with all applicable federal and state statutes, final Court orders and Comptroller regulations. If such compliance is impossible for reasons beyond its control, the ASSESSOR/COLLECTOR shall immediately notify the City of that fact and the reasons therefore.

**VII.  
DEPOSIT OF FUNDS**

All funds collected by the ASSESSOR/COLLECTOR in the performance of the services stated herein for the City shall be promptly transferred to the account of the City at the City's depository bank. All payments to entities will be made electronically by the automated clearing house (ACH). The ASSESSOR/COLLECTOR has no liability for the funds after initiation of the ACH transfer of the City's funds from the COUNTY Depository to the City's designated depository.

**VIII.  
INVESTMENT OF FUNDS**

The City hereby agrees that the COUNTY, acting through the COUNTY Auditor, may invest collected ad valorem tax funds of the City during the period between collection and payment. The COUNTY agrees that it will invest such funds in compliance with the Public Funds Investment Act. The COUNTY further agrees that it will pay to the City all interest or other earnings attributable to taxes owed to the City. All parties agree that this Agreement will not be construed to lengthen the time period during which the COUNTY or the ASSESSOR/COLLECTOR may hold such funds before payment to the City.

**IX.  
REFUNDS**

Refunds will be made by the ASSESSOR/COLLECTOR except as set forth herein. The ASSESSOR/COLLECTOR will advise the City of changes in the tax roll which were mandated by the appropriate Appraisal District.

The ASSESSOR/COLLECTOR will not make refunds on prior year paid accounts unless the prior year paid accounts for the past five (5) years are provided to the ASSESSOR/COLLECTOR.

All refunds of overpayments or erroneous payments due, but not requested, and as described in Section 31.11 of the Texas Property Tax Code, will after three years from the date of payment, be proportionately disbursed to those entities

contracting with the ASSESSOR/COLLECTOR. The contract must have been in force, actual assessment and collection functions begun and the tax account was at the time of the over or erroneous payment within the City's jurisdiction. The proportional share is based upon the City's percent of the tax account's total levy assessed at the time of receipt of the over or erroneous payment.

In the event any lawsuit regarding the collection of taxes provided for in this agreement to which the City is a party, is settled or a final judgment rendered, and which final judgment is not appealed, and the terms of such settlement agreement or final judgment require that a refund be issued by the City to the taxpayer, such refund shall be made by ASSESSOR/COLLECTOR by debiting funds collected by ASSESSOR/COLLECTOR on behalf of the City and remitting such refund to the taxpayer in conformity with the terms of the settlement agreement or final judgment.

#### ***X.***

#### ***DELINQUENT COLLECTIONS***

The ASSESSOR/COLLECTOR will assess and collect the collection fee pursuant to Sections, 33.07, 33.08, 33.11 (changed order) and 33.48 of the Property Tax Code, when allowed. The ASSESSOR/COLLECTOR will collect attorney fees that are specified by the City through written agreement with a delinquent collection Attorney. The ASSESSOR/COLLECTOR will disburse the amount directly to the City for compensation to a Firm under contract to the City.

If the delinquent collection Attorney contracted by the City requires attendance of ASSESSOR/COLLECTOR personnel at a court other than the District Courts in downtown Fort Worth, and the COUNTY is not a party, the employee's expenses and proportionate salary will be the responsibility of the City and will be added to the collection expenses and charged to the City.

The ASSESSOR/COLLECTOR will not be responsible for the collection of prior year delinquent accounts unless all delinquent accounts information is provided to the ASSESSOR/COLLECTOR.

#### ***XI.***

#### ***TERM OF AGREEMENT***

This Agreement shall become effective as of the date hereinabove set out, and shall continue in effect during the 2014 tax year, unless sooner terminated by providing sixty (60) day written notice, as outlined in paragraph XII.

#### ***XII.***

#### ***NOTICES***

Any notices to be given hereunder by either party to the other may be effected, in writing, either by personal delivery or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed to the address of the parties as they appear in the introductory paragraph of this Agreement, but each party may change this address by written notice in accordance with this paragraph.

**XIII.**

**MISCELLANEOUS PROVISIONS**

This instrument hereto contains the entire Agreement between the parties relating to the rights herein granted and obligations herein assumed. Any oral representations or modifications concerning this instrument shall be of no force or effect.

This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Tarrant County, Texas.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives and successors.

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or enforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained.

This Agreement and the attachments hereto constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties respecting the within subject matter.

Executed on the day and year first above written, Tarrant County, Texas.

**BY:** \_\_\_\_\_ **DATE** \_\_\_\_\_  
**RON WRIGHT,**  
**TAX ASSESSOR/COLLECTOR**  
**TARRANT COUNTY**

**FOR City of Bedford**

**BY:** \_\_\_\_\_ **DATE** \_\_\_\_\_  
**TITLE:** \_\_\_\_\_

**FOR TARRANT COUNTY:**

**BY:** \_\_\_\_\_ **DATE** \_\_\_\_\_  
**B. GLEN WHITLEY**  
**TARRANT COUNTY JUDGE**

**APPROVED AS TO FORM \* AND CONTENT**

**BY:** \_\_\_\_\_ **DATE** \_\_\_\_\_  
**DISTRICT ATTORNEY'S OFFICE**

\*By law, the District Attorney's Office may only approve contracts for its clients. We reviewed this document from our client's legal perspective. Other parties may not rely on this approval. Instead those parties should seek contract review from independent counsel.



**DELINQUENT ATTORNEY CONFIRMATION  
2014 TAX YEAR**

**Please complete the form below, have notarized and return with your entity contract**

The Delinquent Attorney Firm for \_\_\_\_\_ is

\_\_\_\_\_  
Name of Taxing Entity

\_\_\_\_\_  
Name of Firm

Collection penalty % by ordinance, resolution or amendment authorizing attorney collection fees in accordance to Sections 33.07 and 33.08 Texas Property Tax Code is

\_\_\_\_\_  
Percent

Collection penalty % by ordinance, resolution or amendment authorizing early turn over of this unit's business personal property in accordance to Section 33.11 Texas Property Tax Code is

\_\_\_\_\_  
Percent

The effective date of the ordinance, resolution or amendment authorizing early turn over of this unit's business personal property in accordance to Section 33.11 Texas Property Tax Code is

\_\_\_\_\_  
Month

\_\_\_\_\_  
Day

\_\_\_\_\_  
Year

**If you change law firms you must notify Tarrant County Tax Office in writing**

By signature below, the information contained in this form is deemed true and correct.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

Sworn and Subscribed to before me on this the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
to certify which witness my hand and seal of office.

\_\_\_\_\_  
Notary Public in and for the  
State of Texas  
My commission Expires: \_\_\_\_\_



# Council Agenda Background

**PRESENTER:** Kelli Agan, Technical Services Manager

**DATE:** 06/24/14

**Council Mission Area:** Demonstrate excellent customer service in an efficient manner.

**ITEM:**

Consider a resolution authorizing the City Manager to enter into a contract with The Rockaway Company, Inc. for renovations to the City's Emergency Operation Center in the amount of \$18,832.50, utilizing the Tarrant County 9-1-1 District PSAP Assistance Program Funding.

**City Attorney Review:** Yes

**City Manager Review:** \_\_\_\_\_

**DISCUSSION:**

The Police Department has received funding through the 2014 Tarrant County 9-1-1 District Public Service Assistance Program (PSAP) program. Through this program, the Police Department requested \$21,062 for necessary renovations to the City's Emergency Operation Center (EOC) and the purchase of minor equipment for the Dispatch Division.

Through the 2011 PSAP program, the Police Department gained approval through the Tarrant County 9-1-1 District to enhance the EOC with technology that would provide for the Dispatch CAD system, along with the CAD map, to be viewed at this location. Additionally, the funding allowed for technology to enable call taker stations within this facility. While the technology has afforded the City the ability to redirect non-emergency calls to the EOC call taker stations (to assist the Dispatch Division with the high influx of calls during an emergency event), the call taker area has proven to be inadequate.

Over the course of the last year, the Police Department conducted several call taker training sessions with volunteers. During these training exercises, it was quickly determined that the room used to house the call takers was too restrictive in size. The call taker room consists of four call taker stations, with two call-takers assigned to each station (i.e. eight chairs). By design, this would allow four call-takers to take the incoming calls, and four volunteers to input the call information into the Dispatch CAD system. With eight bodies in this area, the volunteers sit shoulder to shoulder with limited space for essential paperwork.

The funding approved by Tarrant County 9-1-1 District includes renovations to the EOC that would move an existing wall out by two feet (from a 10 x 13 to a 12 x 13 area) and reposition an entrance door. The funding also includes built-in work spaces (i.e. work surface and lighting) that will optimize the small space (in lieu of bulky modular desks). The work spaces are included in the overall cost of the renovations. The request does not include the labor to install the new flooring that will be needed in this area. Due to the cost that was provided by the selected contractor, the Police Department will purchase the flooring, utilizing PSAP funding, from a local home improvement store and have the City's Facility Maintenance staff perform the installation.

The Police Department has solicited quotes from several different contractors. The Rockaway Company, Inc., a disadvantaged business, provided the lowest bid for the project. The Rockaway Company, Inc. has performed several renovations to City facilities, including the Dispatch renovation in 2012, and is very familiar with the City's high code standards.

**Additional Expenses Approved through PSAP Funding**

Funding also includes the following:

- Corner desk unit for the Lead Dispatcher position
- Desktop computer for the Lead Dispatcher position
- Network and phone cabling for the Lead Dispatcher position

Total Additional Expenses = \$1,690.98 (also included in the Tarrant County 9-1-1 District PSAP Assistance Program Funding).

Staff considers the funding requests as the most responsible way to utilize this year's funding through the District. The funding will improve efficiencies and organization within the EOC call taker area and the Dispatch Division.

Expenditures through this program must be submitted no later than August 31, 2014. The District funding does not require a cash match from the City of Bedford.

**RECOMMENDATION:**

Staff recommends the following motion:

Approval of a resolution authorizing the City Manager to enter into a contract with The Rockaway Company, Inc. for renovations to the City's Emergency Operation Center in the amount of \$18,832.50, utilizing the Tarrant County 9-1-1 District PSAP Assistance Program Funding.

**FISCAL IMPACT:**

\$18,832.50 from Tarrant County 9-1-1 District PSAP Assistance Program Funding

**ATTACHMENTS:**

Resolution  
Contract

RESOLUTION NO. 14-

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH THE ROCKAWAY COMPANY, INC. FOR RENOVATIONS TO THE CITY'S EMERGENCY OPERATION CENTER IN THE AMOUNT OF \$18,832.50, UTILIZING THE TARRANT COUNTY 9-1-1 DISTRICT PSAP ASSISTANCE PROGRAM FUNDING.

WHEREAS, the City Council of Bedford, Texas determines the necessity for renovations to the Emergency Operations Center; and,

WHEREAS, the City of Bedford has determined these improvements will provide more efficiencies and organization within the Emergency Operation Center.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.

SECTION 2. That the City Council, Texas authorizes the City Manager to enter into a contract The Rockaway Company, Inc. for renovations to the City's Emergency Operation Center in the amount of \$18,832.50, utilizing the Tarrant County 9-1-1 District PSAP Assistance Program Funding.

PRESENTED AND PASSED the 24th day of June 2014, by a vote of \_\_\_ ayes, \_\_\_ nays and \_\_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

---

Jim Griffin, Mayor

ATTEST:

---

Michael Wells, City Secretary

APPROVED AS TO FORM:

---

Stan Lowry, City Attorney



# THE ROCKAWAY COMPANY, INC

4416 McLean, Suite A  
 Haltom City, Texas 76117  
 (817) 485-9855 • Fax (817) 485-1061  
 Email: Rockawayco@aol.com



*We don't just offer service—we offer solutions you'll enjoy living with.*

PROPOSAL SUBMITTED TO <b>Bedford Police Department c/o Eric Griffin</b>	PHONE <b>817-952-2405</b>	DATE <b>May 20, 2014</b>
STREET <b>2121 L Don Dodson Drive</b>	MOBILE <b>817-713-0530</b>	WORK/FAX
CITY, STATE AND ZIP CODE <b>Bedford, TX 76021</b>	<b>Barry Thombs</b>	<b>eric.griffin@bedfordtx.gov</b>

**Room Remodel, Size: approx. 12 X 13**

1. Remove two (2) existing florescent lights and tie off to relocation.
2. Remove approx. 156 SF of existing grid ceiling for addition.
3. Remove approx. 120 SF or approx. 13 LF of existing sheetrock for new addition area.
4. Provide and install framing as follows for addition, approx. 13' X 8' wall.
  - A. Install 2 X 4 metal track for bottom plate, approx. 13 LF
  - B. Provide and install 2 X 4 X 8' metal studs on 16" centers
  - C. Provide and install double 2 X 4 headers over doors
  - D. Provide and install 2 X 4 metal top plate
5. Provide and install electrical as follows:
  - A. Eighteen (18) 110V plug to new work station
  - B. Two (2) lights (existing 2 X 4 lay ins reinstalled with new switch)

**NOTE: City to have fire strobe disconnected and reinstalled at new location by door.**

6. Provide and install one (1) new 13' X 8" sheetrock per drawing or approx. 224 SF of 5/8" sheetrock to walls of new addition area.
7. Reinstall one (1) door to new addition leading from kitchen area.

**We Propose** hereby to furnish material and labor --- complete in accordance with above specifications, for the sum of:

**See Page 3**

Payment to be made as follows: \_\_\_\_\_ dollars (\$ \_\_\_\_\_)

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance.

Authorized Signature \_\_\_\_\_

Note: This proposal may be withdrawn by us if not accepted within \_\_\_\_\_ days.

**Acceptance of Proposal** — The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature \_\_\_\_\_

Signature \_\_\_\_\_

Date of Acceptance: \_\_\_\_\_



# THE ROCKAWAY COMPANY, INC

4416 McLean, Suite A  
Haltom City, Texas 76117  
(817) 485-9855 • Fax (817) 485-1061  
Email: Rockawayco@aol.com



*We don't just offer service—we offer solutions you'll enjoy living with.*

PROPOSAL SUBMITTED TO

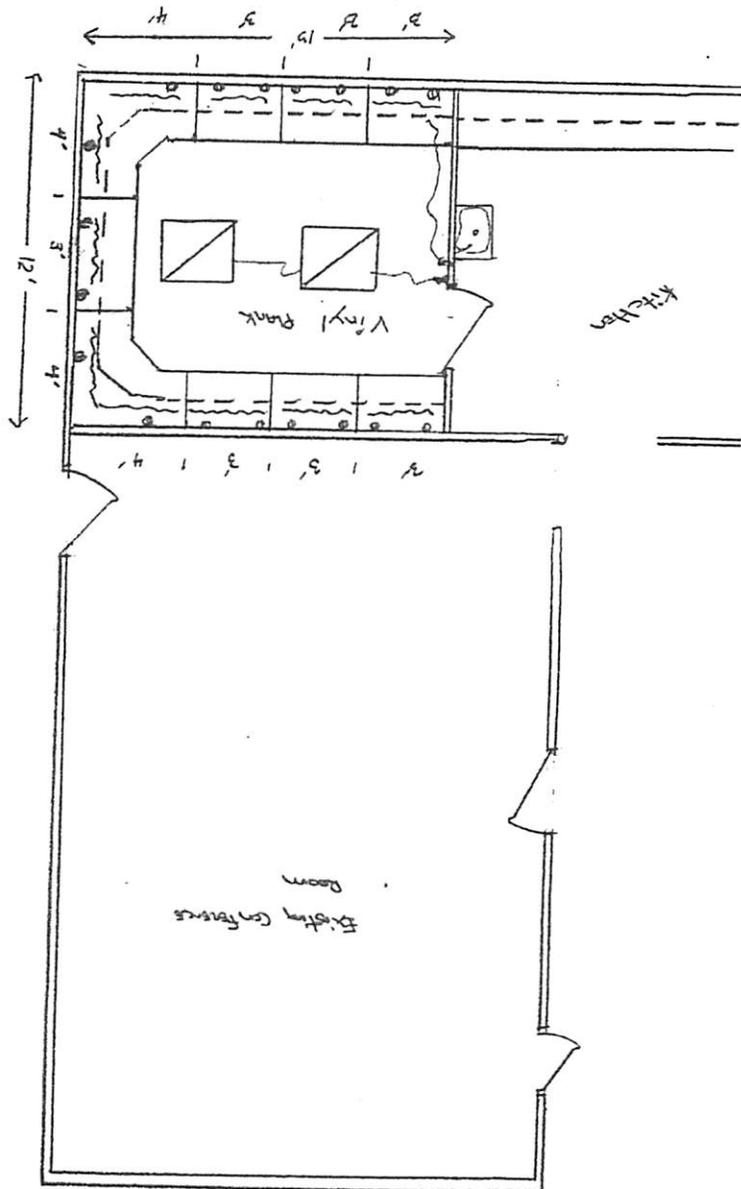
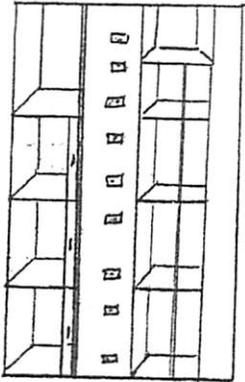
**Bedford Police Department**

- 9. Provide and install approx. 51 LF of vinyl-base and wood door trim.
- 10. Provide and install approx. 156 SF of 2 X 4 grid ceiling to match existing as close as possible.
- 11. Cut hole in wall from kitchen area to call room.
- 12. Tape, bed, texture, and paint approx. 624 SF of walls in semi-gloss paint to customer's color selection.  
This includes the area of the existing beak room.
- 13. Provide and install approx. 38 LF of paint grade trim to work station per drawing with WilsonArt laminate tops.

### Other Work

- 1. Clean up of trash and debris associated with this project has been included in this bid.
- 2. Duration of this project is approx. 18 working days.
- 3. No upgrade to existing HVAC system, electrical system or plumbing except listed in proposal.
- 4. Work not mentioned in this proposal will not be started without a signed change order.
- 5. Includes a 5-year warranty on labor and workmanship.
- 6. NOTE: No money has been included for city permits





	<p><b>THE ROCKAWAY COMPANY</b>          Commercial and Residential          Remodeling and Construction          4416 McLean Rd, Suite A          Haltom City, TX 76117          www.rockawayco.com</p>	<p><b>Plans Prepared For</b>          Bedford Police Department          2121 L Don Dodson Drive          Bedford, TX 76021          817-713-0530</p>
<p>(817) 485-9855</p>	<p>FAX (817) 485-1061</p>	



# Council Agenda Background

**PRESENTER:**

Roger Gibson, Police Chief  
Kelli Agan, Technical Services Manager

**DATE:** 06/24/14

**Council Mission Area:** Demonstrate excellent customer service in an efficient manner.

**ITEM:**

Consider a resolution authorizing the City Manager to purchase a security camera network and recording system in the amount of \$22,361, from Wildfire Camera Networks.

**City Attorney Review:** Yes

**City Manager Review:** \_\_\_\_\_

**DISCUSSION:**

In September 2012, the Police Department received approval of funding for a security camera network through the 2011 Edward Byrne Justice Assistance Grant (JAG) Formula Program Award in the amount of \$17,799. Since that time, the Police Department has been consulting with vendors and references to obtain the best pricing for the camera network.

The camera network will consist of five pan/tilt/zoom cameras that will be secured to existing structures or light poles in commercial parking lots along Highway 183 and in the Bedford Plaza Shopping Center located at Harwood Road and Central Drive.

The camera network will record all five camera locations to a digital video recorder (DVR) located at the Police Department. The DVR will have the capability of storing 10 days of recordings for all five camera systems. The system includes a wireless/wi-fi secured network with monitoring capabilities and automated recording features. The system also includes a one year warranty for the equipment and a 90 day warranty for installation labor. Wildfire Camera Networks provides upgrades to the software and firmware at no cost for the first year. After the first year, optional upgrades may be acquired at an annual rate of \$98 per camera. Wildfire Camera Networks provides unlimited service and upgrades to the DVR throughout the life of the system.

The Police Department will utilize these cameras to assist in curtailing criminal activity in these commercial areas. The five camera locations chosen were based on an evaluation process to determine the greatest potential benefit.

The grant funding does not cover the entire cost of the system; therefore, the Police Department will be utilizing the Drug Enforcement Fund (seizures/forfeitures) to cover the remaining balance of the system and any additional associated costs to an electrical contractor.

**RECOMMENDATION:**

Staff recommends the following motion:

Approval of a resolution authorizing the City Manager to purchase a security camera network and recording system in the amount of \$22,361, from Wildfire Camera Networks.

**FISCAL IMPACT:**

\$17,799 through the 2011 Edward Byrne Justice Assistance Grant (JAG) Formula Program Award; \$4,562 Drug Enforcement Fund

**ATTACHMENTS:**

Resolution  
Wildfire Camera Systems Quote  
Aerial Map of Camera Locations

RESOLUTION NO. 14-

A RESOLUTION AUTHORIZING THE CITY MANAGER TO PURCHASE A SECURITY CAMERA NETWORK AND RECORDING SYSTEM IN THE AMOUNT OF \$22,361, FROM WILDFIRE CAMERA NETWORKS.

WHEREAS, the City Council of Bedford, Texas determines the necessity for a security camera network and recording system; and,

WHEREAS, the City of Bedford has determined the camera network will consist of five camera locations with a digital recording system located at the Police Department.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.

SECTION 2. That the City Manager is hereby authorized to purchase a security camera network and recording system in the amount of \$22,361, from Wildfire Camera Networks.

PRESENTED AND PASSED the 24th day of June 2014, by a vote of \_\_\_ ayes, \_\_\_ nays and \_\_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

---

Jim Griffin, Mayor

ATTEST:

---

Michael Wells, City Secretary

APPROVED AS TO FORM:

---

Stan Lowry, City Attorney

WildFire Camera Networks  
 8809 Lenox Pointe Drive, Suite C  
 Charlotte, NC 28273  
 Phone: 704-705-2622  
 Fax: 704-973-9431  
 Email: info@wildfireconnections.com



**Price Quote - Purchase Agreement**

To: **Bedford Police Department**  
 2121 L Don Dodson Drive  
 Bedford, TX  
 Attn: Chief Roger Gibson

**Quotation #:** 041403  
**Date:** 6/12/2013  
**Re:** **City-Wide Wireless Camera Network**

Purchase Order #	Sales Rep	Terms	Proposed Installation Date
	Kaye Wyman	60% @ PO; 20% @ Shipping; 20% @ Install	See Below

QTY	ITEM #	UNITS	DESCRIPTION	UNIT PRICE	TOTAL
1	WildFire Network		Wireless Digital IP-based Pan/Tilt/Zoom (PTZ) "Patrolling" Cameras (5)	19,085.00	19,085.00
			Network Video Recorder (NVR) @ Bedford PD on L Don Dodson Dr (WPI Program)		
			Wireless Infrastructure across the city for system connections including backhauls and extensions for connectivity to the NVR at the BPD		
			Camera Software Licenses (5)		
1		ea	Installation Labor	3,000.00	3,000.00
				Taxable Amount	19,085.00
				Non-Taxable Services	3,000.00
				Subtotal	22,085.00
				Taxes 0.00%	
				Shipping	276.00
				Balance Due	22,361.00

**This Price Quote assumes the customer will purchase the WildFire wireless system or network outright**

**Under the WPI (WildFire-Provided Infrastructure) Program, WildFire provides the Customer the free use of an NVR and the Central Relay Point. Both are owned, maintained & expanded by WildFire at no expense to Customer, with a minimum initial order of 5 WildFire wireless PTZ cameras.**

**The system purchase price shown (including taxes) requires a 60% progress payment to WildFire with the order  
 The 20% second progress payment is required upon notice equipment is ready for immediate shipment to customer  
 The 20% balance is payable after the completion and acceptance by customer of the system installation**

System installation will start within 15 business days from the date of confirmation the customer has completes their site-preparation responsibilities listed below

This Price Quote is valid for 30 days

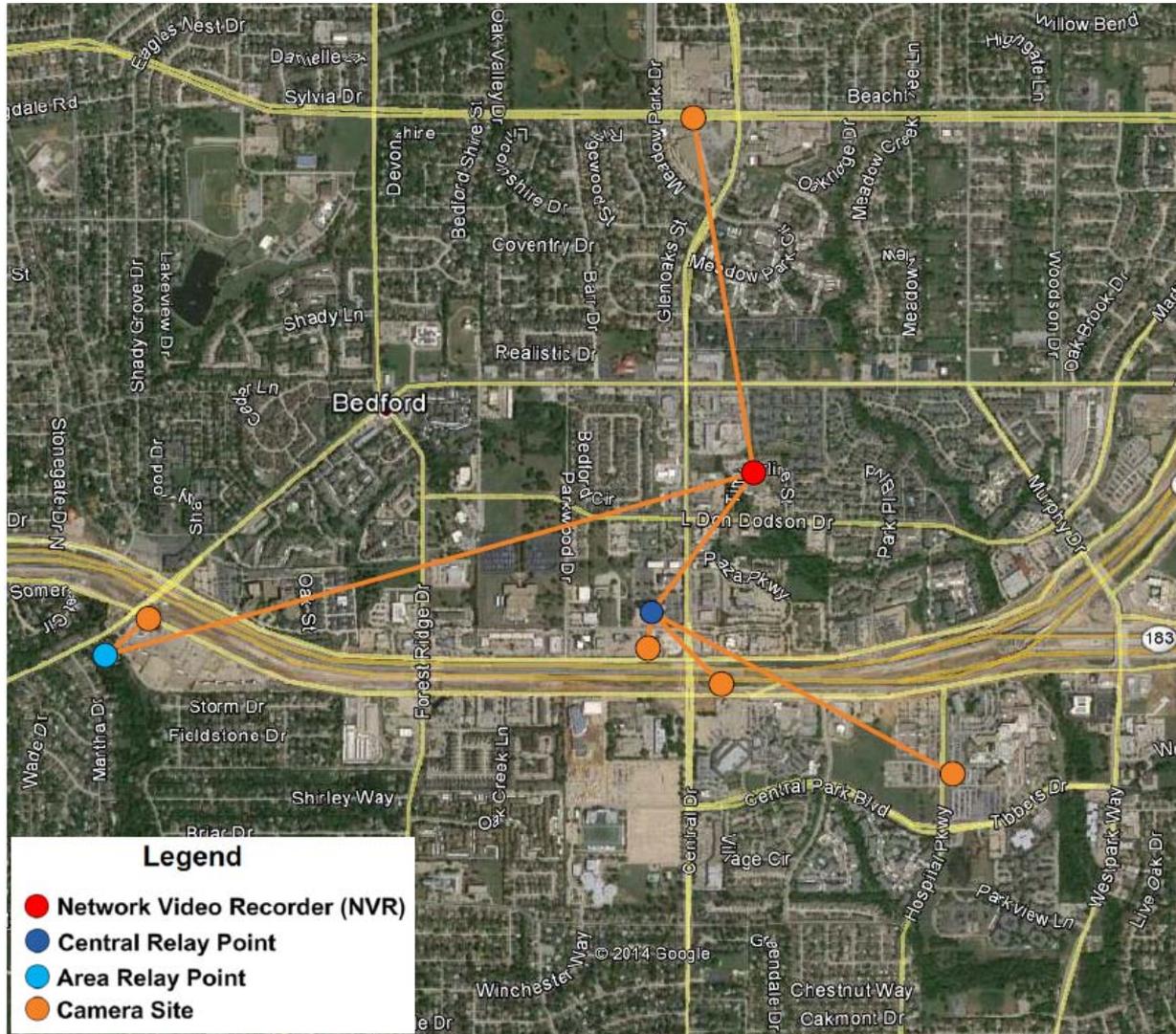
The turnkey system price quoted herein is for the products and services specified above, subject to the following terms and conditions:

- Customer provides 110V electrical supply to all camera, NVR and wireless radio locations
- Customer provides attachment rights to any tank, tower, building or poles required for the installation
- Customer provides any climbers, lifts or new poles needed for the installation or all subsequent service work
- Customer provides dedicated internet bandwidth with a separate dedicated static IP address (e.g. DSL) for their particular application
- WildFire's Limited Warranty includes 1 Year on equipment & 90 days on installation labor (excluding Acts-of-God, electrical or vandalism)
- Any additional labor charged at the rate of \$125 per hour
- Any existing customer-owned equipment converted to the WildFire System is not covered by this Warranty
- If WildFire uses any customer-provided fiber optics for connectivity within the wireless network provided, that portion will not be covered by WildFire's Limited Warranty
- After the first year, optional upgrades in software and firmware may be acquired at an annual rate of \$98 per camera
- WildFire's standard DVR/NVR has 10 days of video storage. Additional storage may be purchased.
- Unless additional wireless relay points are specified, all prices quoted herein assume each WildFire wireless product can be added directly into the customer's existing wireless network (meaning with "one hop")
- Upon WildFire receiving the customer's tax exempt certificate, taxes will not be charged.

To accept this Price Quote, please sign and return along with the initial progress payment (if invoice for progress payment required, please request).

Name: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

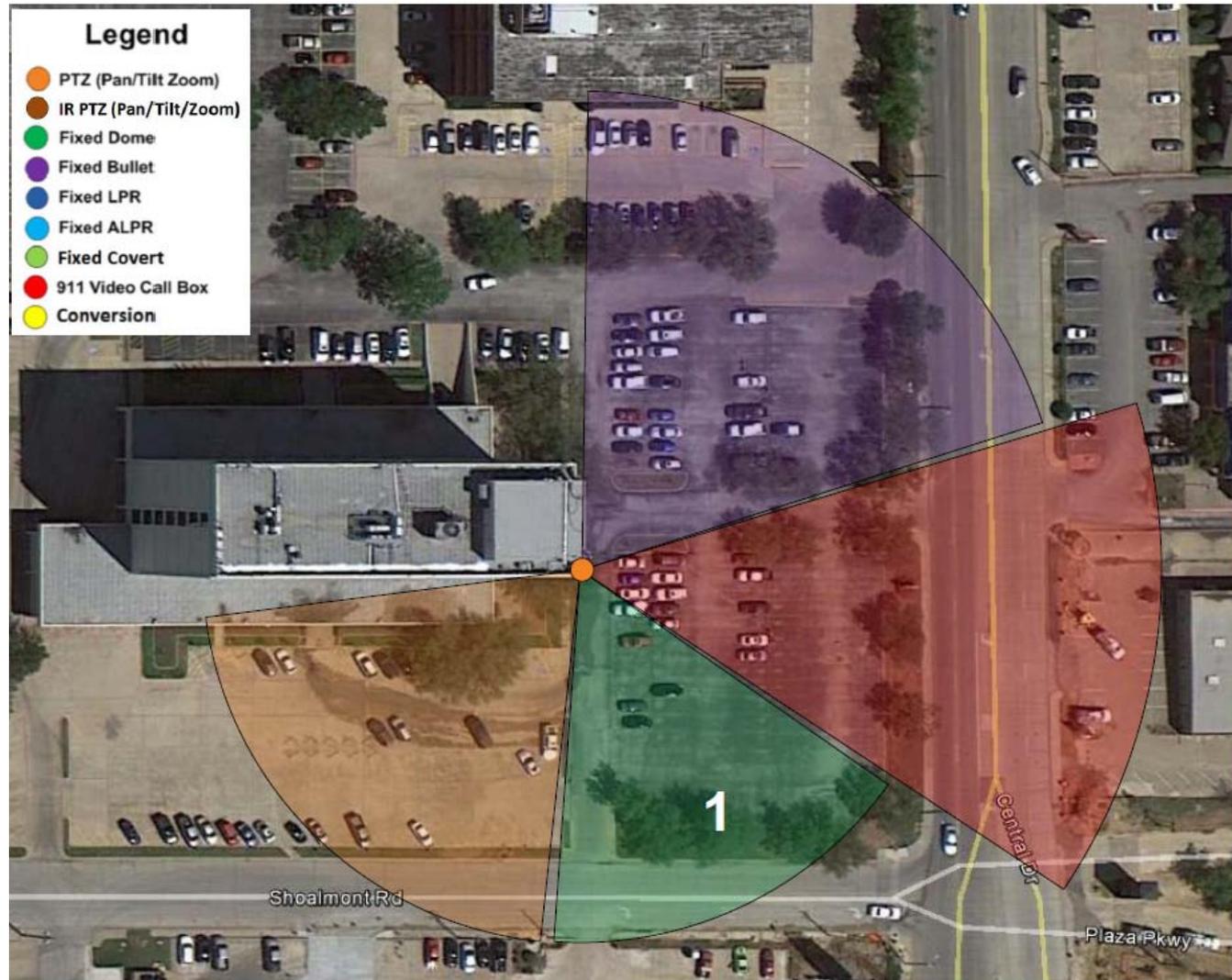
# City-Wide Wireless Camera Network Layout



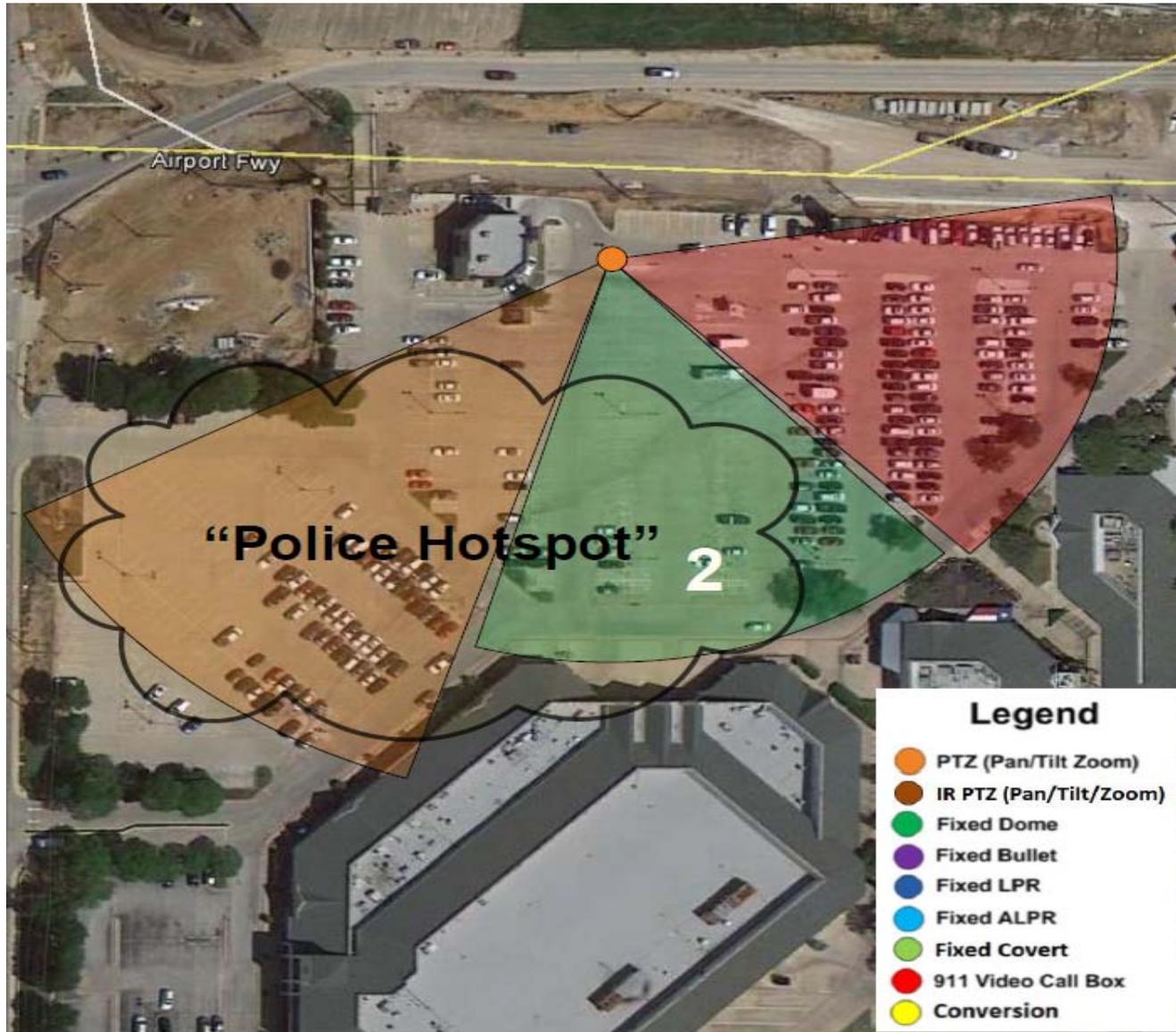
# NVR and “Police Hotspot”



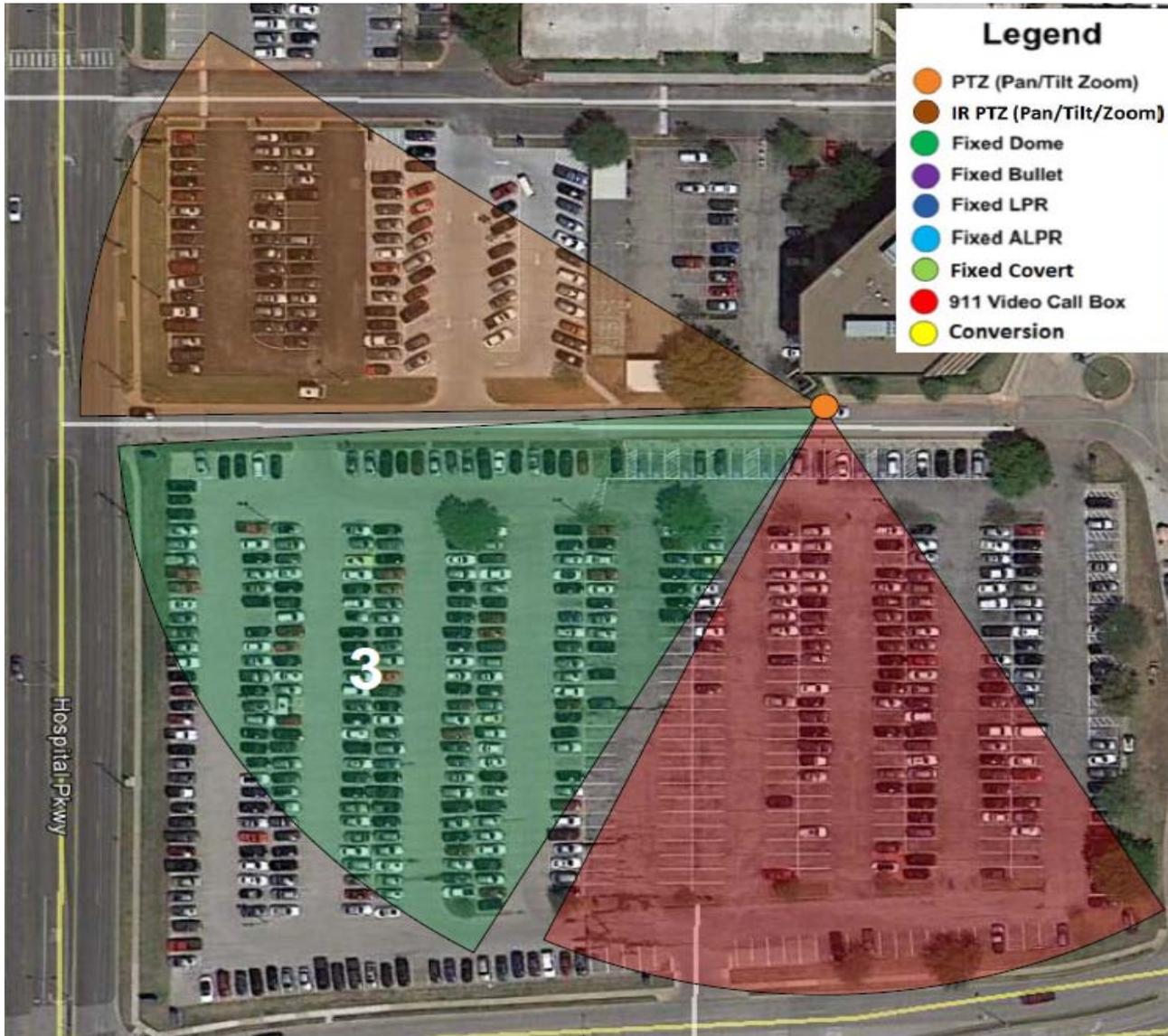
# Shoalmont Road and Central Drive



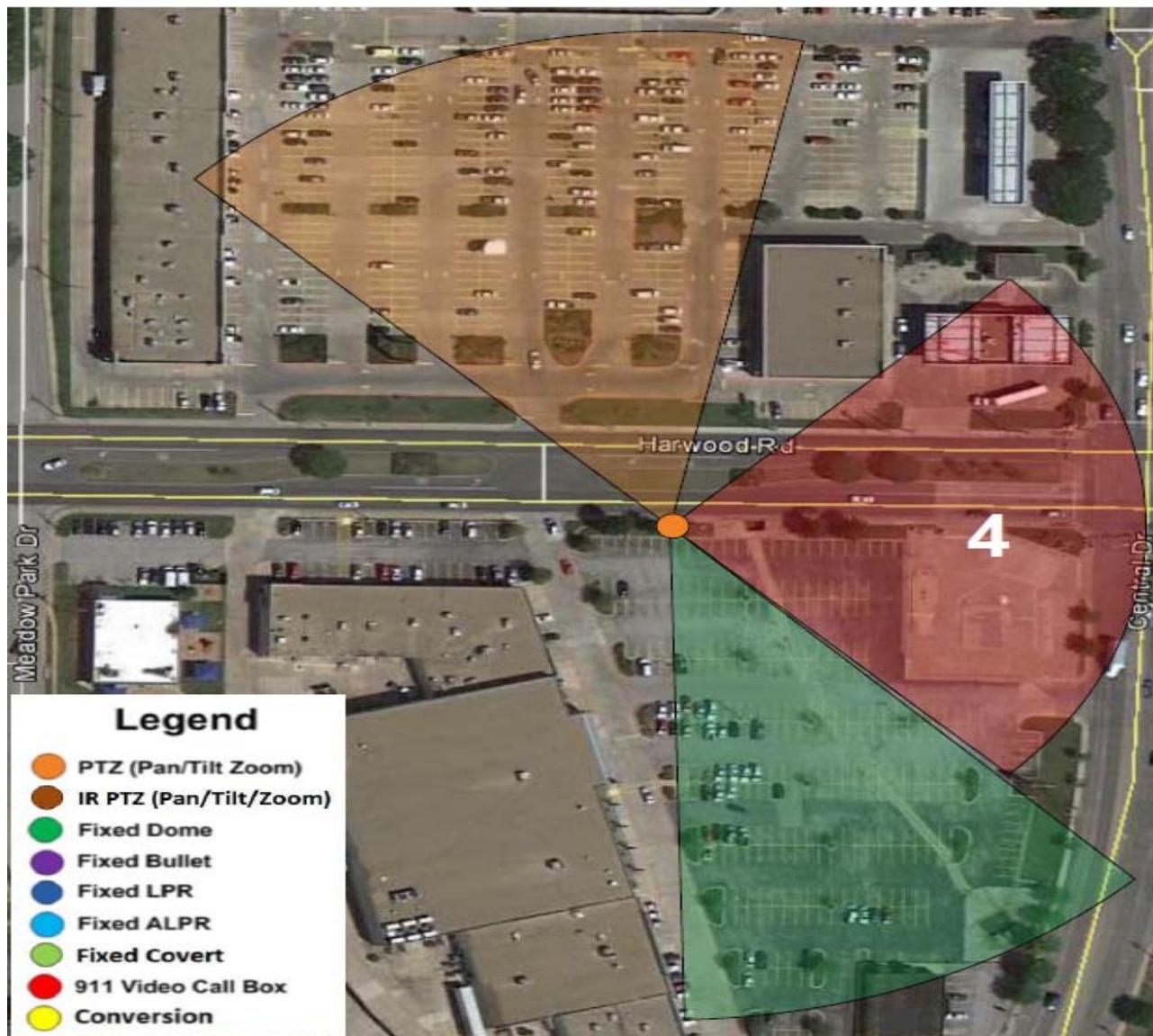
# Central Drive and Airport Freeway



# 1604 Hospital Parkway



# Harwood Road and Central Drive



# Bedford Road and Airport Freeway





# Council Agenda Background

**PRESENTER:** James Tindell, Fire Chief

**DATE:** 06/24/14

**Council Mission Area:** Demonstrate excellent customer service in an efficient manner.

**ITEM:**

Consider a resolution authorizing the City Manager to purchase two-way radios from Motorola Solutions in the amount of \$33,101.90 utilizing the Tarrant County 9-1-1 P25 Assistance Program Funding.

**City Attorney Review:** N/A

**City Manager Review:** \_\_\_\_\_

**DISCUSSION:**

The Fire Department has requested funding in the amount of \$33,101.90 for two-way radios through the 2014 Tarrant County 9-1-1 District P25 Program, as described below.

- Three portable base radios will be purchased and installed in the City of Bedford Emergency Operations Center (EOC). Currently, there are no base radios located in the EOC; therefore, communications between the emergency responders and the EOC are conducted through handheld portables.
- Two handheld portable radios will be purchased for the Police Department's School Resource Officers. These radios will have common inter-operability with other agencies and the School District without the need of carrying two radios.
- Two handheld portable radios will be purchased primarily for the Swift Water Rescue Team, but may be used any time a response is made with other agencies. This will allow common inter-operability with the other agencies that use other bands or frequencies for communications. These radios will be a dual band with ruggedized features such as water resistance and impact tolerance.

These purchases will be funded entirely through the 2014 Tarrant County 9-1-1 District P25 Program. Purchases will be made utilizing an interlocal purchasing agreement with the City of Fort Worth through Motorola Solutions.

Approval of this request is anticipated by the first part of July 2014. Expenditures through this program must be submitted no later than August 31, 2014. The District funding does not require a cash match from the City of Bedford.

**RECOMMENDATION:**

Staff recommends the following motion:

Approval of a resolution authorizing the City Manager to purchase two-way radios from Motorola Solutions in the amount of \$33,101.90, utilizing the Tarrant County 9-1-1 P25 Assistance Program Funding.

**FISCAL IMPACT:**

\$33,101.90 from Tarrant County 9-1-1 District P25 Program Funding

**ATTACHMENTS:**

Resolution  
Motorola Quote

RESOLUTION NO. 14-

A RESOLUTION AUTHORIZING THE CITY MANAGER TO PURCHASE TWO-WAY RADIOS FROM MOTOROLA SOLUTIONS IN THE AMOUNT OF \$33,101.90 UTILIZING THE TARRANT COUNTY 9-1-1 P25 ASSISTANCE PROGRAM FUNDING.

WHEREAS, the City Council of Bedford, Texas determines the necessity for additional two-way radios; and,

WHEREAS, the City of Bedford has determined these radios will improve communications within the Emergency Operation Center and during multi-agency response.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.

SECTION 2. That the City Manager is hereby authorized to purchase two-way radios from Motorola Solutions in the amount of \$33,101.90 utilizing the Tarrant County 9-1-1 P25 Assistance Program Funding.

PRESENTED AND PASSED this 24th day of June 2014, by a vote of \_\_\_ ayes, \_\_\_ nays and \_\_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

---

Jim Griffin, Mayor

ATTEST:

---

Michael Wells, City Secretary

APPROVED AS TO FORM:

---

Stan Lowry, City Attorney



**Quote Number:** QU0000279725

**Effective:** 10 JUN 2014

**Effective To:** 09 AUG 2014

**Bill-To:**  
 BEDFORD, CITY OF  
 2121 L DON DODSON DR  
 BEDFORD, TX 76021  
 United States

**Ultimate Destination:**  
 BEDFORD, CITY OF  
 1816 BEDFORD RD  
 BEDFORD, TX 76021  
 United States

**Attention:**  
**Name:** Joey Lankford  
**Email:** joey.lankford@bedfordtx.gov

**Sales Contact:**  
**Name:** Bill Kennedy  
**Email:** bkennedy@dfwcomm.com  
**Phone:** (817) 789-8610

**Contract Number:** 24489 - FORT WORTH, CITY OF  
**Freight terms:** FOB Destination  
**Payment terms:** CREDIT CARD PAY METHOD

Item	Quantity	Nomenclature	Description	List price	Your price	Extended Price
1	3	M25URS9PW1AN	APX6500 7/800 MHZ MID POWER MOBILE	\$1,899.00	\$1,139.40	\$3,418.20
1a	3	G806BE	ENH: ASTRO DIGITAL CAI OP APX	\$515.00	\$309.00	\$927.00
1b	3	W382AM	ADD: CONTROL STATION DESK GCAI MIC	\$169.00	\$101.40	\$304.20
1c	3	GA05100AA	DEL:NO SFS-STD WARRANTYAPPLIES	-	-	-
1d	3	G442AJ	ADD: O5 CONTROL HEAD	\$432.00	\$259.20	\$777.60
1e	3	G66AM	ADD: DASH MOUNT	\$125.00	\$75.00	\$225.00
1f	3	G444AE	ADD: APX CONTROL HEAD SOFTWARE	-	-	-
1g	3	G361AH	ADD: P25 TRUNKING SOFTWARE	\$300.00	\$180.00	\$540.00
1h	3	G51AU	ENH: SMARTZONE OPERATION APX6500	\$1,200.00	\$720.00	\$2,160.00
1i	3	QA01749AB	SW KEY SUPPLEMENTAL DATA	-	-	-
1j	3	G89AC	ADD: NO RF ANTENNA NEEDED	-	-	-
1k	3	G142AD	ADD: NO SPEAKER NEEDED	-	-	-
1l	3	G91AE	ADD: CONTROL STATION POWER SUPPLY	\$269.00	\$161.40	\$484.20
1m	3	W665BF	ADD: BASE STATION APEXWWM	\$70.00	\$42.00	\$126.00
1n	3	G996AS	ENH: OVER THE AIR PROVISIONING	\$100.00	\$60.00	\$180.00
1o	3	W947AT	ADD: RS232 PACKET DATA INTERFACE	\$200.00	\$120.00	\$360.00
1p	3	GA00235AA	ADD: NO GPS ANTENNA NEEDED	-	-	-
2	2	H49TGD9PW1AN	APX7000XE DIGITAL PORTABLE RADIO	\$3,400.00	\$2,040.00	\$4,080.00
2a	2	QA00577AB	ADD: APX7000XE MODEL 3 OPTION	\$500.00	\$300.00	\$600.00
2b	2	QA00579AC	ADD: ENABLE DUAL BAND OPERATION	\$1,000.00	\$600.00	\$1,200.00
2c	2	Q806BP	ADD: ASTRO DIGITAL CAI OPERATION	\$515.00	\$309.00	\$618.00
2d	2	QA05100AA	ENH:STD WARRANTY APPLIES-NO SFS	-	-	-
2e	2	QA00569AB	ADD: 7/800MHZ PRIMARY BAND	-	-	-
2f	2	QA00574AC	ADD: VHF SECONDARY BAND	-	-	-
2g	2	QA01427AC	ALT:APX 7000XE HOUSING GREEN	\$25.00	\$15.00	\$30.00
2h	2	H38BU	ADD: SMARTZONE OPERATION	\$1,500.00	\$900.00	\$1,800.00
2i	2	Q361AS	ADD: P25 9600 BAUD TRUNKING	\$300.00	\$180.00	\$360.00
2j	2	QA01749AB	SW KEY SUPPLEMENTAL DATA	-	-	-

Item	Quantity	Nomenclature	Description	List price	Your price	Extended Price
2k	2	G996AV	ADD: PROGRAMMING OVER P25 (OTA	\$100.00	\$60.00	\$120.00
2l	2	Q947BD	ADD: RADIO PACKET DATA	\$200.00	\$120.00	\$240.00
2m	2	Q53AN	ADD: FRONT PANEL PROGRAMMING OPTION	\$150.00	\$90.00	\$180.00
3	2	NNTN7624B	CHR IMP VEH EXT NA/EU KIT	\$390.00	\$283.61	\$567.22
4	2	NNTN8092A	BATT IMP FM R LI ION 2300M 2350T BLK	\$140.00	\$101.81	\$203.62
5	2	NNTN8203A	IMPRES XE RSM, GREEN	\$335.00	\$243.61	\$487.22
6	2	H97TGD9PW1AN	APX7000 DIGITAL PORTABLE RADIO	\$2,797.00	\$1,678.20	\$3,356.40
6a	2	QA00569AA	ADD: 7/800MHZ PRIMARY BAND	-	-	-
6b	2	QA00577AA	ADD: LARGE COLOR DISPLAY AND FULL KEYPAD	\$500.00	\$300.00	\$600.00
6c	2	QA05100AA	ENH:STD WARRANTY APPLIES-NO SFS	-	-	-
6d	2	Q806BK	ADD: ASTRO DIGITAL CAI OPERATION	\$515.00	\$309.00	\$618.00
6e	2	QA00576AA	ADD: UHF RANGE 2 SECONDARY BAND	-	-	-
6f	2	QA00579AA	ADD: ENABLE DUAL BAND OPERATION	\$1,000.00	\$600.00	\$1,200.00
6g	2	H38BS	ADD: SMARTZONE OPERATION	\$1,500.00	\$900.00	\$1,800.00
6h	2	QA01749AB	SW KEY SUPPLEMENTAL DATA	-	-	-
6i	2	Q361AN	ADD: P25 9600 BAUD TRUNKING	\$300.00	\$180.00	\$360.00
6j	2	G996AP	ADD: PROGRAMMING OVER P25 (OTAP)	\$100.00	\$60.00	\$120.00
6k	2	Q947AW	ADD: RADIO PACKET DATA	\$200.00	\$120.00	\$240.00
7	2	PMMN4062A	ASSY,ACCESSORY,MICROPHONE,PLU S RSM *	\$107.00	\$77.81	\$155.62
8	2	NNTN7038B	ASSEMBLY,BATTERY,LITHIUM ION,BATT IMP STD IP67 LIION 2900M 3100T BLK	\$140.00	\$101.81	\$203.62
9	560	SVC03SVC0115D	SUBSCRIBER PROGRAMMING	\$1.00	\$1.00	\$560.00
(Notes)Subscriber Programming for 9 Units						
10	3900	SVC03SVC0124D	SUBSCRIBER INSTALL - CUST LOCATION	\$1.00	\$1.00	\$3,900.00
(Notes)Antenna System and Installation for 4 Base Stations						

**Total Quote in USD**

**\$33,101.90**

FORT WORTH CONTRACT PRICING - FORT WORTH CONTRACT: 244898

PO Issued to Motorola Solutions Inc. must:

- >Be a valid Purchase Order (PO)/Contract/Notice to Proceed on Company Letterhead. Note: Purchase Requisitions cannot be accepted
- >Have a PO Number/Contract Number & Date
- >Identify "Motorola Solutions Inc." as the Vendor
- >Have Payment Terms or Contract Number
- >Be issued in the Legal Entity's Name
- >Include a Bill-To Address with a Contact Name and Phone Number
- >Include a Ship-To Address with a Contact Name and Phone Number
- >Include an Ultimate Address (only if different than the Ship-To)
- >Be Greater than or Equal to the Value of the Order
- >Be in a Non-Editable Format
- >Identify Tax Exemption Status (where applicable)
- >Include a Signature (as Required)



# Council Agenda Background

**PRESENTER:** Beverly Griffith, City Manager

**DATE:** 06/24/14

**Council Mission Area:** Encourage citizen involvement.

**ITEM:**

Consider a resolution authorizing the City Manager to cancel a Council meeting in July, November and December; and to reschedule the Council meeting in November to November 18.

**City Attorney Review:** N/A

**City Manager Review:** \_\_\_\_\_

**DISCUSSION:**

At the June 10 City Council meeting, there was discussion on the recent Charter amendment that removed the provision requiring the Council to meet at least twice a month. Staff proposed cancelling the July 8 Council meeting in order to assist staff with the budget process. Further proposals included cancelling one meeting in November and moving the other meeting to November 18 due to the Thanksgiving holiday, and cancelling the December 23 meeting due to the Christmas holiday. Council was of consensus to move forward on these proposed changes, which are incorporated in the attached resolution.

**RECOMMENDATION:**

Staff recommends the following motion:

Approval of a resolution authorizing the City Manager to cancel a Council meeting in July, November and December; and to reschedule the Council meeting in November to November 18.

**FISCAL IMPACT:**

N/A

**ATTACHMENTS:**

Resolution

RESOLUTION NO. 14-

A RESOLUTION AUTHORIZING THE CITY MANAGER TO CANCEL A COUNCIL MEETING IN JULY, NOVEMBER AND DECEMBER; AND TO RESCHEDULE THE COUNCIL MEETING IN NOVEMBER TO NOVEMBER 18.

WHEREAS, a recent Charter Amendment removed the provision that required the City Council of Bedford, Texas to meet at least twice a month; and,

WHEREAS, staff proposes that the City Council of Bedford, Texas consider cancelling a Council meeting in July to assist staff with the budget process; and,

WHEREAS, staff proposes that the City Council of Bedford, Texas consider cancelling Council meetings in November and December, and to reschedule the other Council meeting in November, due to the Thanksgiving and Christmas holidays.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.

SECTION 2. That the City Manager is hereby authorized to cancel the July 8 Council meeting.

SECTION 3. That the City Manager is hereby authorized to cancel the November 25 Council meeting and to reschedule the November 11 Council meeting to November 18.

SECTION 4. That the City Manager is hereby authorized to cancel the December 23 Council meeting.

PRESENTED AND PASSED this 24th day of June, 2014 by a vote of \_\_\_ ayes, \_\_\_ nays and \_\_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

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Jim Griffin, Mayor

ATTEST:

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Michael Wells, City Secretary

APPROVED AS TO FORM:

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Stan Lowry, City Attorney



# Council Agenda Background

**PRESENTER:** Gary Clopton, IT Specialist II

**DATE:** 06/24/14

**Council Mission Area:** Demonstrate excellent customer service in an efficient manner.

**ITEM:**

Consider a resolution authorizing the City Manager to purchase Microsoft 365 user licenses through SHI Government Solutions, a cooperative contract vendor with the Texas Department of Information Resources (DIR).

**City Attorney Review:** N/A

**City Manager Review:** \_\_\_\_\_

**DISCUSSION:**

Email for the City of Bedford employees is currently stored and processed on an in-house server that was purchased in 2008 and has reached its recommended service life. The increase in digital files exchanged through email has also resulted in user mailboxes reaching maximum capacity. Due to server disk space limitations, it is not possible to significantly increase user mailbox allocations with the current hardware.

IT staff conducted research on the replacement options and determined there were two options. First, the current server could be replaced, which would not address the disk space concerns. Second, the City could move all user email to a Microsoft 365 environment in the cloud. The costs for each option are outlined below based on a recommended three year server life cycle.

In-house Exchange Server	Total	Microsoft Cloud	Total	Difference
Hardware	\$ 13,000	Year 1 License Costs	\$ 15,817.20	
Exchange Software	\$ 20,080	Year 2 License Costs	\$ 15,817.20	
Backup System	\$ 15,000	Year 3 License costs	\$ 15,817.20	
Conversion Consultation	\$ 5,000	Conversion Software	\$ 4,600.00	
		Current Software Savings	(\$6,777.00)	
	<b>\$ 53,080</b>		<b>\$ 45,274.60</b>	<b>\$ 7,805.40</b>

The Microsoft environment maintains security for the City’s email data that complies with all federal requirements for criminal justice information. Each user’s mailbox would be increased from 50 megabytes on the current server to 50 gigabytes. Microsoft 365 requires that all users have a license. The benefit is that the City will only purchase the number of licenses needed and determine the level of license necessary for each user’s business need.

In order to receive the best available pricing, the City is required to purchase a minimum 25 licenses that include the email component and SharePoint sites. SharePoint is a collaborative environment that will enable departments to have internal “websites” to use in sharing documents and disseminating information. Additionally, Microsoft has begun offering Microsoft Office on Apple products. As several staff utilize Apple iPads, this would be a new functionality that can only be achieved through a Microsoft 365 license, which includes that access. After reviewing each users’ level of Microsoft use and business need, the following table outlines the full license cost for the organization:

License	Qty	Annual Cost	Total
Office 365	15	\$ 168.00	\$ 2,520.00
SharePoint & Exchange	25	\$ 60.00	\$ 1,500.00
Exchange Only	339	\$ 34.80	\$ 11,797.20
			<b>\$ 15,817.20</b>

Microsoft is currently offering an incentive to organizations that purchase their licenses before June 27, 2014. Microsoft will pay for a consultant to coordinate the conversion of data on the City's server to the Microsoft cloud, a savings of \$12,000. The City will be required to purchase the software for the conversion, a one-time cost of approximately \$4,600.

While the license fee will become a yearly expense, the City has been paying annual software subscription costs, in the amount of \$2,259, for virus protection on the email server. This expense will no longer be necessary, providing a partial offset to the annual license fee.

The total license cost will be split between the General Fund and the Water & Sewer Fund based on each fund's percentage of users. The first year amount has been included in the budget amendment presented at this same meeting and will be included in the operating budget beginning the next fiscal year.

**RECOMMENDATION:**

Staff recommends the following motion:

Approval of a resolution authorizing the City Manager to purchase Microsoft 365 user licenses through SHI Government Solutions, a cooperative contract vendor with the Texas Department of Information Resources (DIR).

**FISCAL IMPACT:**

General Fund	\$ 13,988.87
<u>Water &amp; Sewer Fund</u>	<u>\$ 1,828.33</u>
Total Amount	\$ 15,817.20

**ATTACHMENTS:**

Resolution  
SHI Pricing Proposal

**RESOLUTION NO. 14-**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO PURCHASE MICROSOFT 365 USER LICENSES THROUGH SHI GOVERNMENT SOLUTIONS, A COOPERATIVE CONTRACT VENDOR WITH THE TEXAS DEPARTMENT OF INFORMATION RESOURCES (DIR).**

**WHEREAS, the current email server has reached its recommended service life and requires either replacement or an alternative method for email processing; and,**

**WHEREAS, the City Council of Bedford, Texas desires to move storage and processing of City email to the Microsoft Cloud by purchasing annual licenses of Microsoft 365 according to each user's business need; and,**

**WHEREAS, the City Council of Bedford, Texas recognizes that SHI Government Solutions, a cooperative contract vendor with DIR, provides the best pricing for the licenses through an Enterprise Agreement; and,**

**WHEREAS, Microsoft is currently offering an incentive for all purchases before June 27, 2014, which pays for a consultant to coordinate the conversion of data from the City's email server to the Microsoft cloud, a \$12,000 savings for this process.**

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:**

**SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.**

**SECTION 2. That the City Council authorizes the City Manager to purchase Microsoft 365 user licenses through SHI Government Solutions.**

**SECTION 3. That funding shall come from the General Fund and Water & Sewer Fund as determined by their percentage of users.**

**PRESENTED AND PASSED this 24th day of June 2014, by a vote of \_\_\_ ayes, \_\_\_ nays and \_\_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.**

\_\_\_\_\_  
**Jim Griffin, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Michael Wells, City Secretary**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Stan Lowry, City Attorney**



Pricing Proposal  
 Quotation #: 7846643  
 Created On: 4/2/2014  
 Valid Until: 6/27/2014

## CITY OF BEDFORD

### Gary Clopton

2000 Forest Ridge  
 Bedford, TX 76021  
 UNITED STATES  
 Phone: (817) 952-2185  
 Fax: (817) 952-2454  
 Email: Gary.clopton@bedfordtx.gov

## Account Executive

### Craig Bailey

SHI Government Solutions  
 1301 South Mo-Pac, Suite 375  
 Austin, TX 78746  
 Mobile Phone: 512-822-0457  
 Phone: 800-870-6079 x5199  
 Fax: 512-732-0232  
 Email: Craig\_Bailey@shi.com

All Prices are in US Dollar (USD)

Product	Qty	Your Price	Total
1 Off365PE3 ShrdSvr ALNG SubsVL MVL PerUsr Microsoft - Part#: UT6-00005 <b>Note:</b> annual price per user	15	\$168.00	\$2,520.00
2 Off365PE1 ShrdSvr ALNG SubsVL MVL PerUsr Microsoft - Part#: T6A-00024 <b>Note:</b> annual price per user	25	\$60.00	\$1,500.00
3 ExchgOnlnPlan1 ShrdSvr ALNG SubsVL MVL PerUsr Microsoft - Part#: TRA-00047 <b>Note:</b> annual price per user	339	\$34.80	\$11,797.20
		<b>Total</b>	<b>\$15,817.20</b>

### Additional Comments

Price is based on Microsoft DIR Contract Number DIR-SDD-2503

All prices above are per years based on three year agreement.

The Products offered under this proposal are subject to the SHI Return Policy posted at [www.shi.com/returnpolicy](http://www.shi.com/returnpolicy), unless there is an existing agreement between SHI and the Customer.



# Council Agenda Background

**PRESENTER:** David Miller, Deputy City Manager

**DATE:** 06/24/14

**Council Mission Area:** Be responsive to the needs of the community.

**ITEM:**

Consider a resolution regarding City of Bedford participation in Tarrant County's Community Development Block Grant, Home Investment Partnership, and Emergency Solutions Grant Consortium for the three program year period, Fiscal Year 2015 through Fiscal Year 2017.

**City Attorney Review:** Yes

**City Manager Review:** \_\_\_\_\_

**DISCUSSION:**

On February 28, 2012, the City Council approved a resolution to partner with Tarrant County through the Home Investment Partnerships Program (HOME). Tarrant County, as the coordinating agency for these federal programs, is required to qualify as an Urban County under the Community Development Block Grant (CDBG), HOME and Emergency Solutions Grant (ESG) programs. Eligible counties must re-certify every three years.

In order to continue as a partner in these programs, the City Council must pass the attached resolution. There are two technical changes to the resolution, which are a requirement of the U.S. Department of Health and Urban Development (HUD). These changes stipulate that there will be no discrimination against people living with disabilities and that the City will not sell, trade or otherwise transfer all or any portion of their funds. Neither change has any actual impact as the first stipulation has always been a requirement whether or not it was explicitly stated and the second refers to a practice that has never been done in Tarrant County.

**RECOMMENDATION:**

Staff recommends the following motion:

Approval of a resolution regarding City of Bedford participation in Tarrant County's Community Development Block Grant, Home Investment Partnership, and Emergency Solutions Grant Consortium for the three program year period, Fiscal Year 2015 through Fiscal Year 2017.

**FISCAL IMPACT:**

N/A

**ATTACHMENTS:**

Resolution

**RESOLUTION # \_\_\_\_\_**

**RESOLUTION REGARDING CITY OF BEDFORD PARTICIPATION IN TARRANT COUNTY'S COMMUNITY DEVELOPMENT BLOCK GRANT, HOME INVESTMENT PARTNERSHIP AND EMERGENCY SOLUTIONS GRANT CONSORTIUM FOR THE THREE PROGRAM YEAR PERIOD, FISCAL YEAR 2015 THROUGH FISCAL YEAR 2017.**

**WHEREAS**, Title I of the Housing and Community Act of 1974, as amended through the Housing and Community Act of 1992, establishes a program of community development block grants for the specific purpose of developing viable communities by providing decent housing and suitable living environment and expanding economic opportunities principally for persons of low and moderate income, and

**WHEREAS**, Title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, establishes the HOME Investment Partnership Act to expand the supply of decent, safe, sanitary and affordable housing for very low-income and low-income Americans, and

**WHEREAS**, Tarrant County has been designated an "Urban County" by the Department of Housing and Urban Development entitled to a formula share of Community Development Block Grant (CDBG), HOME Investment Partnership (HOME) and Emergency Solutions Grant (ESG) program funds provided said County has a combined population of 200,000 persons in its unincorporated areas and units of general local government with which it has entered into cooperative agreements, and

**WHEREAS**, Article III, Section 64 of the Texas Constitution authorizes Texas counties to enter into cooperative agreements with local governments for essential Community Development and Housing Assistance activities, and

**WHEREAS**, the City of Bedford shall not apply for grants under the State CDBG Program from appropriations for fiscal years during the period in which it is participating in Tarrant County's CDBG program, and

**WHEREAS**, the City of Bedford shall not participate in a HOME consortium except through Tarrant County, regardless of whether or not Tarrant County receives a HOME formula allocation, and

**WHEREAS**, through cooperative agreements Tarrant County has authority to carry out activities funded from annual Community Development Block Grant (CDBG), HOME Investment Partnership (HOME) and Emergency Solutions Grant (ESG) Program Allocation from Federal Fiscal Years 2015, 2016, and 2017 appropriations and from any program income generated from the expenditure of such funds, and

**WHEREAS**, Tarrant County and the City of Bedford agree to cooperate to undertake, or assist in undertaking, community renewal and lower income housing assistance activities, and

**WHEREAS**, Tarrant County will not fund activities in, or in support of, any cooperating unit of general local government that does not affirmatively further fair housing within its own jurisdiction or that impedes the county's actions to comply with the county's fair housing certification, and

**WHEREAS**, Tarrant County will not fund activities in support of City of Bedford that does not comply with section 109 of Title I of the Housing and Community Development Act of 1974, which incorporates Section 504 of the Rehabilitation Act of 1973 and the Age Discrimination Act of 1975, and other applicable laws, and

**WHEREAS**, the City of Bedford has adopted and is enforcing a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations and

**WHEREAS**, the City of Bedford has adopted and is enforcing a policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within jurisdictions, and

**WHEREAS**, Tarrant County and the City of Bedford shall take all actions necessary to assure compliance with the Urban County's certification required by section 104 (b) of Title I of the Housing and Community Development Act of 1974, as amended, including Title VI of the Civil Rights Act of 1964, and Title VIII of the Civil Rights Act of 1968, section 109 of Title I of the Housing Community Development Act of 1974, and other applicable laws, and

**WHEREAS**, prior to disbursing any CDBG, HOME and ESG Program funds to a subrecipient, Tarrant County shall sign a written agreement with such subrecipient, and

**WHEREAS**, the City of Bedford agrees to inform the county of any income generated by the expenditure of CDBG funds received and that any such program income must be paid to the county to be used for eligible activities in accordance with all CDBG, HOME and ESG Program requirements, and

**WHEREAS**, in accordance with 24 CFR 570.501(b), Tarrant County is responsible for ensuring that CDBG, HOME and ESG funds are used in accordance with all program requirements, including monitoring and reporting to U.S. Department of Housing and Urban Development on the use of program income and that in the event of close-out or change in status of the City of Bedford, any program income that is on hand or received subsequent to the close-out of change in status shall be paid to the county, and

**WHEREAS**, in accordance with 24 CFR 570.501(b), Tarrant County, as the recipient is responsible for ensuring that CDBG funds are used in accordance with all program requirements. The use of designated public agencies, subrecipients, or contracts does not relieve Tarrant County of this responsibility. Tarrant County is also responsible for determining the adequacy of performance under subrecipient agreements and procurement contracts, and for taking appropriate action when performance problems arise, such as the actions described in §570.910. Where a city is participating with, or as part of Tarrant County Urban County, as a participating unit, or as part of a metropolitan city, the County is responsible for applying to the unit of general local government the same requirements as are applicable to subrecipients, except that the five-year period identified under §570.503 (b) (8) (i) shall begin with the date that the unit of general local government is no longer considered by HUD to be a part of the metropolitan city or urban county, as applicable, instead of the date the subrecipient agreement expires.

**WHEREAS**, the City of Bedford agrees to notify Tarrant County of any modification or change in the use of the real property from that planned at the time of acquisition or improvement, including disposition, and further agrees to reimburse the County in an amount equal to the current fair market value (less any portion thereof attributable to expenditure of non-CDBG funds) of property acquired or improved with CDBG funds that is sold or transferred for a use which does not qualify under the CDBG regulations, and

**WHEREAS**, any money generated from disposition or transfer of property will be treated as program income and returned to the county prior to or subsequent to the close-out, change of status or termination of the cooperation agreement between county and the City of Bedford;

**WHEREAS**, Tarrant County and City of Bedford may not sell, trade, or otherwise transfer all or any portion of such funds to another such metropolitan city, urban county, unit of general local government, or Indian tribe, or insular area that directly or indirectly receives CDBG funds in exchange for any other funds, credits or non-Federal considerations, but must use such funds for activities eligible under title I of the Act in the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2014, Pub. L. 113-76.

**NOW, THEREFORE, BE IT RESOLVED**, by the City of Bedford, that the City Council of Bedford, Texas supports the application of Tarrant County for funding from Housing and Community Development Act of 1974, as amended, and Cranston-Gonzalez National Affordable Housing Act, as amended, and asks that its population be included for three successive years with that of Tarrant County, Texas to carry out Community Development Program Activities Eligible for Assistance under Public Law 93-383, and Affordable Housing activities under Public Law 101-625, and authorizes the Mayor of Bedford, Texas to sign such additional forms as requested by the Department of Housing and Urban Development pursuant to the purposes of the Resolution, and further that the City of Bedford, Texas understands that Tarrant County will have final responsibility for selecting projects and filing annual grant requests.

**BE IT FURTHER RESOLVED**, this agreement will automatically be renewed for participation in successive three-year qualification periods, unless Tarrant County or the City of Bedford provides written notice it elects not to participate in a new qualification period. Tarrant County will notify the City of Bedford in writing of its right to make to such election on the date specified by the U.S. Department of Housing and Urban Development in HUD's urban county qualification notice for the next qualification period. Any amendments or changes contained within the Urban County Qualification Notice applicable for a subsequent three-year urban county qualification period must be adopted by Tarrant County and the City of Bedford, and submitted to HUD. Failure by either party to adopt such an amendment to the agreement will void the automatic renewal of this agreement.

This agreement remains in effect until CDBG, HOME, ESG funds and income received to the fiscal 2015, 2016, 2017 programs, and to any successive qualification periods provided through the automatic renewal of this agreement, are expended and the funded activities completed, neither Tarrant County nor the City of Bedford may terminate or withdraw from the agreement while the agreement remains in effect.

Official notice of amendments or changes applicable for a subsequent three-year urban county agreement shall be in writing and be mailed by certified mail to the City Secretary of the City of Bedford. Any notice of changes or amendments to this agreement by the City of Bedford to Tarrant County shall be in writing to the Tarrant County Community Development Division Director.

PASSED AND APPROVED THIS \_\_\_\_\_ day of \_\_\_\_\_, 2014

ATTEST:

APPROVED:

\_\_\_\_\_  
CITY SECRETARY

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
Commissioners Court Clerk

\_\_\_\_\_  
County Judge

Approval Form for District Attorney

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Approved as to Form\*

\*By law, the District Attorney's Office may only advise or approve contracts or legal documents on behalf of its clients. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval, and should seek review and approval by their own respective attorney(s).



# Council Agenda Background

**PRESENTER:** Thomas L. Hoover, P. E.,  
Public Works Director

**DATE:** 06/24/14

**Council Mission Area:** Be responsive to the needs of the community.

**ITEM:**

Consider a resolution authorizing the City Manager to authorize a payment in the amount of \$2,460,416 to Bluebonnet Contractors, LLC for the relocation of the City of Bedford's existing utilities impacted by the North Tarrant Express Project.

**City Attorney Review:** Yes

**City Manager Review:** \_\_\_\_\_

**DISCUSSION:**

On February 22, 2011, a resolution was approved to execute an agreement with Bluebonnet Contractors, LLC as it relates to the cost of relocating water and sewer utilities for development of State Highway 183 as part of the North Tarrant Express Project. The Reimbursement Agreement with Bluebonnet provides for a lump sum payment due by the City on June 1, 2014.

There are four Master Utility Adjustment Agreements (MUAA). They are shown below.

NUMBER	DATE	COST
001	November 1, 2011	\$1,605,877
002	April 10, 2012	\$376,524
003A	June 14, 2011	\$455,512
003B	February 4, 2013	\$22,503
<b>Total Contract Cost</b>		<b>\$2,460,416</b>

Bluebonnet Contractors has completed the utility work and has provided an invoice dated April 21, 2014 in the amount of \$2,691,593.87. Staff is negotiating with NTE regarding potential discrepancies between the final invoice and the agreed cost.

Once all of the discrepancies are resolved, staff will be presenting a final payment authorization for City Council action.

**RECOMMENDATION:**

Staff recommends the following motion:

Approval of a resolution authorizing the City Manager to authorize a payment in the amount of \$2,460,416 to Bluebonnet Contractors, LLC for the relocation of the City of Bedford's existing utilities impacted by the North Tarrant Express Project.

**FISCAL IMPACT:**

Utility Maintenance Fund	\$3,036,073
NTE Payment	\$2,460,416
Balance	\$575,657

**ATTACHMENTS:**

Resolution  
Invoice #Bedford140435  
MUAA (Available for review in the City Secretary's Office.)

RESOLUTION NO. 14-

A RESOLUTION AUTHORIZING THE CITY MANAGER TO AUTHORIZE A PAYMENT IN THE AMOUNT OF \$2,460,416 TO BLUEBONNET CONTRACTORS, LLC FOR THE RELOCATION OF THE CITY OF BEDFORD'S EXISTING UTILITIES IMPACTED BY THE NORTH TARRANT EXPRESS PROJECT.

WHEREAS, the City Council of Bedford, Texas has determined that existing utilities had to be adjusted to provide for the construction of the North Tarrant Express; and,

WHEREAS, the City Council of Bedford, Texas has determined that the relocation of said utilities is required to protect the vitality of neighborhoods.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.

SECTION 2. That the City Council does hereby authorize the City Manager to make a payment in the amount of \$2,460,416 to Bluebonnet Contractors, LLC for the relocation of City of Bedford's existing utilities impacted by the North Tarrant Express Project.

SECTION 3. That funding will come from the Utility Maintenance Fund.

PRESENTED AND PASSED this 24th day of June, 2014, by a vote of \_\_\_ ayes, \_\_\_ nays, and \_\_\_ abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

---

Jim Griffin, Mayor

ATTEST:

---

Michael Wells, City Secretary

APPROVED AS TO FORM:

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Stan Lowry City Attorney

# Bluebonnet Contractors, LLC

6851 NE Loop 820, Suite 102  
North Richland Hills, Tx 76180

**Bill To:**

City of Bedford  
1813 Reliance Parkway  
Bedford, TX 76021  
PH: 817.952.2248  
Attn: Thomas L. Hoover, P.E.  
Public Works Director

**DATE:** April 21, 2014  
**INVOICE #** Bedford140435

**Reference:**  
**Agreement #:** 183-U-0503,183-U-0503-0001,183-U-0503-0002,183-U-0503-0003  
**Bedford Conflicts #** 338, 341, 342, 343, 344, 345, 346, 351// 319, 320, 321, 322, 323, 325, 326, 329, 330, 331, 332, 333, 335, 336, 337, 339, 340, 347, 552//313, 314, 315, 317, 349, 364, 316, 318, 324, 327, 328, 334, 348// 423B

DESCRIPTION	AMOUNT
<p>City of Bedford Share for 183-U-0503 <i>Conflicts: 338, 341, 342, 343, 344, 345, 346, 351</i></p>	\$717,745.76
<p>City of Bedford Share for 183-U-0503-0001 <i>Conflicts: 319, 320, 321, 322, 323, 325, 326, 329, 330, 331, 332, 333, 335, 336, 337, 339, 340, 347, 552</i></p>	\$1,443,105.07
<p>City of Bedford Share for 183-U-0503-0002 <i>Conflicts: 313, 314, 315, 317, 349, 364, 316, 318, 324, 327, 328, 334, 348</i></p>	\$490,510.40
<p>City of Bedford Share for 183-U-0503-0003 <i>Conflicts: 423B</i></p>	\$40,232.64
<b>AMOUNT DUE THIS INVOICE DUE JUNE 1, 2014</b>	<b>\$ 2,691,593.87</b>

Payment due date: 30 days upon receipt  
Make all checks payable to: Bluebonnet Contractors, LLC  
Remittance address: 6851 NE Loop 820, Suite 102, North Richland Hills, TX 76180  
Contact phone number: (817) 510-3557

**Summary of the Amount invoiced to the City of Bedford under current invoice  
( Bedford 140435)**

4/21/2014

SEGMENT	COST CODE	OWNER	CONFLICT #	Invoice Number	Amount invoiced
EAST	EUT331	Bedford	330	Bedford140435	\$379,626.81
EAST	EUT331	Bedford	326&329	Bedford140435	\$38,906.14
EAST	EUT331	Bedford	331	Bedford140435	\$5,972.64
EAST	EUT331	Bedford	332	Bedford140435	\$20,970.30
EAST	EUT335	Bedford	335	Bedford140435	\$75,600.89
EAST	EUT552	Bedford	552	Bedford140435	\$10,413.49
EAST	EUT325	Bedford	319,319A,322 & 323	Bedford140435	\$131,476.10
EAST	EUT325	Bedford	321	Bedford140435	\$2,768.51
EAST	EUT325	Bedford	325	Bedford140435	\$158,271.42
EAST	EUT325	Bedford	423B	Bedford140435	\$40,232.64
EAST	EUT333	Bedford	333	Bedford140435	\$159,363.89
EAST	EUT339	Bedford	339 & 340	Bedford140435	\$110,690.37
EAST	EUT336	Bedford	336	Bedford140435	\$77,559.92
EAST	EUT337	Bedford	337 & 337A	Bedford140435	\$99,895.82
EAST	EUT347	Bedford	347	Bedford140435	\$171,254.02
EAST	EUT313	Bedford	313	Bedford140435	\$107,748.20
EAST	EUT313	Bedford	316	Bedford140435	\$23,211.14
EAST	EUT313	Bedford	314&315	Bedford140435	\$37,882.71
EAST	EUT313	Bedford	320	Bedford140435	\$334.74
EAST	EUT313	Bedford	317	Bedford140435	\$19,053.32
EAST	EUT349	Bedford	349	Bedford140435	\$165,111.82
EAST	EUT364	Bedford	364	Bedford140435	\$137,503.21
EAST	EUT346	Bedford	346	Bedford140435	\$52,551.15
EAST	EUT338	Bedford	338 & 338A	Bedford140435	\$198,232.31
EAST	EUT343	Bedford	341&343	Bedford140435	\$211,149.18
EAST	EUT343	Bedford	342	Bedford140435	\$30,599.12
EAST	EUT344	Bedford	344&345	Bedford140435	\$117,982.52
EAST	EUT351	Bedford	351	Bedford140435	\$107,231.48

**\$2,691,593.87**

**bluebonnet contractors, LLC**  
A Division of Bluebonnet Construction, Inc.

Bluebonnet Contractors, LLC  
6851 NE Loop 820, Suite 102  
North Richland Hills, TX 76180  
PH: 817.510.3557  
FAX: 817.510.3691



City of Bedford  
1813 Reliance Parkway  
Bedford, TX 76021  
PH: 817.952.2248



**City of Bedford NTE Project Cost Summary**  
**U-No. 183-U-0503**

City of Bedford Share for 183-U-0503 \$ 717,745.76  
*Conflicts: 338, 341, 342, 343, 344, 345, 346, 351*

City of Bedford Share for 183-U-0503-0001 \$ 1,443,105.07  
*Conflicts: 319, 320, 321, 322, 323, 325, 326, 329, 330, 331, 332, 333, 335, 336, 337, 339, 340, 347, 552*

City of Bedford Share for 183-U-0503-0002 \$ 490,510.40  
*Conflicts: 313, 314, 315, 317, 349, 364, 316, 318, 324, 327, 328, 334, 348*

City of Bedford Share for 183-U-0503-0003 \$ 40,232.64  
*Conflicts: 423B*

**Total Amount Due:** **\$ 2,691,593.87**





# Council Agenda Background

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**PRESENTER:** Jim Davisson, Councilmember

**DATE:** 06/24/14

**Council Request**

**ITEM:**

**Presentation by staff of the history, current status and future plans for the Code Compliance issues associated with 608 Annette. \*\*This item requested by Councilmember Davisson**

**City Manager Review:** \_\_\_\_\_

**DISCUSSION:**

**Councilmember Davisson requested this item be placed on the agenda for discussion.**

**ATTACHMENTS:**

**Letter of Request**

----- Original message -----

From: "Davisson, Jim"

Date:06/17/2014 10:07 AM (GMT-06:00)

To: "Wells, Michael"

Subject: agenda addition

Michael,

Please place the following on the agenda for next Tuesday (June 24th)

Presentation by staff of the history, current stratus and future plans for the Code Compliance issues associated with 608 Annette.

Thanks,

Jim Davisson