

Committee-of-the-Whole Agenda

6:00 p.m.

Tuesday, November 27, 2018

Questions on the Agenda

Agenda Items

1. **Salt Spreader Purchase** (Dave Mallum, Fleet Manager)
2. **2018 Budget Amendment** (Kathy Carr, Finance Director)
3. **Dog Fence Revenue Anticipation Note** (Kathy Carr, Finance Director)
4. **Amended Captains Table Anticipation Note** (Kathy Carr, Finance Director)
5. **Chapter 5 Video Gaming Fee Increase** (Maureen Riggs, City Attorney)
6. **Reinsurance 2019** (Alison Fleming, Human Resources Manager)
7. **Other**

Public Comment

Members of the Public are permitted to speak after coming to the podium and stating their name.

Explanation

1. **A Resolution authorizing the purchase of four (4) V-Box Salt Spreaders with Pre-Wet Systems from Bonnell Industries, Inc. for the amount of \$117,280.** (Dave Mallum, Fleet Manager)

Explanation: The current main route V-Box Salt Spreaders are 16 to 18 years old and were scheduled to be replaced in 2015. With good maintenance, staff was able to extend the life of these units for three (3) years. They have now reached the end of their useful life. Specifications were developed for stainless steel V-Box Spreaders with Pre-Wet Systems, and a Request for Proposal (RFP) was published. The most responsive and responsible proposal was received from Bonnell Industries, Inc., Dixon, Illinois, for the amount of \$117,280. These V-Box Spreaders will be used by the City's new main route tandem trucks. Staff is also requesting that the current equipment to be disposed of by the Fleet Manager through the legal disposal process that is most advantageous to the City, whether sealed bid, auction, negotiation, or otherwise. Additional documentation attached.

Staff Recommendation: Approval

Fiscal Impact: \$119,667 is available in Account #448-0867-437.07-03

Public Notice/Recording: N/A

Goals Impacted: Financially Strong City, Upgrade City Infrastructure & Facilities, A Great Place to Live

2. **A Resolution amending Budget Resolution #1183-2017 by authorizing changes to various line items in the budget for FY 2018.** (Kathy Carr, Finance Director)

Explanation: Budget amendments are compiled periodically throughout the fiscal year and presented to City Council for approval. These amendments are proposed to reflect recent changes to the current budget that avoid any adverse effect to the City's legal budgetary compliance. Additional documentation attached.

Staff Recommendation: Approval
Fiscal Impact: N/A
Public Notice/Recording: N/A
Goals Impacted: Financially Strong City

- 3. A Special Ordinance providing for the temporary financing by the City of Moline, Illinois for a fence for the new dog park by authorizing issuance of \$50,000 in a Revenue Anticipation Note and purchase of the same by the General Fund of the City of Moline, Illinois, appropriating monies for said purposes, and authorizing execution of any related documents. (Kathy Carr, Finance Director)**

Explanation: On October 23, 2018, City Council directed the TIF #3 Fund to issue a Revenue Anticipation Note to be purchased by the General Fund.

Staff Recommendation: Approval
Fiscal Impact: \$50,000 reduction in General Fund Reserves
Public Notice/Recording: N/A
Goals Impacted: A Great Place to Live

- 4. A Special Ordinance amending Special Ordinance 4034-2018 for the financing by the City of Moline, Illinois by revising the issuance date for the Revenue Anticipation Note and purchase of the same by the General Fund of the City of Moline, Illinois, appropriating monies for said purposes, and authorizing execution of any related documents. (Kathy Carr, Finance Director)**

Explanation: On August 14, 2018, City Council approved a Revenue Anticipation Note for \$800,000 to be issued by the Park Fund, and to be purchased by the General Fund to partially finance the rebuilding of the Captain's Table Restaurant. The notes were dated December 1, 2018, with interest at 3.5 percent. With the delay of the project, the note needs to be amended. Additional documentation attached.

Staff Recommendation: Change effective date of the note to April 1, 2019
Fiscal Impact: Reduced interest expense to the Park Fund
Public Notice/Recording: N/A
Goals Impacted: Financially Strong City

- 5. An Ordinance amending Chapter 5, "AMUSEMENTS," of the Moline Code of Ordinances, Section 5-1103, "FEE; TERM, LATE PENALTY," by repealing said section in its entirety and enacting in lieu thereof one new Section 5-1103 relating to the same subject matter. (Maureen Riggs, City Attorney)**

Explanation: The City adopted Council Bill/General Ordinance No. 3019-2012 in July 2012 to allow video gaming terminals in licensed establishments within the City and to allow the City and eligible establishments to pursue video gaming as a potential revenue source. The current annual fee is \$50 per terminal, and it is recommended that the annual fee be increased to \$1,050 per terminal.

Staff Recommendation: Approval
Fiscal Impact: Approximately \$90,000 in additional revenue to the City per year
Public Notice/Recording: N/A
Goals Impacted: A Great Place to Live; Financially Strong City

6. A Resolution authorizing the Human Resources Manager to execute a policy with UnitedHealthcare-BP to provide reinsurance coverage for medical and prescription drug benefit claims for a one-year period commencing on January 1, 2019. (Alison Fleming, Human Resources Manager)

Explanation: UnitedHealthcare-BP currently provides specific and aggregate reinsurance for the City's medical and prescription drug benefit plans for active employees and their dependents, as well as retirees under 65 and retirees' dependents under 65. Expected annual costs for reinsurance total \$325,422. The proposal reflects an 18.28% increase from 2018 rates. Additional documentation attached.

Staff Recommendation: Approval
Fiscal Impact: \$321,590 Budgeted in the Active and Retiree Health Funds
Public Notice/Recording: N/A
Goal Impacted: Financially Strong City

REQUEST FOR PROPOSAL FOR (4) FOUR V BOX SPREADERS AND PRE-WET SYSTEMS
FOR THE CITY OF MOLINE PUBLIC WORKS DEPARTMENT
FLEET SERVICES DIVISION 2018 BUDGET

Total cost for complete unit FOB Moline: \$ 117,280.00

Delivery date: 90 DAYS

The undersigned certified that he/she is a representative of the company shown below and as such representative is authorized to submit this proposal on their behalf.

Federal Tax Identification Number: 362789262

Company: BONNELL INDUSTRIES INC

Address: 1385 FRANKLIN GROVE ROAD

City/State/Zip: PIXON ILLINOIS 61021

Telephone Number: 815 284 3919 Fax Number: 815 284 8815

Authorized Signature: Joseph W. Bonnell

Name/Title: Joseph W. BONNELL

Date: November 14, 2018

MEMORANDUM

To: Doug Maxeiner, City Administrator
From: Kathleen Carr, Finance Director
Subj: 2018 Recommended Budget Amendments
Date: November 27, 2018

Budget amendments are compiled periodically throughout the fiscal year and presented to City Council for approval.

<u>Account Number</u>	<u>Current Budget</u>	<u>Budget Adjustment</u>	<u>Revised Budget</u>
1) 025-0000-392.20-00	\$0	\$450,000	\$450,000
Sale of Surplus Property			
025-0000-395.30-00	\$0	\$30,750	\$30,750
Other			
025-0000-363.20-10	\$77,080	(\$30,720)	\$46,360
Washington Square Apartments			
025-0779-492.03-61	\$0	\$370,630	\$370,630
Payment to Agencies			
025-0779-492.10-24	\$11,840	\$79,400	\$91,240
Transfer to TIF #1			

Explanation: Sale of Washington Square Apartments and related expenditures.

2) 120-1521-452.08-06	\$0	\$967,590	\$967,590
Building Construction			
120-0000-395.20-00	\$0	\$967,590	\$967,590
Damage to City Property			

Explanation: Captain's Table insurance check and related expenditures to rebuild.

3) 248-0000-311.10-00	\$50,750	\$34,250	\$85,000
Property Taxes			
248-0775-496.03-61	\$46,690	\$34,250	\$80,940
Payment to Agencies			

Explanation: Southpark Mall rebate greater than anticipated.

Account Number	Current Budget	Budget Adjustment	Revised Budget
4) 414-1523-452.03-61 Payment to Agencies	\$0	\$10,000	\$10,000
414-1523-452.06-30 Operating Supplies	\$6,000	\$50,000	\$56,000
414-0000-365.30-00 Cemetery Gifts	\$6,000	\$9,000	\$15,000
414-0000-365.31-00 Park Enhancement Gifts	\$0	\$1,000	\$1,000
414-0000-365.36-00 Other Gifts	\$0	\$50,000	\$50,000

Explanation: Unanticipated Park and Cemetery Gifts/Donations and related expenses.

5) 444-9944-420.07-50 Other Capital Equipment	\$210,000	\$95,100	\$305,100
444-9944-420.06-30 Operating Supplies	\$0	\$7,170	\$7,170
444-0000-300.00-00 Reserves	\$175,000	\$102,270	\$277,270

Explanation: New radio system parts and labor for installation (not budgeted) in Public Safety Equipment Fund.

6) 445-0000-300.00-00 Transfer from Reserves	\$2,036,755	(\$24,595)	\$2,012,160
445-9966-415.04-30 Facility Management	\$32,000	(\$24,595)	\$7,405
447-0000-300.00-00 Transfer from Reserves	\$181,265	\$24,595	\$205,860
447-0000-341.32-00 Internal User Charges	\$2,691,935	(\$24,595)	\$2,667,340

Explanation: To correct the Facilities chargeback for 2018.

7) 510-0000-392.20-00 Sale of Surplus	\$0	\$3,000	\$3,000
510-9957-438.04-25 Contractual Repairs	\$1,325,000	\$3,000	\$1,328,000

Explanation: Sale of Property to be used for 24th Avenue Sidewalk ADA compliance.

UnitedHealthcare - BP

Proposed Schedule - Excess Loss Coverage

United HealthCare Insurance Company
FIRM OFFER

Group Name: <u>City of Moline</u>			
Original Proposal Prepared: <u>9/20/2018</u>		Effective Date of Proposal: <u>1/1/2019</u>	
Revision Date: <u>11/13/2018</u>		Expiration Date of Proposal: <u>11/26/2018</u>	
Underwriter: <u>Paul Parriott 952-979-6730</u>		Administrator of the Plan: <u>UMR</u>	
		Network of Plan: <u>UnitedHealthcare Choice Plus</u>	

A. SPECIFIC (INDIVIDUAL) EXCESS LOSS COVERAGE:

Specific Deductible per covered person : \$175,000

Lifetime Amount per covered person: UNLIMITED

Contract Basis: PAID / 12

Monthly Premium Rates: # Units

Single	<u>154</u>	<u>\$33.65</u>
Family	<u>261</u>	<u>\$75.11</u>
Annual		<u>\$297,434</u>
Total	<u>415</u>	

Covered Benefits under Specific:

Medical	Yes
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RX	Yes
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- Step-Down Deductible - with pre-qualified service at an OptumHealth Transplant Centers of Excellence Network Facility a 15% step down may apply/see page 2.
- Common Accident Provision included at no cost. (Not available in Wisconsin due to state regulation.)
- Specific Accommodation Reimbursement (12 months) is included at no cost.
- UHC-BP Pays as UMR Pays - Enhanced Accelerated Reimbursement see page 2.
- Independent Review Organization Coverage for Claim Appeals see page 2.
- Experience Refund is included at no cost. (Not available with Aggregating Specific)

B. AGGREGATE EXCESS LOSS COVERAGE:

ASL Level: 125%

Contract Basis: PAID / 12

Monthly Aggregate Factors: # Units

Single	<u>154</u>	<u>\$766.66</u>
Family	<u>261</u>	<u>\$1,916.65</u>
Annual		<u>\$7,419,752</u>
Total	<u>415</u>	

Covered Benefits under Aggregate:

Yes	Medical	Dental	Yes	Rx Card
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Aggregate Premium: \$5.62

Annual Premium \$27,988

Optional Aggregate Accommodation: X No Yes, Prem: /EE/Mon

Optional Aggregate Terminal Liability: X No Yes, Prem: /EE/Mon

Minimum Annual Aggregate Attachment Point: Greater of quoted attachment point or 1st month's enrollment x 12 x monthly aggregate factors.

Company's Limit of Liability (Reimbursement Limit) 100% of payments in excess of the Annual Aggregate Attachment Point to a maximum of \$1,000,000.00.

C. COMMISSIONS: 0%

D. PROPOSAL QUALIFICATIONS are shown on page 2.

UnitedHealthcare - BP

Proposal Qualifications

Group Name: City of Moline

This proposal will not be considered firm until all additional requirements, disclosure requirements, and other qualifications have been received and approved by UHC-BP. This proposal is based on the data submitted, plus other information furnished relevant to underwriting the risk, including statistics with reference to premiums paid and claims incurred with the present carrier. UHC-BP will not be bound by any typographical errors contained herein. Subject to the qualifications below, the proposal is valid for the stated effective date provided a signed application (if applicable) is received, and deposit premium on new groups arrives before the expiration date on page 1.

Other Qualifications

Step-Down Deductible Requirement

- This quote assumes acceptance of the OptumHealth Care Solution network, access includes the Centers of Excellence Networks. With a pre-qualified service at an OptumHealth Transplant Center of Excellence Network Facility, the covered person's specific deductible will be reduced by 15% during the policy period the benefit is paid by the Plan. Not applicable to lasered individuals.

UHC-BP Pays as UMR Pays - Enhanced Accelerated Reimbursement.

- Accelerated Reimbursement is a process in which the stop loss carrier will expedite the eligible claim reimbursement to a group when an individual exceeds the Individual Specific Deductible and Aggregating Specific Deductible, if applicable. Claim requests are paid prior to any audits. In the case of any overpayment steps will be taken to recover.

Independent Review Organization - Claim Appeals

- Claim appeals approved by an Independent Review Organization (IRO) as provided in the Patient Protection and Affordable Care Act (PPACA) will be reimbursed according to the terms and conditions of the Excess Loss Policy.

Proposal Qualifications

- Underwriting reserves the right to change the terms and/or the conditions of coverage when the participation varies by more than 10% and/or whenever plan or network changes occur.
- 75% minimum participation is required unless specifically approved by underwriting.
- Plan needs to include utilization review, large case management, precertification and transplant network - Without these products the specific rates may increase.
- Stop-loss coverage is for non-occupational injuries and illnesses.
- Government surcharges, pool charges, covered lives assessments, and PPO access fees are not covered by the Excess Loss Policy.

Plan Assumptions

- Assumes continuation of the current plan design, unless otherwise noted, using the network indicated on page 1.

Disclosure Qualifications

- All claimants reported in the request for proposal as being "deceased", "terminated", "waived", and "not covered" are excluded from stop-loss coverage.
- If we later learn of any material inaccuracy in such information, or failure or refusal to disclose any such information, including all claims or possible claims which you would know about, we may reject a claim to which such information applies, reject the application change the terms, conditions, premiums or void coverage.

PLEASE CIRCLE SELECTED OPTION on page 1. Client Signature is required : _____

Date: _____

