



*** PUBLIC NOTICE ***

**NOTICE OF A CITY COUNCIL SPECIAL SESSION IMMEDIATELY FOLLOWING
A WORKSHOP SESSION OF THE CITY OF CORINTH
Thursday, August 10, 2017, 5:30 P.M.
CITY HALL - 3300 CORINTH PARKWAY**

CALL TO ORDER:

5:30 p.m. WORKSHOP BUSINESS AGENDA

1. Receive a report, hold a discussion, and provide staff direction on the Fiscal Year 2017-2018 Annual Program of Services and Capital Improvement Program.
2. Receive a report, hold a discussion and give staff direction on the Enterprise Fleet Management Program.

ADJOURN WORKSHOP SESSION

***NOTICE IS HEREBY GIVEN** of a Special Session of the Corinth City Council to be held at Corinth City Hall located at 3300 Corinth Parkway, Corinth, Texas. The agenda is as follows:

7:00 p.m. CALL TO ORDER, INVOCATION, PLEDGE OF ALLEGIANCE & TEXAS PLEDGE:
"Honor the Texas Flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible".

CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine and will be enacted in one motion. Should the Mayor, a Councilmember, or any citizen desire discussion of any Item that Item will be removed from the Consent Agenda and will be considered separately.

1. Consider and act on a resolution authorizing the creation of an Employee Benefits Trust.
2. Consider and act on the acceptance of BlueCross BlueShield of Texas' proposal for City's employee medical insurance benefits for FY 2017-2018, and authorization for the City Manager to execute any necessary documents.

3. Discuss and consider awarding the Lake Sharon Drive Paving, Drainage and Water Improvements project to the lowest responsible bidder, Munilla Construction Management, LLC dba MCM, in the amount of \$5,064,468.47. The award includes the base bid amount of \$4,997,337.78 and the alternate bid amount of \$67,130.69.

CITIZENS COMMENTS

In accordance with the Open Meetings Act, Council is prohibited from acting on or discussing (other than factual responses to specific questions) any items brought before them at this time. Citizen's comments will be limited to 3 minutes. Comments about any of the Council agenda items are appreciated by the Council and may be taken into consideration at this time or during that agenda item. Please complete a Public Input form if you desire to address the City Council. All remarks and questions addressed to the Council shall be addressed to the Council as a whole and not to any individual member thereof. Section 30.041B Code of Ordinance of the City of Corinth.

BUSINESS AGENDA

4. Consider approval of a resolution of the City Council of the City of Corinth, Texas placing a proposal on the September 21, 2017 City Council Public Meeting Agenda to adopt a 2017 tax rate that will exceed the lower of the rollback rate or effective tax rate; calling two public hearings on a tax increase to be held on August 24, 2017, and September 7, 2017; requiring publication of a *Notice of 2017 Tax Year Proposed Property Tax Rate* in accordance with the law; and providing an effective date.

COUNCIL COMMENTS & FUTURE AGENDA ITEMS

The purpose of this section is to allow each councilmember the opportunity to provide general updates and/or comments to fellow councilmembers, the public, and/or staff on any issues or future events. Also, in accordance with Section 30.085 of the Code of Ordinances, at this time, any Councilmember may direct that an item be added as a business item to any future agenda.

ADJOURN

Posted this 4th day of August, 2017 at 11:30 a.m. on the bulletin board at Corinth City Hall.

Kimberly Pence
Kimberly Pence, City Secretary
City of Corinth, Texas

City Council Special Session

1.

Meeting Date: 08/10/2017

Title: Annual Budget Workshop

Submitted For: Bob Hart, City Manager

Submitted By: Lee Ann Bunselmeyer,
Director

City Manager Review: Approval: Bob Hart, City Manager

AGENDA ITEM

Receive a report, hold a discussion, and provide staff direction on the Fiscal Year 2017-2018 Annual Program of Services and Capital Improvement Program.

AGENDA ITEM SUMMARY/BACKGROUND

The City Charter, Section 9.02, requires that the City Manager be responsible for submitting an annual budget not later than sixty (60) days prior to the first day of the new fiscal year. In compliance with the Charter requirement, the Fiscal Year 2017-2018 budget was submitted to the Council by July 31, 2017 and can also be found on the City's website. This budget workshop is one of several for Council to deliberate on the Fiscal 2017-2018 annual budget and to provide staff direction.

The City's budget development procedures are in conformance with State Law outlined in the Truth in Taxation process. The complete budget timeline is provided below.

Meeting Date	Budget Agenda Item
July 31, 2017	Publication of the FY 2017-2018 Proposed Annual Program of Services (Budget)
August 3, 2017	Council Workshop - FY 2017-2018 Budget Overview
August 10, 2017	Council Workshop- Discuss Governmental Funds and Fleet Replacement Program Council vote on Published tax rate and to set the public hearing dates
August 17, 2017	Council Workshop- Discuss Proprietary Funds & Utility Rates
August 24, 2017	Council Workshop on the Budget Approve Crime Control & Prevention District Budget First Public Hearing on the Tax Rate
August 31, 2017	Council Workshop (if needed)
September 7, 2017	Council Workshop on the Budget Second Public Hearing on the Tax Rate Public Hearing on the Annual Budget Public Hearing on Water/Wastewater Rates
September 14, 2017	Council Workshop on the Budget (if needed)
September 21, 2017	Adoption of the Annual Program of Services (Budget) Adoption of the Tax Rates and Tax Rolls

RECOMMENDATION

Attachments

Presentation



Community First
Invest in the Future

City of Corinth, Texas

Fiscal Year 2017-2018
Annual Program of Services
Proposed Budget



- Proposed Tax Rate
- Certified Roll Comparisons
- General Fund Department Budgets
- Sales Tax, Special Revenue, Internal Service and Impact Fee Funds
- Capital Improvement Program
- Vehicle Life Cycle Program



Current Tax Rate	\$.58193
Proposed Tax Rate	\$.55000
Effective Tax Rate	\$.53686
Rollback Tax Rate	\$.55032



What is the Effective Tax Rate?

Tax Rate that provides about the same amount of revenue as the prior year

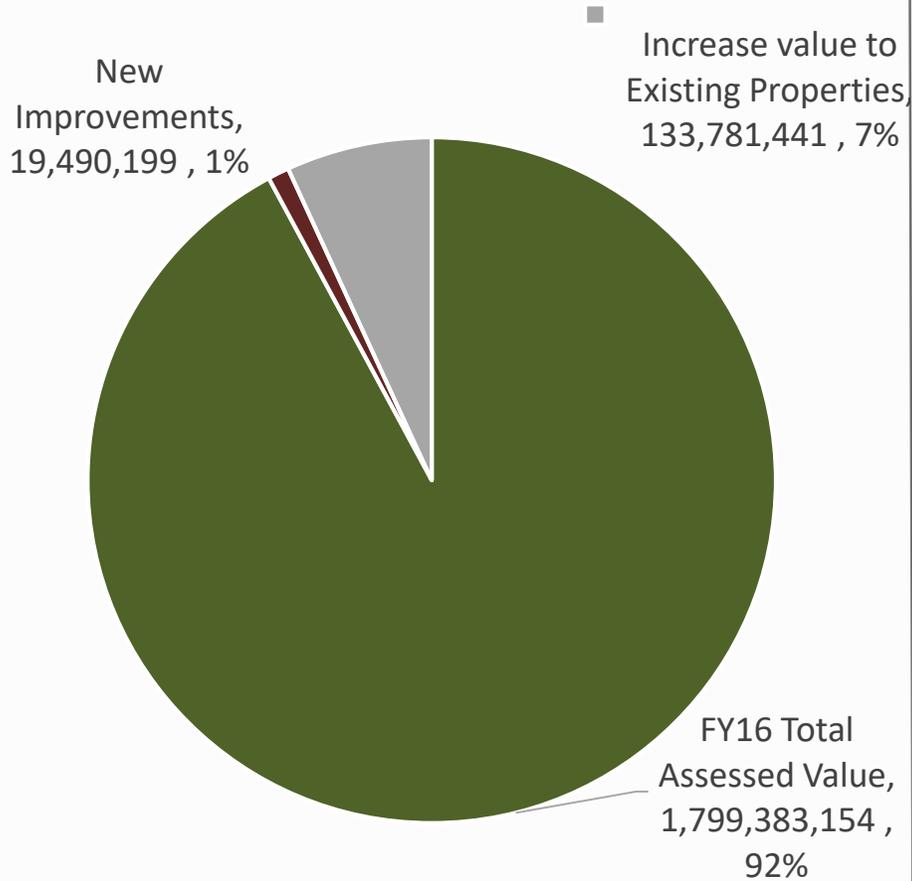
What is the Rollback Tax Rate?

Maximum rate allowed without voter approval

New Value Tax Growth	\$19,490,199
New Value Tax Revenue	\$107,196
Total AV Growth	8.52%
Average Home Value	\$249,112
Average Tax Bill	\$1,370

	2013	2014	2015	2016	2017 Final (as of July 25, 2017)
Certified Value	\$1,428,952,690	\$1,538,127,064	\$1,638,520,892	\$1,799,383,154	\$1,952,654,794
Change in Value	2.53%	7.64%	6.53%	9.82%	8.52%
<u>Property Tax Rate</u>					
General Fund	\$0.46143	\$0.45143	\$0.44143	\$.44298	\$.44105
Debt Service	0.14346	0.14346	0.14346	0.13895	0.10895
Total Tax Rate	\$0.60489	\$0.59489	\$0.58489	\$0.58193	\$0.55000
Change in Tax Rate	-	(1¢)	(1¢)	(0.296¢)	(3.193¢)

Certified Value as of July 25
\$1,952,654,794



Property Tax Revenue	General Fund	Debt Service Fund	Total
Tax Rate	.44105	.10895	.55000
FY16 Assessed Value	\$7,936,179	\$1,960,428	\$9,896,607
Increase in Existing Properties	590,443	145,755	735,798
New Improvements	85,962	21,235	107,196
Total Property Tax Revenue	\$8,612,184	\$2,127,417	\$10,739,601

Total 2016 Tax Revenue Increase = \$842,994

General Fund = \$676,005

Debt Service Fund = \$166,989

	2013	2014	2015	2016	2017 Final <small>(as of July 25, 2017)</small>
New Value Added	\$8,745,330	\$8,830,118	\$15,403,173	\$33,390,497	\$19,490,199
Tax Rate	.60489	.59489	.58489	.58913	.55000
<u>Tax Bill Allocation:</u>					
General Fund	\$40,354	\$39,862	\$67,994	\$147,913	\$85,962
Debt Service Fund	12,546	12,668	22,097	46,396	21,235
Total New Taxes	\$52,900	\$52,529	\$90,092	\$194,309	\$107,196

Five Year Average Growth of \$17,171,863

5 Year Average Annual Tax Revenue Increase on New Value Added = \$99,405

General Fund = \$76,417 and Debt Service Fund = \$22,988

	2017 Market Value	2017 Taxable Value	% of Total City Taxable Value \$1,952,654,794
Boulevard 2010 LLC	\$ 23,931,096	\$ 23,931,096	1.2%
CoServ	21,373,185	21,373,185	1.1%
Oncor Electric Delivery Co	12,343,510	12,318,823	0.6%
AGL Constructors JV	9,823,190	9,823,190	0.5%
Tower Ridge Corinth I, LTD	8,770,582	8,770,582	0.4%
Utter Properties LLC	8,440,606	8,440,606	0.4%
HEB Grocery Company, LP	8,261,218	8,261,218	0.4%
Utter, Bill	7,894,886	7,894,886	0.4%
Anixter Power Solutions	7,569,341	7,569,341	0.4%
Texas Health Resources	7,423,519	7,423,519	0.4%
Kensington Square LP PS	7,190,893	7,190,893	0.4%
DATCU	12,000,000	6,941,486	0.4%
QuikTrip Corp	6,363,802	6,363,802	0.3%
Huffines Denton Auto	6,192,518	6,192,518	0.3%
Pinnell Square LP	6,000,000	6,000,000	0.3%
	<u>\$ 153,578,346</u>	<u>\$ 148,495,145</u>	<u>7.60%</u>



The Corinth housing market remains strong with home prices rising as the demand for single-family homes in the region continues. The average number of days homes are on the market in the City of Corinth is twenty eight (28) days.

	2013	2014	2015	2016	2017 Final <small>(as of July 25, 2017)</small>
Avg Home Value	\$185,042	\$198,248	\$211,926	\$229,765	\$249,112
Tax Rate	.60489	.59489	.58489	.58193	.55000
<u>Average Tax Bill:</u>					
General Fund	\$854	\$895	\$936	\$1,018	\$1,099
Debt Service Fund	265	284	304	319	271
Total Taxes Due	\$1,119	\$1,179	\$1,240	\$1,337	\$1,370

Average Home Values increase:
\$19,347 or 8.4% over the 2016 home values = \$33 increase in tax bill
\$64,070 or 35% since 2013 = \$251 increase in tax bill

Prioritize Services

Do the Important Things Well

Question Past Patterns of Spending

Spend Within the Organizations' Means

Know the True Cost of Doing Business

Provide Transparency of Community Priorities

Provide Transparency of Service Impact

Demand Accountability of Results

The underlying philosophy of priority-driven budgeting is about how a government entity should invest resources to meet its stated objectives. It helps us to better articulate why the services we offer exist, what price we pay for them, and, consequently, what value they offer citizens.

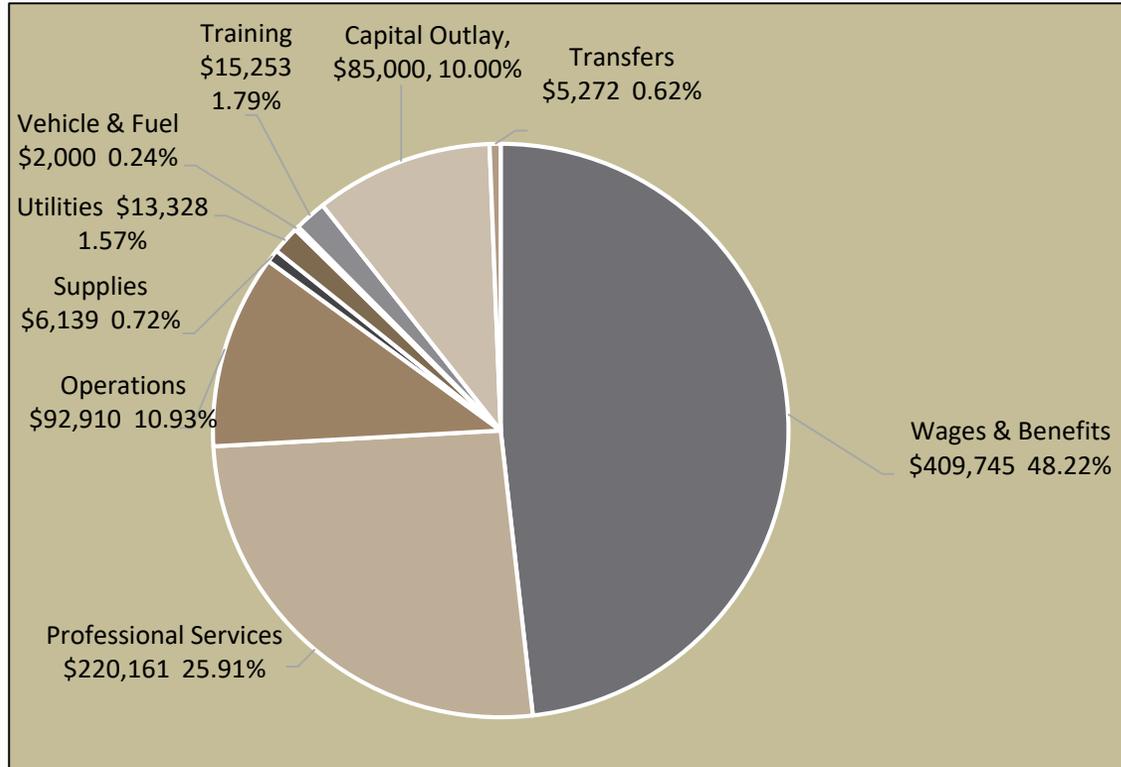


2017-18 Priorities

- ✓ High Performing Government
- ✓ A Safe Community
- ✓ Economic Vitality
- ✓ Strong Neighborhoods and Sense of Community
- ✓ Fiscal Stewardship

City Administration

City Administration, Legal, and City Council Budgets



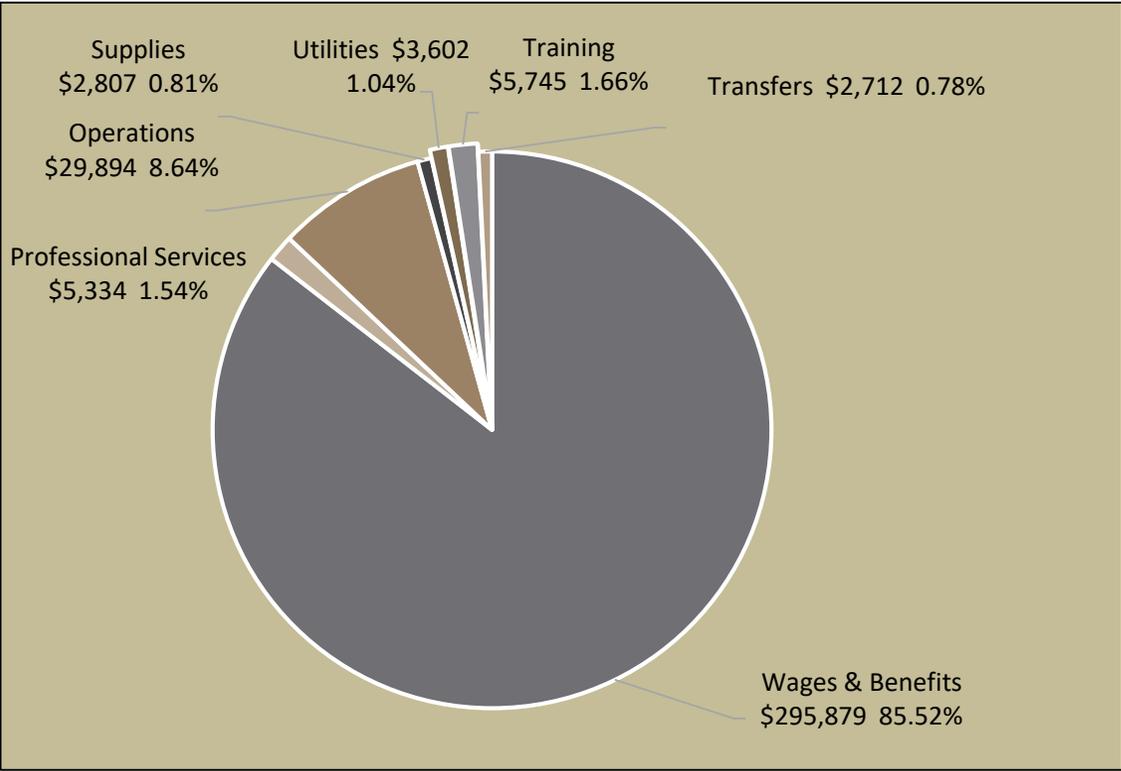
Department	FTE	Budget
City Administration	2.00	\$392,987
Legal Services		200,550
Council Agenda/Ordinance Publications	1.00	104,341
Capital Outlay		85,000
Utilities & Allocations (Admin & Council)		20,978
Council Admin Services	-	16,067
Communications		11,079
Library Services		10,000
City Election		6,806
Fleet Capital & Maintenance		2,000
Total	3.00	\$849,808

New Program Services:

- ✓ TIRZ Study - \$5,000
- ✓ Community Strategic Plan - \$50,000
- ✓ Expanded EAP - \$10,500
- ✓ Communication Strategy - \$30,000
- ✓ SPAN bus service - \$6,000

- ✓ Council Governance Policies
- ✓ Council /Board Compensation- \$588

Human Resources



Department	FTE	Budget
Human Resource Administration	1.00	\$134,728
Employee Legal Compliance	1.00	92,283
Employee Processing	1.00	85,455
Employee Relations & Wellness		11,225
Risk Management		8,689
Utilities & Allocations	-	8,093
Employee Development Programs		5,500
Total	3.00	\$345,973

New Program Services:

- √ Safety Program
- √ Employee Recognition Program

CITY CONTRIBUTION

	Current (75%)	Proposed (75%)	Impact
EE Only	\$695.90	\$757.58	\$61.68
EE/Children	1,113.42	1,212.11	98.69
EE/Spouse	1,322.20	1,439.39	117.19
EE/Family	1,844.12	2,007.59	163.47

- Establish Health Insurance Benefits Trust – 1.75% Savings
- Continue High Deductible Insurance Plan with a Health Savings Account (H.S.A.)
- Continues 75% dependent contribution rate
- Continues contribution to employee Health Savings Account of \$1,000

EMPLOYEE CONTRIBUTION

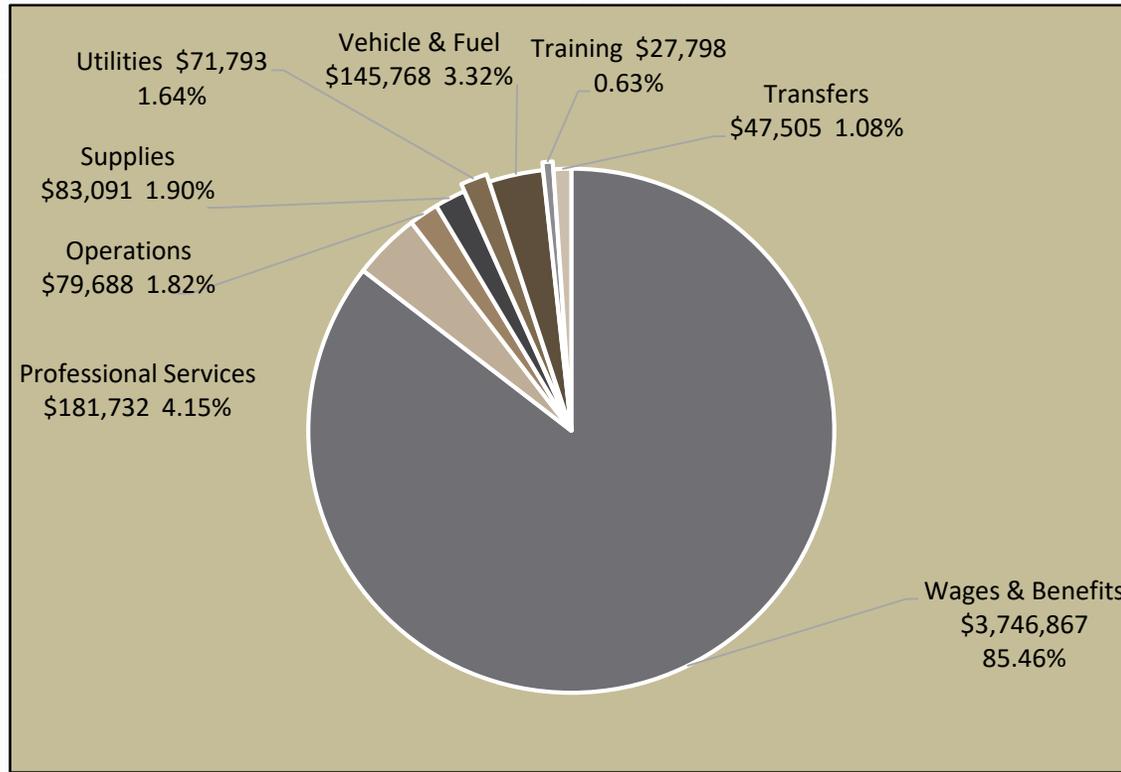
	Blue Essentials		Blue Choice “Buy-Up” Option	
Current (25%)	Proposed (25%)	Impact	Proposed (25%)	Impact
\$0	\$0	\$0	\$33.97	\$33.97
139.18	151.52	12.34	212.67	73.49
208.76	227.28	18.52	302.02	93.26
382.74	416.66	33.92	525.38	142.64

- Projected 8.86% increase - \$207,892
- Blue Essentials network as base plan (\$2,600 Deductible/ 80% to \$4,000)
- Blue Choice network as “buy-up” option (\$2,600 Deductible/ 80% to \$4,000)
- Council consideration August 10, 2017

Police Services

Police and Animal Control

New Program Services



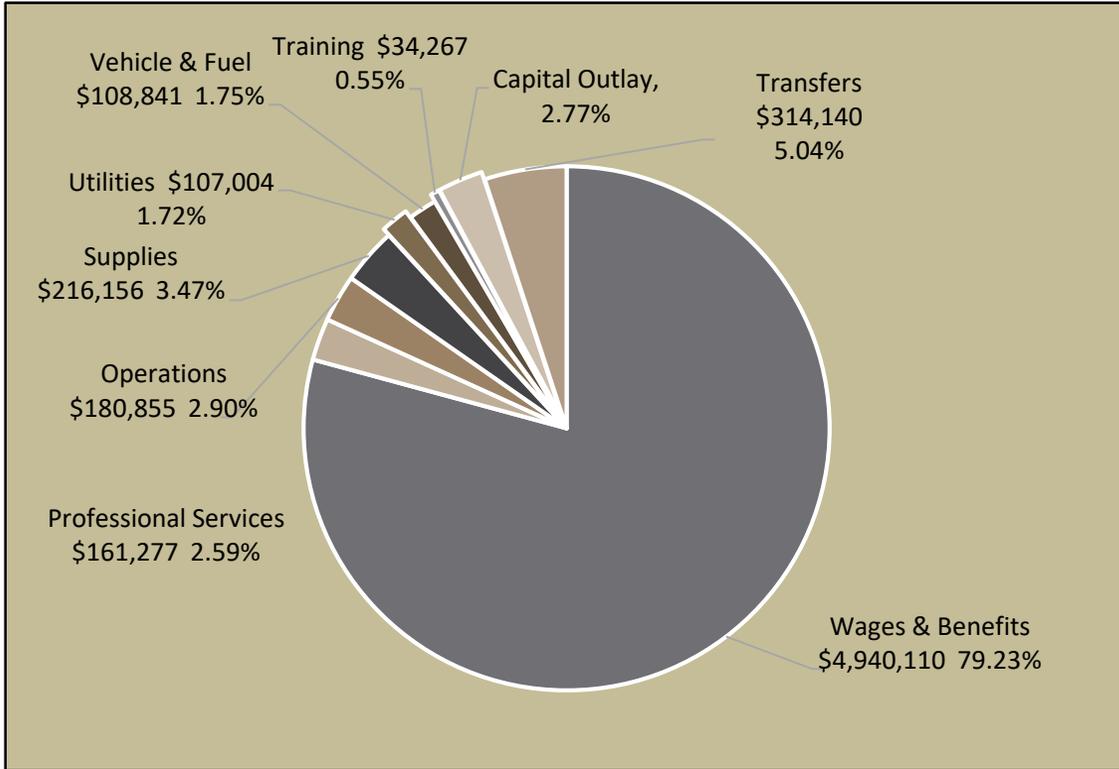
Department	FTE	Budget
Field Operations Patrol	23.00	\$2,411,816
Police Administration	5.00	543,958
Criminal Investigations Division	4.00	480,688
School Resource Officers	3.00	327,703
Utilities & Allocations		162,411
Dispatch & IT Maintenance		145,069
Fleet Capital & Maintenance		137,710
Animal Control	2.00	128,224
Emergency Management		12,181
Facility Management		19,134
Public Relations/Events/VIPS		7,643
Citizens Police Academy		3,203
Police Employee Recognition		2,800
Best Practices Program		1,702
Total	37.00	\$4,384,242

New Program Services:

√ 2 full-time police officers - \$161,002

△ Texas Department of Public Safety lab fees - \$20,800

Fire Services



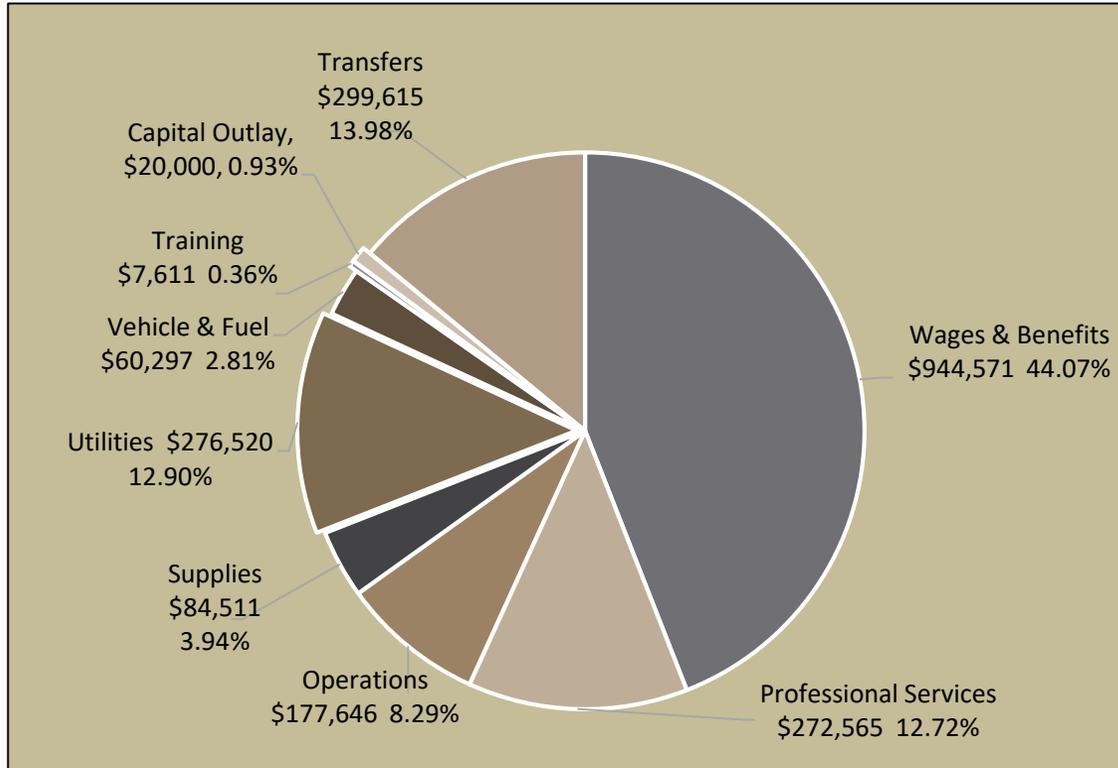
Department	FTE	Budget
Fire Operations Division	36.00	\$3,406,056
EMS	13.00	1,361,157
Fire Administration	4.00	580,154
Fleet Capital & Maintenance		378,841
Capital Outlay		212,620
Utilities & Allocations		170,302
Facility Management		80,884
Dispatch & IT Support		27,856
Employee Recognition		6,960
Public Education		4,810
Fire Prevention Bureau		3,990
Citizens EM Academy		1,640
Total	53.00	\$6,235,270

New Program Services:

- √ 9 full-time firefighters - \$367,603
- √ Fire House #3 Equipment - \$172,620
- √ ISO rating review - \$40,000

Public Works

Streets and Parks & Recreation Budgets



Department	FTE	Budget
Utilities & Allocations		\$603,115
Community Park Complex	4.00	333,482
Street Repair/Maintenance	4.00	288,763
Sidewalk Repair/Maintenance	3.00	272,782
Neighborhood Parks/Facilities	2.00	168,623
Recreation	3.00	168,081
H.O.A. Maintenance Contracts		101,673
R.O.W. Mowing		89,782
Fleet Capital & Maintenance		58,997
Traffic Mgmt & Signage		27,708
Capital Outlay		20,000
Pond Maintenance & Repair		6,200
Woods Building Maintenance		4,130
Total	16.00	\$2,143,336

New Program Services:

- ✓ Asset Management Program - \$20,000
- ✓ Sidewalk Replacement Program - \$50,000
- ✓ FM2181 & FM2499 Mowing - \$16,692

Planning & Development

Planning and Community Development Budgets

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Estimate	2017-18 Projected
Permits					
Commercial	4	5	2	17	17
Residential	5	47	40	50	75
Total	29	52	42	67	92

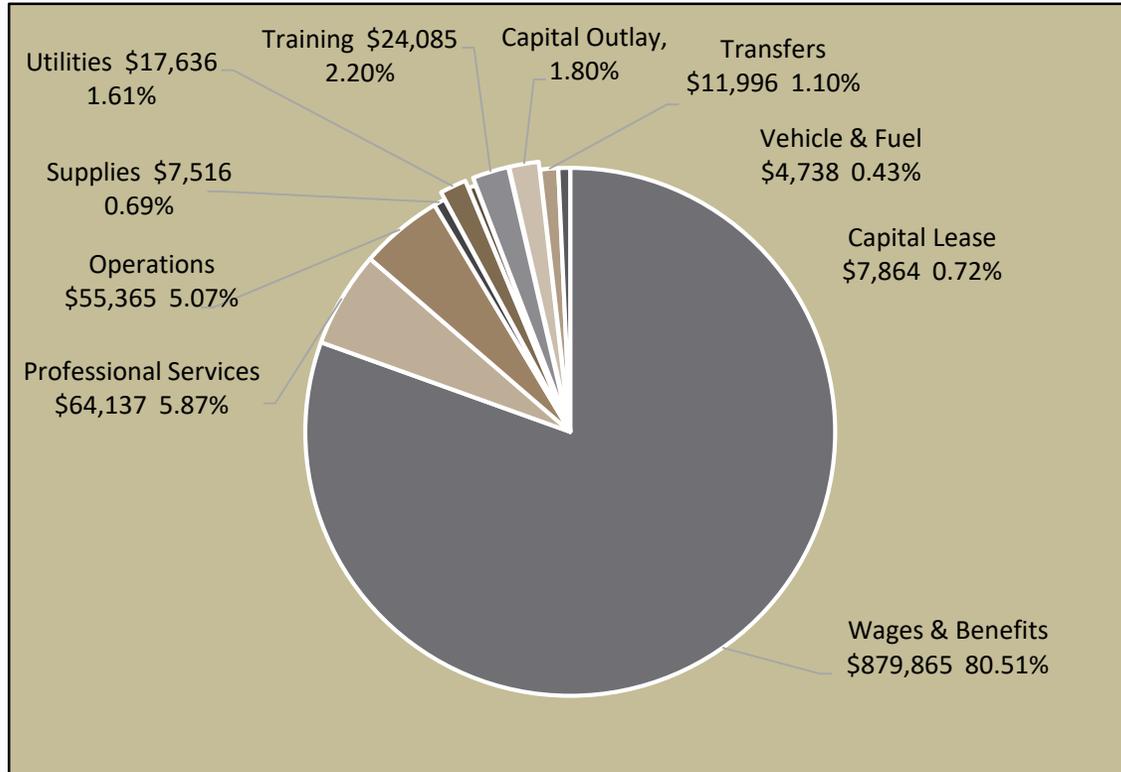


VALUES (millions)	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Estimated	2017-18 Projected
Commercial	4,711,027	18,283,746	722,277	31,809,145	32,000,000
Residential	12,692,435	23,113,142	15,154,261	37,690,488	56,535,732
Total	\$17,403,462	\$41,396,888	\$15,876,538	\$69,499,633	\$88,535,732



Planning & Development

Planning and Community Development Budgets



Department	FTE	Budget
Permits & Plan Reviews	2.00	\$214,851
Current Planning Review	2.00	211,159
Planning Administration	1.00	158,061
Building Inspections	2.00	149,564
Long Range Planning Mgmt	1.00	105,524
Geographic Information Systems	1.00	88,649
Code Compliance	1.00	76,225
Utilities & Allocations		41,069
Health Inspection Program		15,498
Capital Outlay		19,700
Fleet Capital & Maintenance		12,602
Total	10.00	\$1,092,902

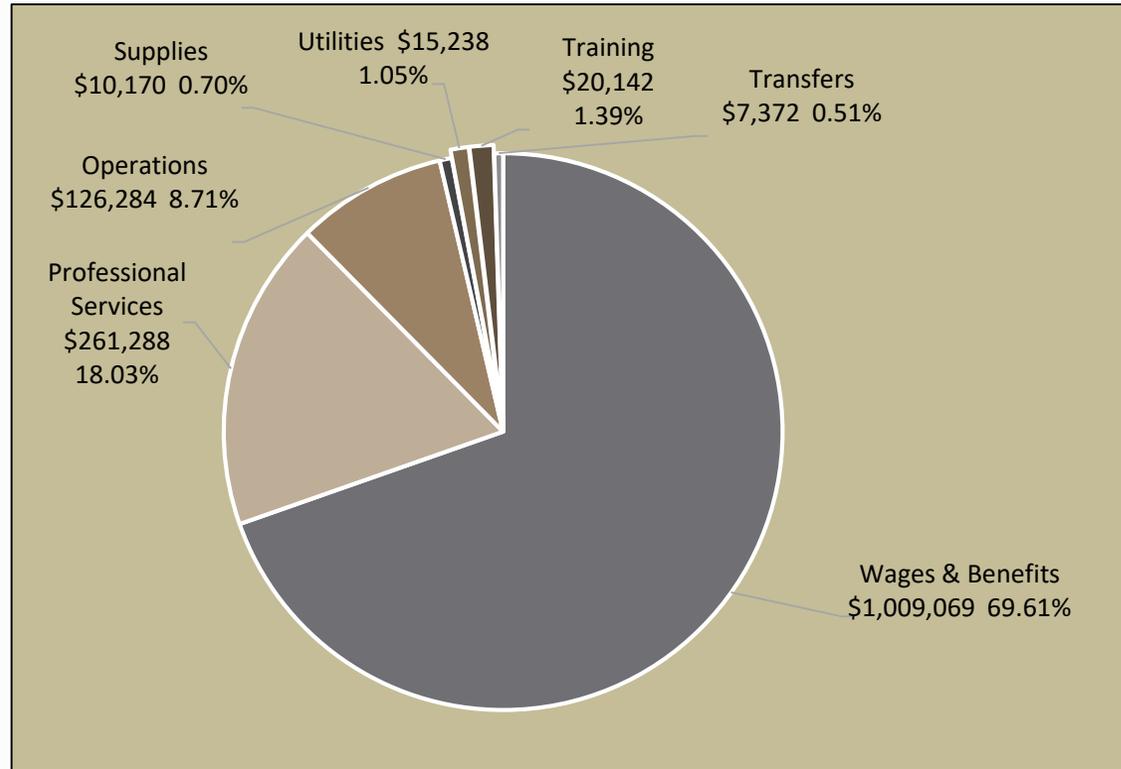
New Program Services:

- √ Star Community Program - \$7,500
- √ Thriving Earth Exchange Program - \$3,000
- √ Scenic City - \$1,000
- √ iSWM - \$1,000

- √ SolSmart Cities - \$1,000
- √ Complete Streets Concept Plan - \$2,000
- √ Combination Inspector - \$73,726

Finance & Administrative Services

Finance, Special Events and Municipal Court Budgets



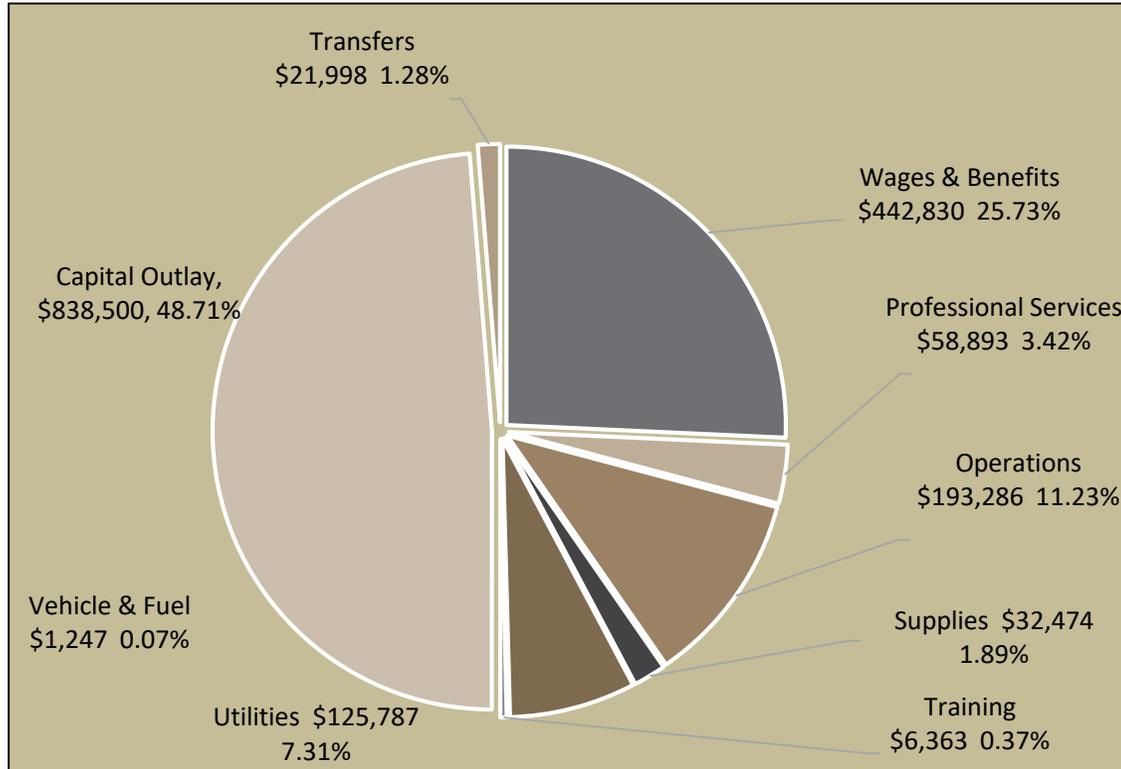
New Program Services:

√ No new program funding

Department	FTE	Budget
Finance & Budget Administration	2.50	\$313,494
Accounting Services	2.00	259,709
Citation Processing	3.00	187,500
Purchasing	2.00	166,993
Courtroom Proceedings	1.00	151,073
Special Events		87,668
Appraisal & Taxation Services		86,375
Payroll Administration	1.00	84,853
Warrant Processing		36,415
Utilities & Allocations		35,552
Jail/Holding Facility		15,000
Budget Administration		12,469
Investment & PFIA Compliance		12,462
Total	11.50	\$1,449,563

Finance & Administrative Services

Technology Services, City Hall, and Public Safety Facilities



Department	FTE	Budget
Capital Outlay		\$838,500
Public Safety Tech Support	2.00	192,559
Tech Administration	1.00	127,761
Network Support	1.00	117,229
Desktop Support	1.00	79,797
Tech/City Hall Utilities & Allocations		74,470
Application Support		62,994
PSF Utilities & Allocations		62,386
City Hall Janitorial		31,518
City Hall System Maintenance		26,009
Website Support		19,342
PSF Janitorial		16,263
Fleet Capital & Maintenance		16,245
Server Support		15,623
PSF Facility Maintenance/Repairs		13,250
City Hall Maintenance/Repairs		12,150
PSF System Maintenance		6,902
City Hall Security		4,421
PSF Security		3,959
Total	5.00	\$1,721,378

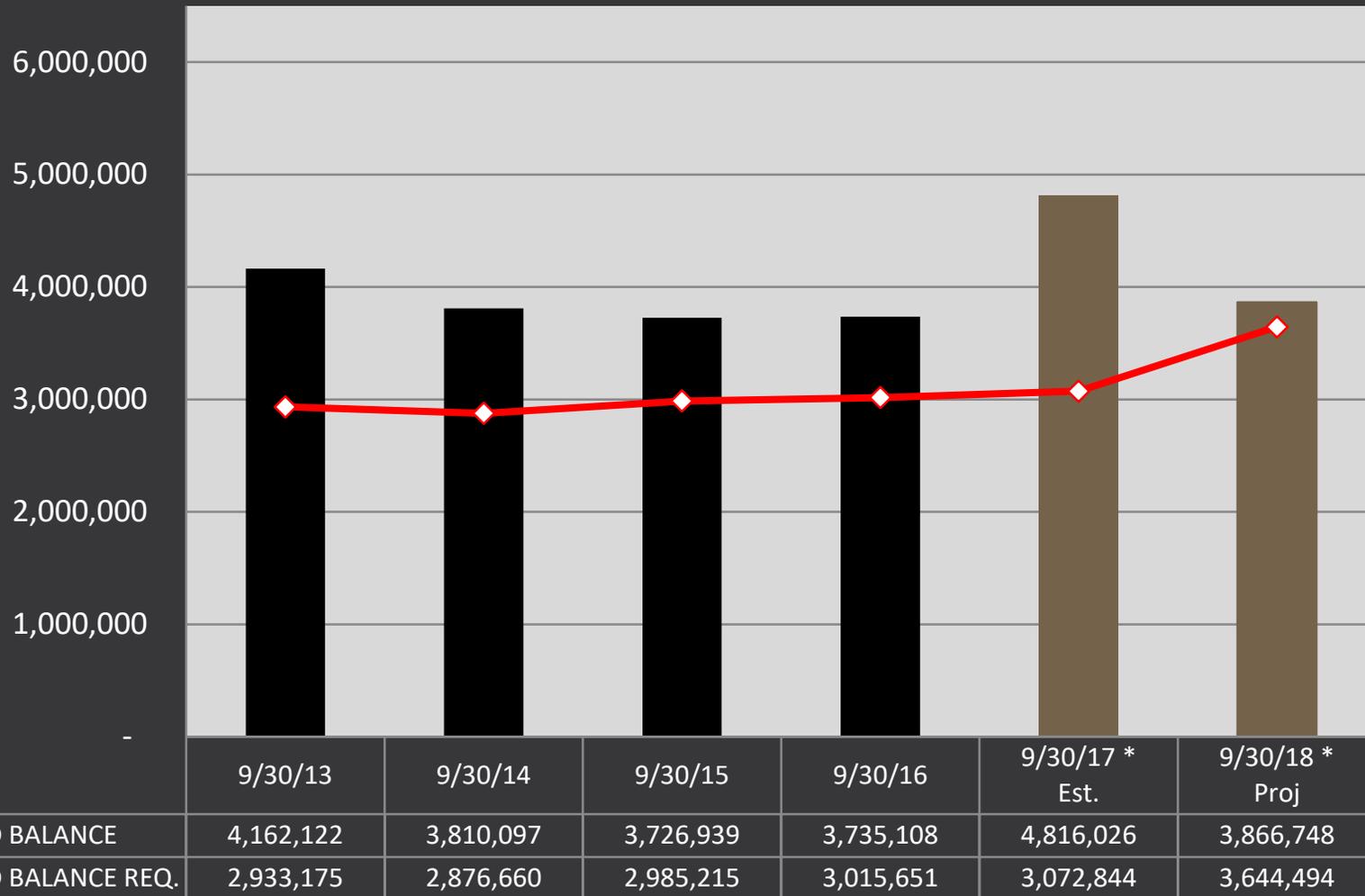
New Program Services:

- ✓ Phone System - \$200,000
- ✓ Upgrade INCODE - \$48,125
- ✓ Public Safety Facility Furniture & Fixtures - \$596,000

	2016-17 Projected Actuals	2017-18 Proposed	2018-19 Projected	2019-20 Projected	2020-21 Projected
Ad Valorem Taxes	8,058,437	8,671,684	9,022,859	9,381,971	10,047,612
Sales Tax	1,363,603	1,430,981	1,501,888	1,576,335	1,654,498
Franchise Tax	1,092,969	1,128,227	1,139,511	1,150,906	1,162,416
Development Fees & Permits	841,725	751,334	471,334	468,334	468,334
Fire Services	2,733,898	2,711,950	2,648,692	2,668,023	2,684,349
Other Revenue	2,354,505	2,579,018	2,969,425	2,925,973	2,687,992
Total Resources	16,445,137	17,273,194	17,753,709	18,171,542	18,705,201
Wages & Benefits	11,069,536	12,668,936	13,573,700	13,923,470	14,263,635
Maintenance & Operations	4,146,881	4,284,797	4,388,956	4,445,475	4,500,831
One-Time Expenditures	147,802	1,268,739	-	-	-
Total Expenditures	15,364,219	18,222,472	17,962,656	18,368,945	18,764,466
Net Income	1,080,918	(949,278)	(208,947)	(197,403)	(59,265)
Ending Fund Balance	4,816,026	3,866,748	3,657,801	3,460,398	3,401,133
Fund Requirement - 20%	3,072,844	3,644,494	3,592,531	3,673,789	3,752,893
Effective Fund Balance	31.35%	21.22%	20.36%	18.84%	18.13%

General Fund

20% of Budgeted Expenditures



In December 2012, the City Council adopted a Fund Balance Policy. The policy established the City's goal to achieve and maintain an unassigned fund balance in the General Fund equal to 20% of expenditures.

Appropriation from the minimum assigned fund balance requires the approval of the Council and may only be utilized for one-time expenditures, such as capital purchases and not for ongoing expenditures.

Restricted and Sales Tax Use Funds



Sales Tax Funds Budget Overview

A city can adopt a sales tax if the combined rate of all local sales taxes would not exceed two percent at any location within its territorial limits. The sales tax in Corinth is 8.25% of goods or services sold within the City's boundaries. The tax is collected by businesses making the sale and is remitted to the State's Comptroller of Public Accounts on a monthly, and in some cases, a quarterly basis. Of the 8.25% tax, the State retains 6.25% and distributes 1% to the City of Corinth, .25% to the Street Maintenance Sales Tax Fund, .25% to the Crime Control & Prevention District and .50% to the Economic Development Corporation.

Departments	FTE	2017-18	Est. 9/30/18	Budgeted Expenditures
		Proposed	End Fund	
		Budget	Balance	
Economic Development	1.00	\$754,828	\$3,316,569	Administrative, utilities and allocation expenses -\$271,217 Business Retention/Expansion - \$56,211 Development Plans - \$86,400 Economic Incentives/Grants - \$166,000 Lake Sharon Extension Lighting - \$175,000
Crime Control & Prevention District	2.00	\$312,403	\$318,865	Wages & benefits -\$171,447 Enterprise Fleet Replacement Program - \$110,567 Thermal Imaging Unit - \$5,249 RFID Asset and Inventory Phase II - \$25,140
Street Maintenance	-	\$385,660	\$709,587	Preventative pavement maintenance - \$310,660 Meadows at Shady Shores Intersection street project -\$75,000

Special Revenue Funds Budget Overview

Special Revenue Funds are used to account for general government financial resources that are restricted by law or contractual agreement to specific purposes other than debt service or major capital projects.

Departments	FTE	2017-18 Proposed Budget	Est. 9/30/18 End Fund Balance	Budgeted Expenditures
Hotel Occupancy Tax	-	\$103,532	\$117,666	Pumpkin Palooza Music Festival - \$24,132 Administrative services to promote tourism - \$21,000 Special event advertising - \$6,400 Public Safety Facility curator cases - \$52,000
Keep Corinth Beautiful	-	\$5,000	\$23,020	Beautification projects - \$3,500 Tree City USA - \$1,000 Monarch Butterfly Program - \$500
Community Park Improvement	-	\$34,000	\$130	Permanent Dugout Covers - \$34,000
Park Development	-	\$40,000	\$288,557	Neighborhood park fixtures - \$2,000 Parks Master Plan - \$25,000 Park signs - \$13,000
Tree Mitigation	-	\$5,000	\$141,342	Installation of neighborhood park trees - \$5,000

Special Revenue Funds Budget Overview (Continued)

Special Revenue Funds are used to account for general government financial resources that are restricted by law or contractual agreement to specific purposes other than debt service or major capital projects.

Departments	FTE	2017-18	Est. 9/30/18	Budgeted Expenditures
		Proposed Budget	End Fund Balance	
Child Safety Program	0.50	\$26,956	\$24,805	Denton County Child Advocacy - \$13,543 Crossing Guards - \$13,413
Municipal Court Security	-	\$7,500	\$79,644	Police overtime for court security.
Municipal Court Technology	-	\$25,238	\$33,746	Municipal Court INCODE upgrade - \$12,000 Police Body Cameras - \$7,530 Technology Computer Replacement Transfer - \$5,708

Internal Service Funds Budget Overview

The Internal Service funds were established to accumulate sufficient resources to replace existing vehicles and equipment that has reached or exceeded its useful life. The funds are managed to purchase City vehicles and equipment in a manner that will not create a burden on the City budgets. Vehicles and equipment are replaced based on a schedule established to maintain a safe fleet for public service.

Departments	FTE	2017-18 Proposed Budget	Est. 9/30/18 End. Fund Balance	Budgeted Expenditures
General Fund Vehicle & Equipment Replacement	-	\$148,526	\$157,700	Enterprise Fleet Replacement Program - \$65,365 Police Vehicle equipment purchase - \$83,161
Technology Replacement	-	\$78,400	\$93,737	Replace MDTs, printers and computers for Police and Fire.
Fire Vehicle & Equipment Replacement	-	\$358,880	\$229,091	Fire ladder truck - \$97,288 Pumper #1 lease - \$65,075 Medic #2 - \$39,935 Station #3 Engine lease - \$80,000 Enterprise Fleet Replacement Program - \$44,382 Command vehicle equipment - \$32,200
Utility Vehicle & Equipment Replacement	-	\$40,201	\$410,769	W/WW Enterprise Fleet Replacement Program - \$32,186 Drainage Fleet Replacement Program - \$8,015
Utility Meter Replacement	-	\$400,000	\$91,108	New Meter Transponder system Phase II.

Impact/Escrow Funds Budget Overview

Impact fees are paid by developers for construction of water, wastewater, roadway, and drainage projects. Impact fees are restricted by law for use only on projects deemed necessary for development by an impact fee study which establishes fees appropriate to fund identified projects.

Departments	FTE	2017-18 Proposed Budget	Est. 9/30/18 End Fund Balance	Budgeted Expenditures
Water Impact Fee	-	\$400,000	\$49,852	Elevated storage tank design.
Wastewater Impact Fee	-	\$0	\$299,343	No budgeted expenditures
Roadway Impact Fee	-	\$300,000	\$14,422	Lake Sharon/Dobbs alignment
Storm Drainage Impact Fee	-	\$0	\$91,193	No budgeted expenditures
Street Escrow	-	\$0	\$152,865	No budgeted expenditures

Capital Improvement Program



CAPITAL COSTS	2016-17	2017-18	2018-19	2019-20	2020-21	Over 5 Years	Total
Public Works Facility	\$ -	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000
Elevated Storage Tank	-	1,700,000	-	-	5,500,000	-	7,200,000
Quail Run/Dobbs Road Water Lines	-	-	-	2,100,000	-	-	2,100,000
Lake Sharon Pump Station & 3mg Ground Storage Tank	-	-	-	-	-	3,900,000	3,900,000
24" and 20" line along Lake Sharon	-	-	-	-	-	2,000,000	2,000,000
16" line along S. Corinth street	-	-	-	-	-	250,000	250,000
12" line along FM2181	-	-	-	-	-	2,000,000	2,000,000
Total	\$ -	\$ 3,200,000	\$ -	\$2,100,000	\$5,500,000	\$8,150,000	\$18,950,000

FUNDING SOURCES	2016-17	2017-18	2018-19	2019-20	2020-21	Over 5 Years	Total
Unissued/Unauthorized Bond Proceeds	\$ -	\$ -	\$ -	\$2,100,000	\$5,500,000	\$8,150,000	\$15,750,000
2017 C.O.	-	1,500,000	-	-	-	-	1,500,000
2016 C.O.	-	1,300,000	-	-	-	-	1,300,000
Impact Fees/Escrow Funds	-	400,000	-	-	-	-	400,000
Total	\$ -	\$ 3,200,000	\$ -	\$2,100,000	\$5,500,000	\$8,150,000	\$18,950,000

CAPITAL COSTS	2016-17	2017-18	2018-19	2019-20	2020-21	Over 5 Years	Total
Sewer line Realignment (L3)	\$ 225,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 225,000
FM2181 lift station and 14"/12" force main	-	-	-	-	-	700,000	700,000
Lynchburg 15", 12", 10" Sewer Line	-	-	-	-	-	1,300,000	1,300,000
Shady Rest Lift station 18"/21" Sewer Line	-	-	-	-	-	1,700,000	1,700,000
Total	\$225,000	\$ -	\$ -	\$ -	\$ -	\$ 3,700,000	\$3,925,000

FUNDING SOURCES	2016-17	2017-18	2018-19	2019-20	2020-21	Over 5 Years	Total
Unissued/Unauthorized Bond Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,700,000	\$ 3,700,000
Aid in Construction	225,000	-	-	-	-	-	225,000
Total	\$ 225,000	\$ -	\$ -	\$ -	\$ -	\$ 3,700,000	\$ 3,925,000

CAPITAL COST	2016-17	2017-18	2018-19	2019-20	2020-21	Over 5 Years	Total
Public Safety Facility	\$14,400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,400,000
City Entrance Signs	-	150,000	-	-	-	-	150,000
Facility Renovations	500,000	-	-	-	-	-	500,000
Total	\$14,900,000	\$150,000	\$ -	\$ -	\$ -	\$ -	\$ 15,050,000

FUNDING SOURCES	2016-17	2017-18	2018-19	2019-20	2020-21	Over 5 Years	Total
2016 C.O.	\$13,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$13,000,000
2017 C.O.	1,900,000	-	-	-	-	-	1,900,000
Capital Improvement Fund	-	150,000	-	-	-	-	150,000
Total	\$14,900,000	\$150,000	\$ -	\$ -	\$ -	\$ -	\$ 15,050,000

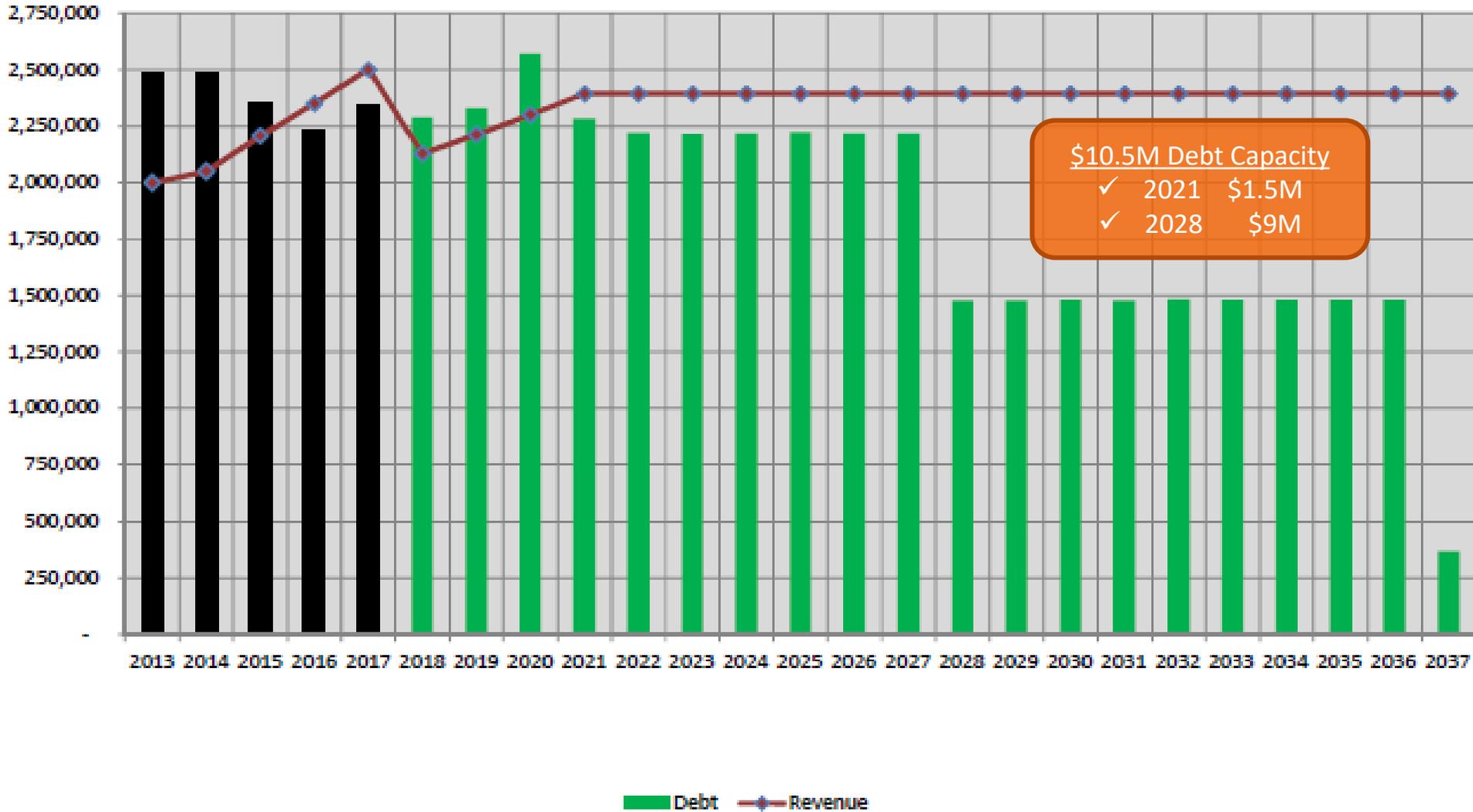
CAPITAL COSTS	2016-17	2017-18	2018-19	2019-20	2020-21	Over 5 Years	Total
Lake Sharon Extension	\$6,800,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,800,000
Meadows/Shady Shores Intersection	-	75,000	-	-	-	-	75,000
Lake Sharon/Dobbs Alignment	-	1,200,000	-	3,100,000	-	-	4,300,000
W. Shady Shores Rd - Collector	-	-	-	-	-	4,100,000	4,100,000
Garrison St. - Collector	-	-	-	-	-	1,100,000	1,100,000
Post Oak Dr - Greenway (1/2)	-	-	-	-	-	2,500,000	2,500,000
Total	\$6,800,000	\$1,275,000	\$ -	\$3,100,000	\$ -	\$7,700,000	\$18,875,000

FUNDING SOURCES	2016-17	2017-18	2018-19	2019-20	2020-21	Over 5 Years	Total
Unissued/Unauthorized Bond Proceeds	\$ -	\$ -	\$ -	\$3,100,000	\$ -	\$7,700,000	\$10,800,000
2017 C.O.	1,600,000	-	-	-	-	-	1,600,000
2016 C.O.	-	700,000	-	-	-	-	700,000
2007 C.O.	286,129	-	-	-	-	-	286,129
Economic Dev. Operating Funds	175,000	-	-	-	-	-	175,000
Denton County Aid in Construction	3,400,000	-	-	-	-	-	3,400,000
Sales Tax Funds (Street Maintenance)	-	75,000	-	-	-	-	75,000
Impact Fees/Escrow Funds	-	300,000	-	-	-	-	300,000
Capital Improvement Funds	1,338,871	200,000	-	-	-	-	1,538,871
TOTAL	\$6,800,000	\$1,275,000	\$ -	\$3,100,000	\$ -	\$7,700,000	\$18,875,000

CAPITAL COSTS	2016-17	2017-18	2018-19	2019-20	2020-21	Over 5 Years	Total
Meadows/Shady Shores Intersection	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000
Total	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000

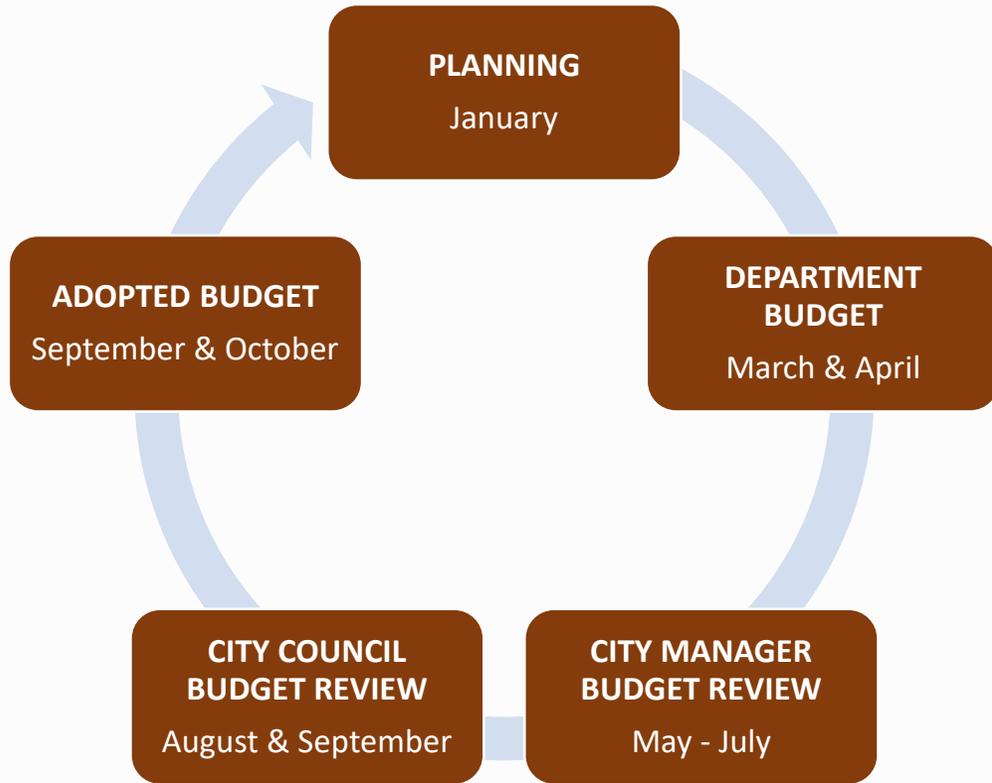
FUNDING SOURCES	2016-17	2017-18	2018-19	2019-20	2020-21	Over 5 Years	Total
Drainage Operating Funds	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000
Total	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000

8.52% Ad Valorem Growth for 2017-18
4% for 2019-21



General Fund Total
Outstanding Debt as
of October 1, 2017 =
\$36,468,257

FY2017-18 Annual Debt
Service Payment of
\$2,289,552



- Planning – (January)
 - ▣ January 14 – Council Goal setting / Strategic Planning Retreat

- Department Budget – (March – April)
 - ▣ March 7 – Budget Kickoff
 - ▣ March 28 – Departments submit budgets to Finance
 - ▣ April 11-22 – Budgets reviewed by City Manager

- City Manager’s Budget – (May – July)
 - ▣ June 29 – Council Policy Workshop
 - ▣ July 25 – Receive certified tax roll; calculate effective & rollback tax rates
 - ▣ July 31 – Submit proposed budget to Council

- City Council’s Budget – (August – September)
 - ▣ August 3 – Budget work session; Budget Overview
 - ▣ August 10- Budget work session; review governmental funds
 - ▣ August 10 – Vote on published tax rate and public hearing dates
 - ▣ August 17 – Budget work session; review proprietary funds
 - ▣ August 24 & September 7 – Public hearings on tax rate & budget
 - ▣ August 31 & September 14– Budget work session (if needed)

- Adopted Budget – (September - October)
 - ▣ September 21 – Adopt budget & tax rate
 - ▣ October 1 – Fiscal year begins; implementation of adopted budget

City Council Special Session

2.

Meeting Date: 08/10/2017

Title: Enterprise Fleet Mgmt Program

Submitted For: Bob Hart, City Manager

Submitted By: Lee Ann Bunselmeyer,
Director

City Manager Review: Approval: Bob Hart, City Manager

AGENDA ITEM

Receive a report, hold a discussion and give staff direction on the Enterprise Fleet Management Program.

AGENDA ITEM SUMMARY/BACKGROUND

The City established an Internal Service Fund to accumulate sufficient resources to replace existing vehicles and equipment that had reached or exceeded their useful life. The internal program was designed for departments to contribute annual payments to the fund based on the number, type, average life expectancy, and the projected replacement of the vehicles/equipment. The intent was for funds to be managed to purchase City vehicles and equipment in a manner that would not create a burden on the City budgets. Currently the City has 67 vehicles, of which 32 are eight years and older. In order to adequately maintain the fleet, the city needs to replace seven vehicles per year but due to limited funds is only able to replace, on average two vehicles per year. Further, 13 vehicles are underutilized and should be eliminated from the fleet.

Because the City has never been able to adequately support the fund, staff has continued to examine alternatives for the financing and maintenance of vehicles consistent with the philosophy of an internal service fund for vehicle replacement. The Enterprise Fleet Management is a turn-key program designed for municipalities to finance and manage the replacement of the city’s fleet. Jennifer Bertram, Senior Account Executive will be providing a presentation during the work session to discuss the proposed program.

RECOMMENDATION

Attachments

Enterprise Presentation

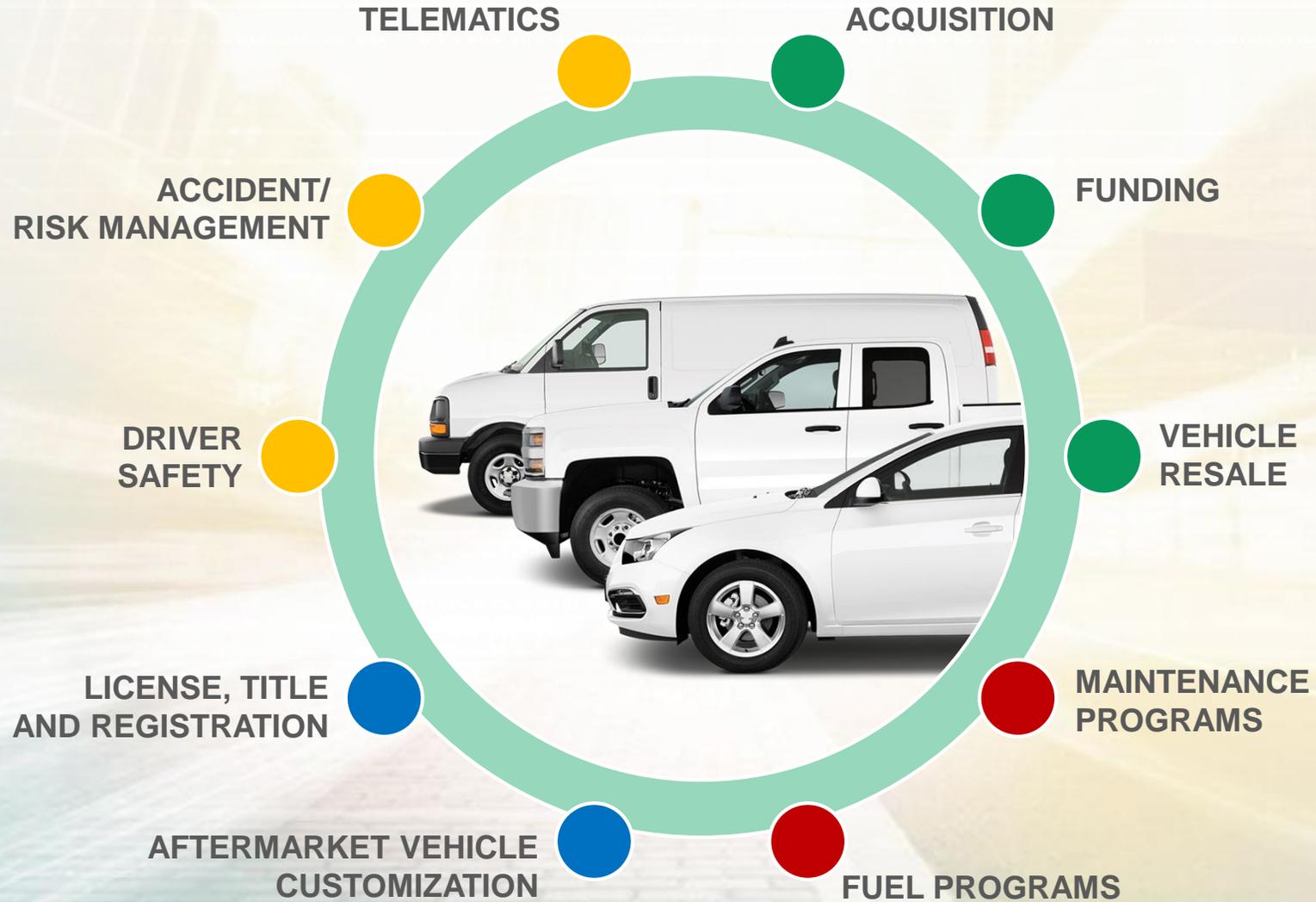


FLEET MANAGEMENT

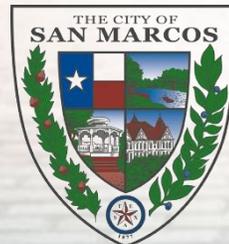
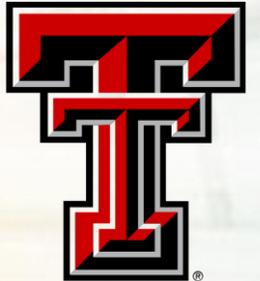
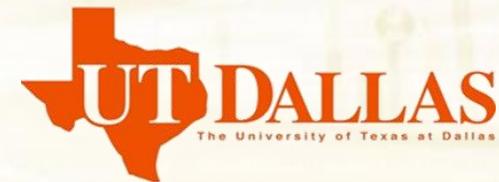
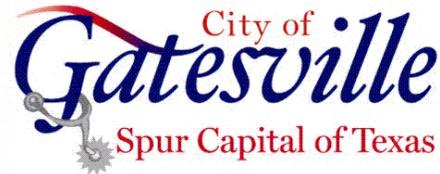
City of Corinth

August 10th, 2017

FLEET MANAGEMENT



Current Texas Partners



▶ Aged Vehicles

- 9 Years

▶ Low Annual Mileage

- 7,500 – 15,000 annual miles

▶ Multiple Departments with Multiple Plans & Budgets

▶ Capital Budget drives Fleet Replacement

Average Vehicle Age in Years by Class

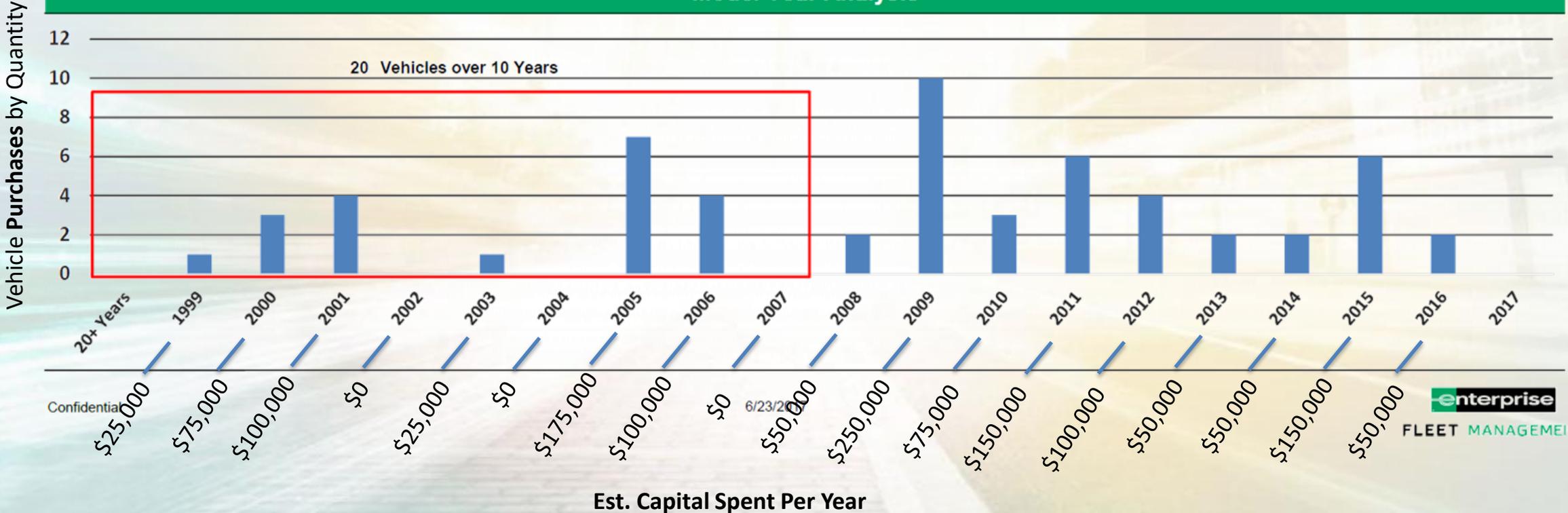
Class/Description	Average
702 – Heavy trucks (26,001 lbs. and more)	13
715 – Medium trucks (15,000 lbs.–26,000 lbs.)	11
719 – Buses (29+ passengers)	11
710 – Mounted equipment (with truck chassis)	11
708 – Cargo and passenger vans	10
716 – Minivans	10
720 – Other vehicles	10
709 – Light trucks (8,600 lbs. and less)	9
718 – Buses (16-28 passengers)	8
714 – Light/medium trucks (8,601 lbs.–14,999 lbs.)	8
701 – Passenger cars	6
703 – Small buses (up to 15 passengers)	5
707 – Sport utility vehicles	5
704 – Motorcycles	5
Overall Average	9

VECHICLE CAPTIAL BUDGET PER YEAR

Non - Emergency Response Vehicles

Water/WW, Tech Services, Streets, Parks, Planning, Community Development, Engineering, Drainage, Admin

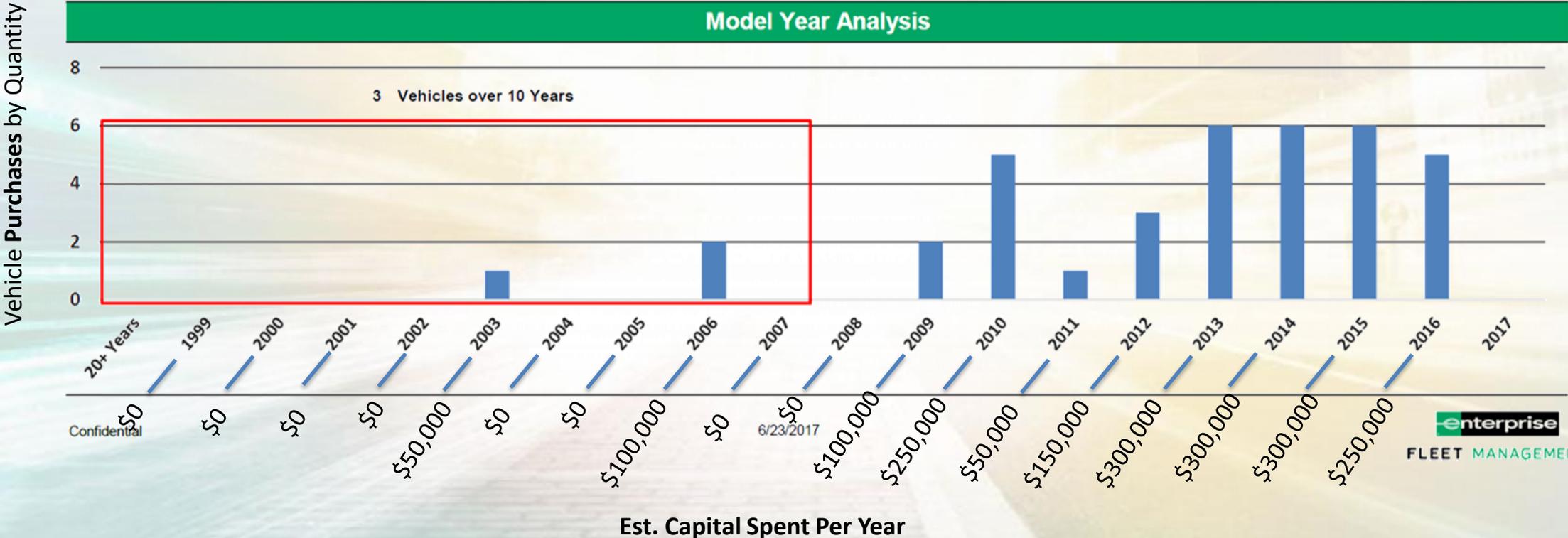
Model Year Analysis



*Est. Cost Per Vehicle \$25,000

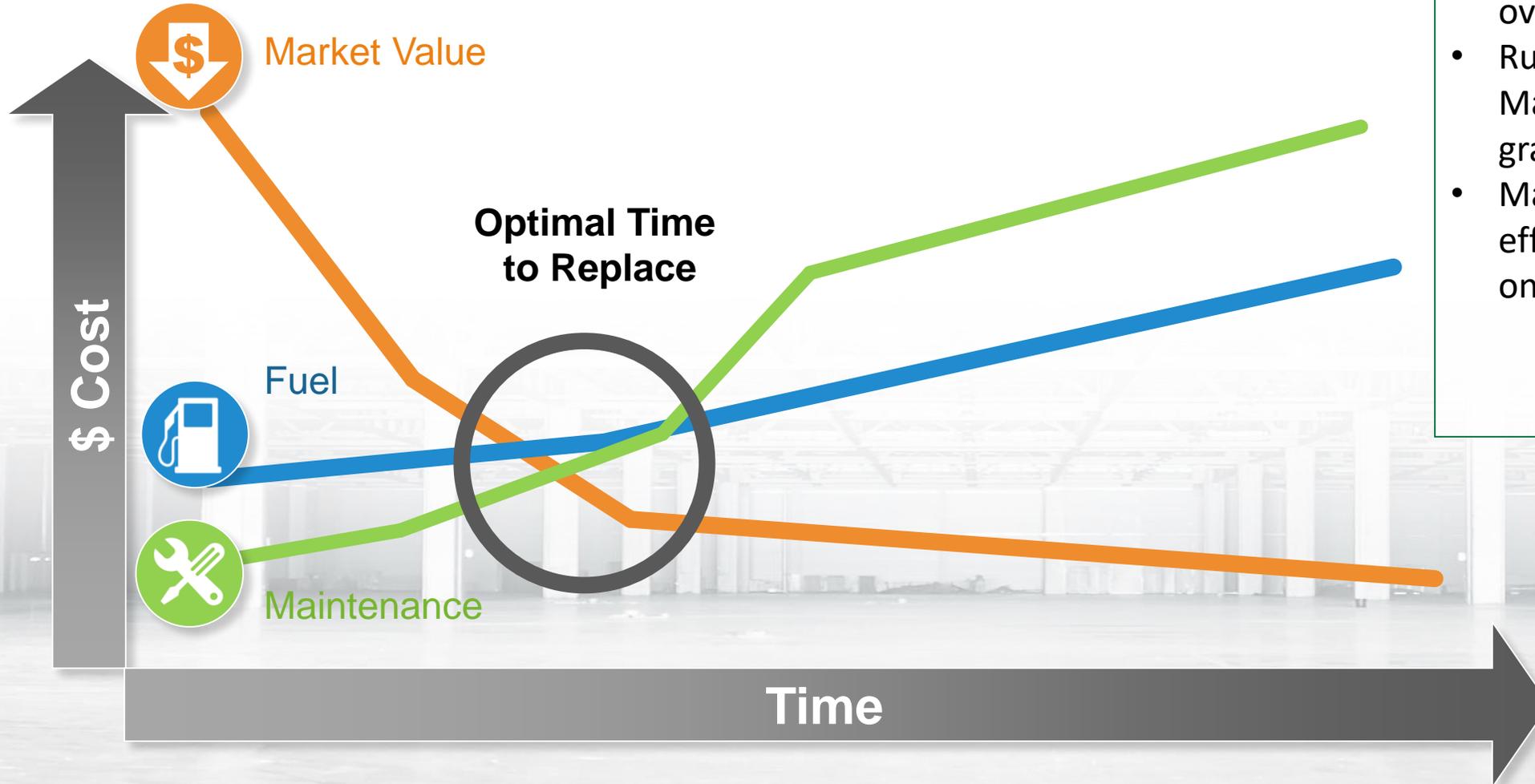
TYPICAL FLEET PROFILE

Police and Fire Department
 Not including Fire Trucks or Ambulances



*Est. Cost Per Vehicle \$50,000

EFFECTIVE VEHICLE LIFECYCLE



Key Observations

- Depreciation/year declines over time
- Running costs of Fuel and Maintenance increase gradually over time
- Mandated MPG efficiencies reward staying on technology wave

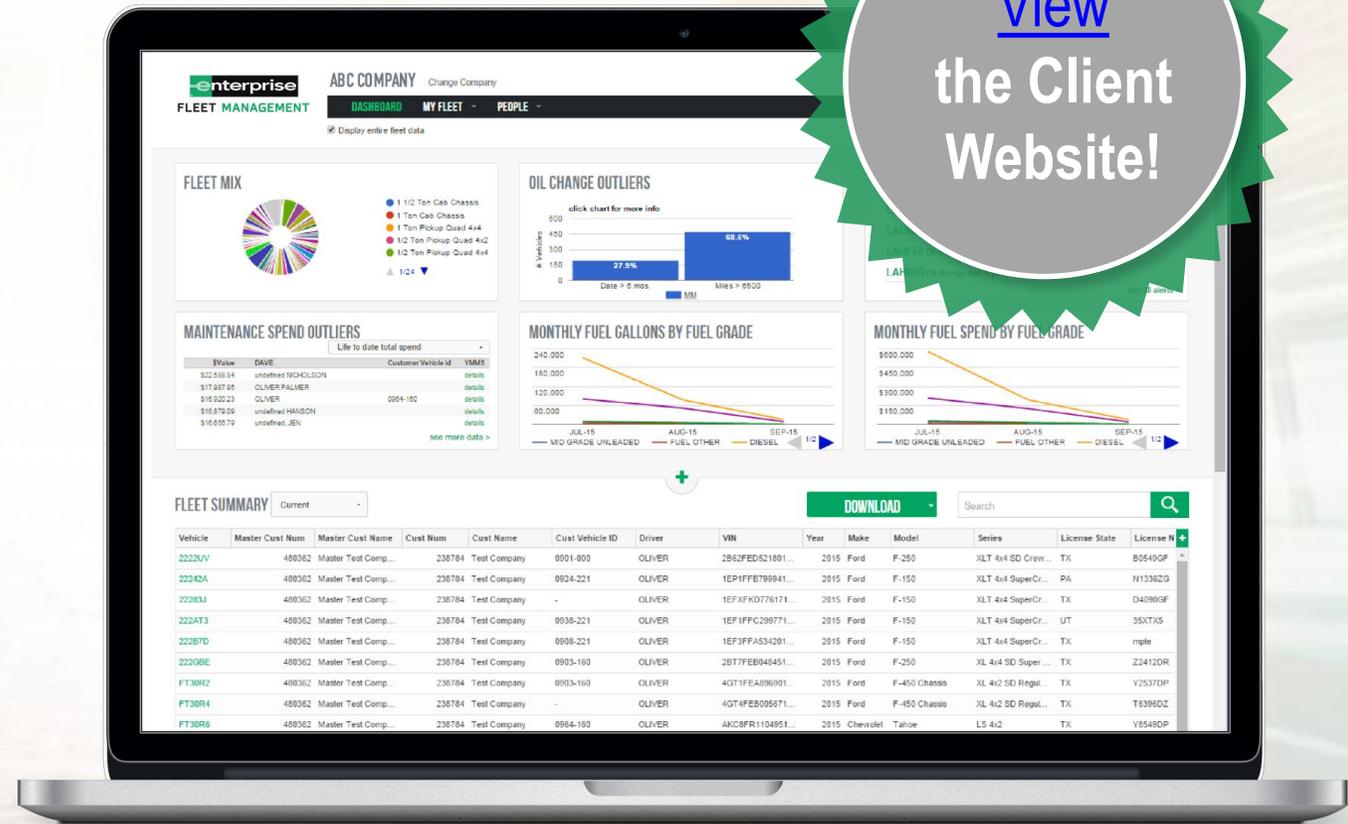
FUNDING OPTIONS

Example: 100 Vehicles

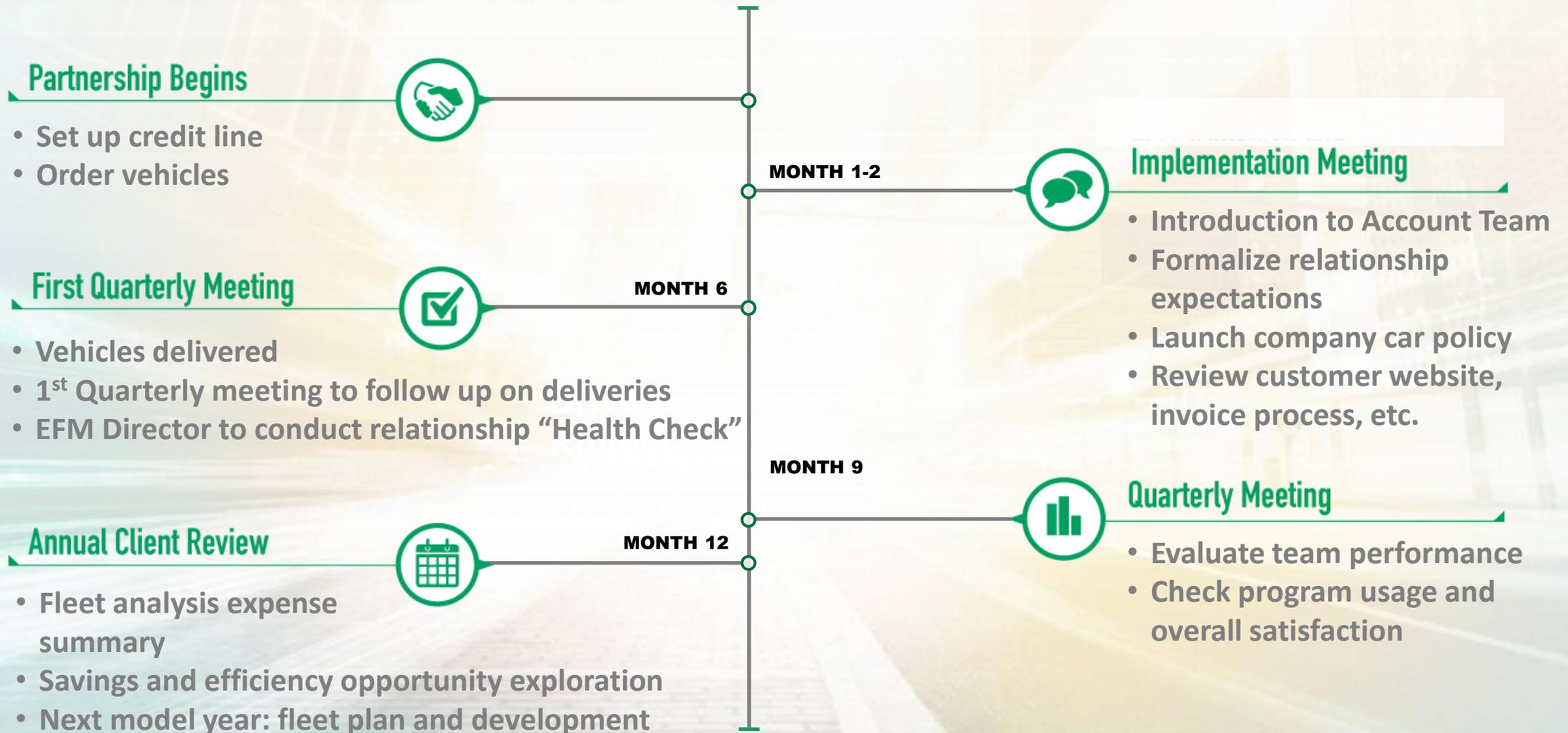
Funding Source	Average Cycle	# of Vehicles Replaced	Avg Annual Cost/Vehicle	Total Annual Capital Outlay	Difference in Cash Flow
Cash	5 Years	20	\$30,000	\$600,000	-
Finance	5 Years	20	\$6,000	\$120,000	\$480,000
MV Finance	5 Years	20	\$4,500	\$90,000	\$510,000

Client Website

- Visibility and tracking of vehicle data
- Customized dashboards with easy reporting
- Real-time alerts
- Simplify accounting processes with vehicle descriptors
- Self-service features including *driver changes, vehicle descriptors, mileage information and more*
- Assign unlimited unique identifiers to each vehicle to simplify routine tasks and vehicle categorization



WHAT TO EXPECT – FIRST YEAR



Department Impact

	2018	2019	2020	2021	2022
General Fund					
Animal Control / PD	333	7,333	7,333	7,333	7,333
City Admin.	0	0	0	0	9,357
Community Development	6,231	14,731	14,731	14,731	14,731
Parks	0	17,793	26,005	31,361	39,361
Planning	1,633	4,833	4,833	4,833	4,833
Streets	0	10,451	19,862	30,075	43,575
Tech. Services	15,098	18,398	18,398	18,398	27,755
	\$ 23,296	\$ 73,540	\$ 91,163	\$ 106,732	\$ 146,945
Storm Drainage Fund					
Drainage	\$ -	\$ 8,015	\$ 8,015	\$ 8,015	\$ 17,372
Water/WW Fund					
Engineering	0	0	0	0	28,070
Water/WW	351	40,622	74,622	90,390	92,890
	\$ 351	\$ 40,622	\$ 74,622	\$ 90,390	\$ 120,960
Police (CCD Fund)	\$ 93,628	\$ 143,584	\$ 192,589	\$ 233,655	\$ 226,074
Fire (LCFD VRP Fund)	\$ 10,582	\$ 44,382	\$ 44,382	\$ 53,293	\$ 62,650
Grand Total	\$ 127,857	\$ 310,142	\$ 410,771	\$ 492,086	\$ 574,002

CONSENT ITEM 1.

City Council Special Session

Meeting Date: 08/10/2017

Title: Health Insurance Benefits Trust

Submitted For: Bob Hart, City Manager

Submitted By: Lee Ann Bunselmeyer,
Director

City Manager Review: Approval: Bob Hart, City Manager

AGENDA ITEM

Consider and act on a resolution authorizing the creation of an Employee Benefits Trust.

AGENDA ITEM SUMMARY/BACKGROUND

The City offers and provides various employee benefits to its employees, including health, dental, and life insurance, and disability benefits. Chapter 222 of the Texas Insurance Code imposes a tax upon the receipt of gross premiums and revenues associated with such benefits provided by the City. Section 222.002(c)(5) of the Texas Insurance Code exempts from taxation premiums or revenues paid on group health, accident, and life policies or contracts in which the group covered by the policy or contract consists of a single nonprofit trust established to provide coverage primarily for employees of a municipality. Creation of a nonprofit Employee Benefits Trust does not change the benefits provided by the City, but does lower the cost of providing such benefits.

The Employee Benefits Trust is governed by a board of trustees consisting of the Mayor and City Council Members. If the Employee Benefits Trust is created, a meeting of the Board of Trustees will convene at a future time to adopt the Declaration of Trust, policies, depositories, and contracts for the provision of insurance benefits.

The City can anticipate an annual reduction of up to 1.75% of its employee insurance premiums from avoidance of state taxes on such premiums.

RECOMMENDATION

Staff recommends that City Council approve a Resolution establishing an Employee Benefits Trust.

Attachments

Resolution/Declaration of Trust

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORINTH, TEXAS, AUTHORIZING CREATION OF AN EMPLOYEE BENEFITS TRUST; DESIGNATING ALL MEMBERS OF THE CITY COUNCIL TO BE TRUSTEES OF SAID TRUST; AUTHORIZING THE TRUST TO PURCHASE VARIOUS FORMS OF INSURANCE FOR THE BENEFIT OF CITY OFFICERS, EMPLOYEES, QUALIFIED RETIREES, AND THEIR DEPENDENTS; AND APPROVING A TRANSFER OF ASSETS TO THE TRUST

WHEREAS, the City of Corinth, Texas (the “City”) provides or offers various employee benefits to its employees, including health, dental, and life insurance, and disability benefits; and

WHEREAS, Chapter 222 of the Texas Insurance Code, imposes a tax upon the receipt of gross premiums and revenues associated with such benefits; and

WHEREAS, Section 222.002(c)(5) of the Texas Insurance Code authorizes the exemption of such premiums and revenues from state law, provided that the City establishes and maintains the fund under the ownership and control of a single, nonprofit trust; and

WHEREAS, the City Council of the City finds it to be in the public interest to authorize the creation of an Employee Benefits Trust for the reasons provided above; **NOW THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORINTH, TEXAS:

Section 1. The City Council hereby authorizes creation of an Employee Benefits Trust and approves the Declaration of Trust in substantially the form attached hereto as **Exhibit “A”** and incorporated herein for all purposes, designates all members of the City Council to be Trustees of said Trust, and authorizes the Trust to purchase various forms of insurance for the benefit of City officers, employees, qualified retirees, and their dependents, and as Settlor of said Trust, approves the initial transfer of the City assets as set out in Schedule 1 of the Declaration of Trust.

PASSED, APPROVED, AND RESOLVED this _____ day of _____, 2017.

Bill Heidemann, Mayor

ATTEST:

Kim Pence, City Secretary

EXHIBIT "A"
DECLARATION OF TRUST

I.

CREATION OF TRUST

The City of Corinth, Texas ("City"), as Settlor or creator of the trust, designates the members of the City of Corinth City Council to be Trustees and declares that the City holds in trust the funds described in Schedule A attached hereto and incorporated herein by reference, which is the property of the City, and all substitutions and additions to such funds, for the purpose of providing or offering, whether now or possible in the future, life, disability, sick, accident, and other health benefits to the City's officers, employees, and qualified retirees and their dependents.

II.

PURPOSE

This is a nonprofit trust created for the purpose of providing or offering, whether now or possibly in the future, City officers, employees, and qualified retirees and their dependents with life, disability, sickness, accident, and other health benefits either directly or through the purchase of insurance and to perform operations in furtherance thereof. The Trust is intended to qualify as a tax-exempt trust performing an essential government function within the meaning of Section 115 of the Internal Revenue Code (the "Code").

III.

DURATION

The Trust shall continue until terminated by operation of law or by majority vote of the Trustees.

IV.

TRUSTEES: COMPOSITION, OFFICERS, COMPENSATION, AND MEETINGS

A. Composition. The Trustees are the members of the City Council, and each Trustee's term is contemporaneous with his or her term of office as a member of the City Council. Whenever a Trustee ceases to be a member of the City Council, the person succeeding him or her in office will automatically be appointed to serve as a successor Trustee of the Trust.

B. Officers. The Mayor shall serve as Chairman and shall preside at meetings of the Trustees and shall have all such other powers as are conferred herein or by majority vote of the Trustees at a duly called meeting at which a quorum is present. The Mayor Pro Tem shall serve as Vice Chairman and shall preside at meetings of the Trustees whenever the Chairman is absent. The Secretary shall rotate, coinciding with the City's fiscal year, between the Council members based upon their designated places, skipping the Mayor Pro Tem and beginning with the Council

member for Place 1. The Secretary will oversee the preparation of meeting agenda, giving notice of meetings to the Trustees, and the minutes of the meetings of the Trustees.

C. Compensation. The Trustees shall be reimbursed for all reasonable and necessary expenses incurred by them in the performance of their duties and will otherwise receive no compensation for their services as Trustees.

D. Meetings. A meeting of the Trustees may be called by the Chairman or on written request to the Chairman by two or more Trustees. Trustees shall have at least three days written notice of any meeting. For purposes of this section, electronic mail notice is written notice.

V.

RIGHTS, POWERS, AND DUTIES OF TRUSTEES; QUORUM AND VOTING

A. Rights, Powers, and Duties. In addition to all other powers and duties conferred on them by this Trust document and imposed or authorized by law, the Trustees shall have the following powers and duties, but only to the extent permissible for a single purpose non-profit trust under Section 222.002(c)(5) of the Texas Insurance Code:

1. The Trustees shall carry out all of the duties necessary for the proper operation and administration of the Trust on behalf of the covered persons and shall have all the powers necessary and desirable for the effective administration of the affairs of the Trust.

2. The Trustees have the general power to make and enter into all contract, leases, and agreements necessary or convenient to carry out any of the powers granted by this Trust document or by law or to effectuate the purpose of the Trust. All such contracts, leases, and agreements or any other legal documents herein authorized shall be approved by the Trustees by majority vote at a duly called meeting at which a quorum is present and signed by the Chairman on behalf of the Trust. The Trustees may also designate another Trustee to sign such documents.

3. The Trustees shall use the Trust's funds to accomplish the purpose of the Trust, as described in Section II herein, and to operate and administer the Trust solely in the interest of the covered City officers, employees, and qualified retirees and depends thereof and for the exclusive purpose of providing or offering benefits to such person and defraying the reasonable expenses of administration of the Trust. To this end, the Trustees may purchase life, disability, or accident and health insurance to provide or offer coverage for participating City officers, employees, and qualified retirees and their dependents. The Trustees may also adopt a health benefits plan that covers eligible City officers, employees, and qualified retirees, and their dependents.

4. The Trustees may accept contributions to the Trust funds from any source including contributions from covered persons receiving benefits from the Trust.

5. The Trustees shall be authorized to contract with any qualified organization to perform any of the functions necessary for providing or offering life, disability, sick, accident, and other health benefits, including but not limited to excess loss insurance, stop loss insurance, claims administration, administrative services, and any others services that the Trustees shall deem expedient for the proper operation of the Trust. When required by law or desired by the Trustees, the Trustees shall seek sealed competitive bids or sealed competitive proposals with respect to contracts required to carry out the operation of the Trust and affect the purpose of the Trust.

6. The Trustees shall arrange for the investing of the funds of the Trust so as to keep the same invested according to law and at the best interest rates obtainable for the benefit of the covered persons. The Trustees may hire money managers and shall adopt an investment policy for its own use and that of its agents in making investments. The Trustees shall select a depository for the Trust's funds and provide the proper security for any and all investments. The Trustees shall designate signatories for the Trust's depository accounts.

7. The Trustees may purchase insurance for the Trustees and any other fiduciaries appointed by the Trustee and for the Trust itself to cover liability or losses occurring by reason of the act or omission of anyone or more of the Trustees or any other fiduciary appointed by them. Any insurance purchased by the Trustees must give the insurer recourse against the Trustees or other fiduciaries concerned for breach of any fiduciary obligation or fiduciary duty owed to the Trust.

8. The Trustees shall arrange for proper accounting and reporting procedures for the Trust's funds and shall also provide for an annual audit of the Trust's financial affairs by a certified public accountant.

9. The Trustees may retain legal counsel to represent the Trust and the Trustees in all legal proceedings as well as to advise the Trust and the Trustees on all matters pertaining to the operation and administration of the Trust.

10. The Trustees have the authority to terminate the Trust at any time.

11. Upon termination of the Trust, the Trustees shall provide for the payment of the Trust obligations, debts, losses, and other liabilities and shall provide for the disposition of the remaining Trust funds in accordance with Section IX herein.

B. Quorum and Voting. A majority of the Trustees shall constitute a quorum for the transaction of business at any meeting of the Trustees and the vote of a majority of the Trustees present shall be required for approval of any action at such meeting. The vote of such majority of the Trustees as such meeting shall constitute action of the Trustees as a group.

VI.

BENEFICIARIES

The beneficiaries of the Trust are the City officers, employees, and qualified retirees and their dependents who are covered by a life, disability, sick, accident, or other health benefits plan purchased or adopted by the Trust (also called “covered persons” herein). Beneficiaries may make contributions to the Trust for use by the Trustees in fulfilling the purposes of the Trust. No beneficiary shall have any claim against the funds or any other property of the Trust. The rights and interest of the beneficiaries are limited to the insurance or health benefits specified in any policy purchased or plan adopted by the Trustees.

VII.

TRUST FUNDS

The Trust funds consist of the funds described in Schedule A hereto as provided by the Settlor to institute this Trust, future contributions by the Settlor, beneficiary contributions, investment income, and any other money or property which shall come into the hands of the Trustees in connection with the administration of the Trust. The funds of the Trust shall not inure to the benefit of, or be distributed to, any private person, except for the payment of necessary costs and benefits described below. The Trustees may use the Trust’s funds as follows:

1. To pay on group health, accident and life insurance policies or contracts;
2. To make authorized investments and paying fund management fees from the proceeds of the investment.

VII.

LIABILITY OF TRUSTEES AND OFFICERS

The Trustees shall use ordinary care and reasonably diligence in the exercise of their powers and the performance of their duties hereunder; and they shall not be liable for any mistake of judgment or other action made, taken or omitted by them in good faith, nor for any action taken or omitted by any agent, employee or independent contractor selected with reasonable care; nor for loss incurred through investment of the Trust funds or failure to invest. No Trustee shall be liable for any action taken or omitted by any other Trustee. No Trustee shall be required to give a bond or other security to guarantee the faithful performance of his or her duties hereunder. To the fullest extent permitted by law: (a) the City shall indemnify each Trustee who was, is, or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding (“Proceeding”), any appeal therein, or any inquiry or investigation preliminary thereto, by reason of the fact that the Trustee is or was a Trustee; (b) the City shall pay or reimburse a Trustee for expenses incurred (i) in advance of the final disposition of a Proceeding to which such Trustee was, is or is threatened to be made a party, and (ii) in connection with the Trustee’s appearance as a witness or other participant in any Proceeding.

IX.

AMENDMENT, REVOCATION AND TERMINATION

This Declaration of Trust and the Trust created herein shall terminate when and if required by operation of law. The Trustee shall have the power to amend, modify, terminate or revoke, in whole or in part, this Declaration of Trust and the Trust created herein by majority vote a duly called meeting at which a quorum is present. Notwithstanding the foregoing, the Trustees shall have no power to amend Section II of this Declaration of Trust. Beneficiaries of the Trust shall have no right to amend this Declaration of Trust, and their approval shall not be a condition or requirement for an authorized amendment by the Trustees. Upon termination of the Trust, the Trustees shall pay all obligations, debts, losses, and other liabilities of the Trust. Thereafter, the Trustees shall first use the remaining trust funds to pay covered claims of persons covered under the City's health benefits plan that may be in effect at the time of termination of the Trust and then, either apply any remaining balance of the funds to provide the benefits described herein or transfer such funds to a success whose income is excluded under Section 115(1) of the Code. Notwithstanding the foregoing, the Trustees, upon termination of the Trust and payment of all Trust obligations may, by vote of a majority of the Trustees, transfer the remaining funds or any portion thereof to the trustees of any trust or trusts established by the City for a substantially similar purpose to be applied for uses substantially similar to those set forth in Section II herein.

X.

GOVERNING LAW

This Declaration of Trust and the Trust created herein shall be construed and governed by the laws of the State of Texas in force from time to time.

XI.

MISCELLANEOUS

Whenever the context so admits and such treatment is necessary to interpret this Declaration of Trust in accordance with its apparent intent, the use herein of the singular shall include the plural, and vice versa, and the use of the feminine, masculine, or neuter gender shall be deemed to include the other genders.

The captions or headings above the various Sections of this Declaration of Trust have been included only to facilitate the location of the subjects covered by each Section but shall not be used in construing this Declaration of Trust.

If any clause or provision of this Declaration of Trust proves to be or adjudged invalid or void for any reason, such invalid or void clause, provision, or portion shall not affect the whole, but the balance of the provisions hereof shall remain operative and shall be carried into effect insofar as is legally possible.

[REMAINDER OF PAGE INTENTIONALLY BLANK; SIGNATURE PAGE FOLLOWS]

ACKNOWLEDGMENTS

THE STATE OF TEXAS §
 §
COUNTY OF DENTON §

This instrument was acknowledged before me on this _____ day of _____, 2017,
by Bill Heidemann, Mayor of the City of Corinth, on behalf of Settlor.

Notary public in and for the State of Texas
My commission expires:_____

(SEAL)

THE STATE OF TEXAS §
 §
COUNTY OF DENTON §

This instrument was acknowledged before me on this _____ day of _____, 2017,
by Joe Harrison, Trustee.

Notary public in and for the State of Texas
My commission expires:_____

(SEAL)

THE STATE OF TEXAS §
 §
COUNTY OF DENTON §

This instrument was acknowledged before me on this _____ day of _____, 2017,
by Sam Burke, Trustee.

Notary public in and for the State of Texas
My commission expires:_____

(SEAL)

THE STATE OF TEXAS §
 §
COUNTY OF DENTON §

This instrument was acknowledged before me on this _____ day of _____, 2017,
by Scott Garber, Trustee.

Notary public in and for the State of Texas
My commission expires:_____

(SEAL)

THE STATE OF TEXAS §
 §
COUNTY OF DENTON §

This instrument was acknowledged before me on this _____ day of _____, 2017,
by Lowell Johnson, Trustee.

Notary public in and for the State of Texas
My commission expires:_____

(SEAL)

THE STATE OF TEXAS §
 §
COUNTY OF DENTON §

This instrument was acknowledged before me on this _____ day of _____, 2017,
by Don Glockel, Trustee.

Notary public in and for the State of Texas
My commission expires:_____

(SEAL)

SCHEDULE "A"

The following is a list of the assets initially transferred by the City of Corinth, Texas, to the Trust:

City of Corinth's first month contributions for Employee and Dependents medical/pharmacy Benefits, life insurance, disability insurance, and accidental death and dismemberment insurance.

City of Corinth's Employee and Dependents first month of Plan Year's payroll deductions or contributions for medical/pharmacy benefits, life insurance, disability insurance, and accidental death and dismemberment insurance.

City Council Special Session

Meeting Date: 08/10/2017

Title: Blue Cross Blue Shield of Texas Medical Proposal

Submitted For: Bob Hart, City Manager

Submitted By: Guadalupe Ruiz, Director

Finance Review: Yes

Legal Review: N/A

City Manager Review: Approval: Bob Hart, City Manger

AGENDA ITEM

Consider and act on the acceptance of BlueCross BlueShield of Texas' proposal for City's employee medical insurance benefits for FY 2017-2018, and authorization for the City Manager to execute any necessary documents.

AGENDA ITEM SUMMARY/BACKGROUND

The City of Corinth solicited proposals for the City's employee medical insurance benefits for the 2017-2018 fiscal year. Only two qualified proposals for medical insurance benefits were received during the Request for Proposals (RFP) process which closed on June 1, 2017.

After review and evaluation of benefits and proposed costs, our benefits consultant (IPS Advisors, LLP) initiated negotiations. The renewal with the current carrier (BCBS) represented a 36.20% increase over the rates for the 2016-2017 fiscal year (the other respondent's proposal represented a 78.8% increase). After negotiations, the proposal from BlueCross BlueShield of Texas represented a 21% increase.

Because the City was financially unable to meet the requirements to remain with the current plan, changes were made to the plan representing a 8.9% increase. The changes include paying co-insurance after the deductible has been met, and a narrower medical network. These rates are guaranteed until September 30, 2018.

The City anticipates an annual reduction of up to 1.75% of its employee medical insurance premiums on state taxes after establishing the Non-Profit Employee Benefits Trust.

BENEFIT

The City will offer two High Deductible Health Plans with a Health Savings Account (HSA). Both plans (Base and Buy-Up) will require paying a coinsurance after the deductible has been met. The Base plan will have a narrower medical network. The Buy-Up plan will allow employees to keep the current medical network.

Full Time Employees - City funding will continue to be 100% of the employee only coverage of the Base plan premium. City funding for the dependent cost will continue at 75% of the Base plan premiums. The HSA contribution from the City will remain at \$1,000 per employee per year.

Part Time (0.5 FTE) Employees - City funding for the employee only coverage will continue to be 50% of the Base plan premium. The City funding for the dependent cost will continue to be 0% of the Base plan premiums. The HSA contribution from the City will remain at \$500 per employee per year. Above City contributions are regardless of the plan selected by the employee.

RECOMMENDATION

Staff recommends acceptance of BlueCross BlueShield of Texas' proposal for City's employee medical insurance benefits for FY 2017-2018, and authorization for the City Manager to execute any necessary documents.

Source of Funding: FY 2017-2018 Budget

FINANCIAL SUMMARY:

For the City, the proposal represents an 8.9% increase or \$207,892 compared to FY 16-17 budgeted rates for all funds.

Attachments

BlueCross BlueShield of Texas Proposed Rates



City Of Corinth

Prospective Premium Projection
for the period
October 1, 2017 - September 30, 2018

Fully Insured 2017

Presented by:

Nathan Hurley
BLUE CROSS BLUE SHIELD OF TEXAS



City Of Corinth

Prospective Premium Projection

October 1, 2017 - September 30, 2018

Fully Insured 2017

Affordable Care Act (ACA) Disclaimer

If your existing group health plan or group health insurance coverage (each "plan") was in effect on March 23, 2010, it may be a "grandfathered health plan" as that term is defined in the Affordable Care Act and related regulations (currently 75 Fed. Reg. 34538). "

Federal regulations have been published regarding the maintenance and loss of grandfathered health plan status. We encourage you to confer with your own legal counsel to determine what benefit changes or other events may cause the loss of grandfathered health plan status and to evaluate the benefit options that are most suitable for you.

The following proposed benefit programs are not considered "grandfathered health plans".

City Of Corinth
 Prospective Premium Projection
 for the period
 October 1, 2017 - September 30, 2018
 Fully Insured 2017

RATE DEVELOPMENT
 Please refer to the ACA Disclaimer regarding benefits and final pricing.

		PPO
Premium at Current Rates		\$2,199,581
Rate Action		21.0 %
Requested Premium at Renewal Rates *		\$2,661,484
Allocated Taxes and Fees		\$45,458
	Lives	Current
HSA 2600		Renewal *
Single	58	\$695.90
Single + Spouse	9	\$1,530.96
Single + Child(ren)	32	\$1,252.60
Family	40	\$2,226.86
		\$842.03
		\$1,852.46
		\$1,515.64
		\$2,694.50
HCSC & Medicare Total	139	
		SOLD
HSA 2600		
Single		\$791.55
Single + Spouse		\$1,741.41
Single + Child(ren)		\$1,424.78
Family		\$2,532.97

		SOLD
HSA 2600 Blue Essentials		
Single		\$757.58
Single + Spouse		\$1,666.67
Single + Child(ren)		\$1,363.63
Family		\$2,424.25

**Total premium due includes the effects of Health Insurer Fees and Reinsurance Fees (including but not limited to successor or alternate programs), if any, plus any federal and state taxes applicable to the fees for (BCBSTX) products/services.*

City Of Corinth
Prospective Premium Projection
October 1, 2017 - September 30, 2018
Fully Insured 2017

CONDITIONS AND CAVEATS
Please refer to the ACA Disclaimer regarding benefits and final pricing.

Notwithstanding anything in the renewal or proposal to the contrary, BCBSTX reserves the right to revise or withdraw our offer or to change our charge for the cost of coverage (premium or other amounts) at any time before or during the contract period if any local, state or federal legislation, regulation, rule or guidance (or amendment or clarification thereto) is enacted or becomes effective/implemented, which would require BCBSTX to pay, submit or forward, on its own behalf or on the Employer Group's behalf, any additional tax, surcharge, fee, or other amount (all of which may be estimated, allocated or pro-rated amounts).

NOTICE: AFFORDABLE CARE ACT (ACA) FEES

ACA established a number of taxes and fees that will affect our customers and their benefit plans. Two of those fees are: (1) the Annual Fee on Health Insurers or "Health Insurer Fee"; and (2) the Transitional Reinsurance Program Contribution Fee or "Reinsurance Fee." Both the Reinsurance Fee and Health Insurer Fee began in 2014.

Section 9010(a) of ACA requires that "covered entities" providing health insurance ("health insurers") pay an annual fee to the federal government, commonly referred to as the Health Insurer Fee. The amount of this fee for a given calendar year is determined by the federal government and involves a formula based in part on a health insurer's net premiums written with respect to health insurance on certain health risk during the preceding calendar year. This fee helps fund premium tax credits and cost-sharing subsidies offered to certain individuals who purchase coverage on health insurance exchanges.

In addition, ACA Section 1341 provides for the establishment of a temporary reinsurance program(s) for a three (3) year period (2014-2016) which is funded by Reinsurance Fees collected from health insurance issuers and self-funded group health plans. Federal and state governments provide information as to how these fees are calculated. Federal regulations establish a flat, per member, per month fee. The temporary reinsurance programs, funded by these Reinsurance Fees, help to stabilize premiums in the individual market.

Your premium, which already accounts for current applicable federal and state taxes, includes the effects of the Health Insurer and Reinsurance Fees. These rates may be adjusted on an annual basis for any incremental changes in Health Insurer Fees and Reinsurance Fees.

The Affordable Care Act establishes a minimum value standard of benefits of a health plan. The minimum value standard is 60% (actuarial value). This health coverage does meet the minimum value standard for the benefits it provides.

After the initial benefit plan design(s) is quoted, HCSC will not be providing a Minimum Value determination for any requested alternative benefit plan design(s). After you have notified HCSC of your final benefit plan design selection(s) for the upcoming policy year or renewal period, a statement indicating whether each selected benefit plan design meets/does not meet Minimum Value standards will be included in the corresponding Summary of Benefits and Coverage document(s) provided by HCSC.

Rates are projected to be effective for the 12-month period beginning on the effective date indicated.
Final rates may vary based on actual enrollment results.

This renewal offer assumes BCBSTX will remain the exclusive carrier.

The total annual premiums are based upon the total current enrollment and contract distribution as indicated.

If the enrollment or contract distribution varies by more than 10% in total or in each coverage independently, we reserve the right to re-rate.

The minimum participation requirement is 75% without waivers and 65% with valid waivers in order for coverages to be issued.

The employer maintaining the current contribution schedule.

Annual open enrollment.

Upon inquiry from employer groups, BCBSTX will provide information to the employer group regarding commissions and other compensation paid to the employer's agent by BCBSTX in connection with the employer's policy or contract with BCBSTX.

Quote includes net of commissions.

BENEFIT HIGHLIGHTS *Prepared for City of Corinth*

BlueChoice Network

Effective Date: 10/01/2017

BA# BA 0001

****This is a general summary of your benefits.** Please refer to your Summary of Benefits and Coverage (SBC), or you may request a copy of the policy or plan document for additional details and a description of the plan requirements and benefit design. This plan does not cover all health care expenses. Please carefully review the plan's limitations and exclusions.

Overall Payment Provisions	In-Network Benefits	Out-of-Network Benefits
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Deductible

Calendar Year Deductible
 Applies to all Eligible Expenses (unless otherwise indicated)
 Applies to Out-of-Pocket Maximum
Family coverage: When one family member meets the individual Deductible, benefits become available under the plan for that individual.
 NOTE: The individual Deductible amount must be equal to or greater than the minimum family Deductible amount. This qualification is established by the U. S. Treasury for a plan to be considered a qualified HSA plan.
 Deductible credit from prior carrier (applied on initial group enrollment only)

\$2,600 Individual /
\$5,200 Family

\$5,200 Individual /
\$10,400 Family

Yes

Yes

Out-of-Pocket Maximum

Standard (2014 forward)

\$4,000 Individual /
\$8,000 Family

\$8,000 Individual /
\$16,000 Family

Deductible applies to Out-of-Pocket

Yes – no option

Yes

Network Deductible & Out-of-Pocket will only apply toward Network Deductible & Out-of-Pocket Maximum

Out-of-Network Deductible & Out-of-Network Out-of-Pocket will only apply toward Out-of-Network Deductible & Out-of-Network Out-of-Pocket Maximum

Credit for Out-of-Pocket Maximum from prior carrier (applied on initial group enrollment only)

Yes No

Yes No

Maximum Lifetime Benefits

Per Participant

BlueEdge CDHP Health Savings Account

CDHP Prefix / EIC code: _____

Order of Payment (CDHP Stacking)

Unlimited

Stack #1: HSA

Inpatient Hospital Expenses

Inpatient Hospital Expenses

All services must be preauthorized

Inpatient Hospital Expenses

Each admission must be preauthorized

All usual Hospital services and supplies, including semiprivate room, intensive care, and coronary care units

Penalty for failure to preauthorize services

80% of Allowable Amount after
Deductible

60% of Allowable Amount after
Deductible

None

\$250

Medical/Surgical Expenses

Medical / Surgical Expenses

-Services performed during the Physician's office, including lab & x-ray

80% of Allowable Amount after

60% of Allowable Amount after

BENEFIT HIGHLIGHTS *Prepared for City of Corinth*

Effective Date: 10/01/2017

BA# BA 0001

BlueChoice Network

-Lab & x-ray in other outpatient facilities	<i>Deductible 80% of Allowable Amount after Deductible</i>	<i>Deductible 60% of Allowable Amount after Deductible</i>
-Physician surgical services performed in any setting	<i>80% of Allowable Amount after Deductible</i>	<i>60% of Allowable Amount after Deductible</i>
-Physician inpatient hospital visits	<i>80% of Allowable Amount after Deductible</i>	<i>60% of Allowable Amount after Deductible</i>
-Certain Diagnostic Procedures; such as Bone Scan, Cardiac Stress Test, CT Scan (with or without contrast), MRI, Myelogram, PET Scan.	<i>80% of Allowable Amount after Deductible</i>	<i>60% of Allowable Amount after Deductible</i>
-Home Infusion Therapy (<i>Services must be preauthorized</i>)	<i>80% of Allowable Amount after Deductible</i>	<i>60% of Allowable Amount after Deductible</i>
-All other outpatient services and supplies	<i>80% of Allowable Amount after Deductible</i>	<i>60% of Allowable Amount after Deductible</i>
Virtual Visit MDLIVE (standard offering) Note: Must mirror PCP office visit benefit Medical & Behavioral Health Medical	<i>80% of Allowable Amount after Deductible</i>	<i>60% of Allowable Amount after Deductible</i>
Note: Behavioral Health benefit must mirror benefit under Mental Health and Substance Use Disorder Behavioral Health	<i>80% of Allowable Amount after Deductible</i>	<i>60% of Allowable Amount after Deductible</i>
Note: Behavioral Health Virtual Visit applies to MHP		
In Vitro Fertilization Services	<i>Not Covered</i>	

Extended Care Expenses	In-Network Benefits	Out-of-Network Benefits
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<p>Extended Care Expenses (must be preauthorized)</p> <ul style="list-style-type: none"> Skilled Nursing Facility Home Health Care Hospice Care 	<p>80% of Allowable Amount after Deductible Limited to 25 day maximum each Year*</p>	<p>60% of Allowable Amount after Deductible Limited to 60 visit Maximum each Year* Unlimited</p>
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Special Provisions Expenses		
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<p>Mental Health (Serious Mental Illness (SMI) included) and Chemical Dependency (Substance Use Disorder)</p> <p>Inpatient Services Inpatient Chemical Dependency treatment must be provided in a Chemical Dependency/Residential Treatment Center (RTC)</p> <ul style="list-style-type: none"> -Hospital services (facility) -Physician services <p>Penalty for failure to preauthorize services Preauthorization required for inpatient, residential treatment centers (RTC), partial hospital program admissions, and certain outpatient professional services</p> <p>Outpatient</p> <ul style="list-style-type: none"> -Services performed during Physician office visit/consultation (does not include psychological testing) -All outpatient services and psychological testing 	<p>80% of Allowable Amount after Deductible</p> <p>80% of Allowable Amount after Deductible</p> <p>None</p>	<p>60% of Allowable Amount after Deductible</p> <p>60% of Allowable Amount after Deductible</p> <p>\$250</p>
	<p>80% of Allowable Amount after Deductible</p> <p>80% of Allowable Amount after Deductible</p>	<p>60% of Allowable Amount after Deductible</p> <p>60% of Allowable Amount after Deductible</p>

<p>Emergency Room/Treatment Room</p> <p>Accidental Injury & Emergency Care</p> <ul style="list-style-type: none"> -Facility charges -Physician charges <p>Non-Emergency Care</p> <ul style="list-style-type: none"> -Facility charges -Physician charges 	<p>80% of Allowable Amount after Deductible</p> <p>80% of Allowable Amount after Deductible</p>	<p>60% of Allowable Amount after Deductible</p> <p>60% of Allowable Amount after Deductible</p>
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<p>Urgent Care Services</p> <p>Urgent Care center visit, including lab & x-ray services</p> <p>Certain Diagnostic Procedures; such as Bone Scan, Cardiac Stress Test, CT Scan (with or without contrast), MRI, Myelogram, PET Scan, surgical procedures and all other services and supplies</p>	<p>80% of Allowable Amount after Deductible</p> <p>80% of Allowable Amount after Deductible</p>	<p>60% of Allowable Amount after Deductible</p> <p>60% of Allowable Amount after Deductible</p>
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Ground and Air Ambulance Services	100% of Allowable Amount after Deductible	
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<p>Preventive Care</p> <p>Routine annual physical examinations, well-baby care exams, immunizations, and any other preventive health services as determined by USPSTF</p> <p>Immunizations for dependent children through the date of the child's 6th birthday</p>	<p>100% of Allowable Amount</p> <p>100% of Allowable Amount</p>	<p>100% of Allowable Amount after Deductible</p> <p>100% of Allowable Amount</p>
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* Benefits used In-Network and Out-of-Network will apply toward satisfying any Annual Maximum benefits indicated.

Special Provisions Expenses, cont.

	<i>In-Network Benefits</i>	<i>Out-of-Network Benefits</i>
<p>Speech and Hearing Services Services to restore loss of or correct an impaired speech or hearing function Hearing Aids Hearing Aid Maximum</p>	<p>Covered same as any other sickness 80% of Allowable Amount after Deductible Hearing aids are subject to 1 per ear per 36 month period</p>	<p>Covered same as any other sickness 60% of Allowable Amount after Deductible</p>
<p>Organ and Tissue Transplant Services All services must be preauthorized</p>	<p>Covered same as any other sickness Refer to benefit booklet for details</p>	<p>Covered same as any other sickness Refer to benefit booklet for details</p>
<p>Physical Medicine Services Physical Medicine Services (includes, but is not limited to physical, occupational, and manipulative therapy) Maximum</p>	<p>80% of Allowable Amount after Deductible Limited to 35 visit maximum each Year*</p>	<p>60% of Allowable Amount after Deductible</p>

* Benefits used In-Network and Out-of-Network will apply toward satisfying any Annual Maximum benefits indicated.

Pharmacy Benefits

	<i>Participating Pharmacy*</i>	<i>Non-Participating Pharmacy (member files claim)</i>
<p>Prime Therapeutics Drug List**</p>	<p><input checked="" type="checkbox"/> Enhanced (Previously drug list 2) <input type="checkbox"/> Performance (closed formulary) (UM package for this drug list will automatically apply)</p>	<p>Note: For non-grandfathered insured business, enhanced is standard. Non-grandfathered insured business may optionally select Performance.</p>
<p>Compound Drugs</p>	<p>Not Covered (2015 Standard)</p>	
<p>Non-sedating antihistamine (NSA) drugs and combination medications containing a non-sedating antihistamine and decongestant</p>	<p>Exclude prescription strength NSA's (2015 standard)</p>	
<p>Proton Pump Inhibitors <small>NOTE: For the Performance drug list, coverage will be based on the drug formulary. Customization is not allowed.</small></p>	<p>Generics coverage only (2016 Standard)</p>	
<p>Prescription medications even if they have over-the-counter (OTC) equivalents</p>	<p>Not covered Exclude prescription orders for which there is an OTC product available with the same active ingredient(s) in the same strength (standard exclusion). Cover Omeprazole 20 mg Yes</p>	
<p>Deductible and Out of Pocket Accums-Integrated is the Standard option for HSA.</p>		
<p>Integrated RX Accum The drug deductible and Out-of-Pocket is the same as the medical Deductible and /Out-of-Pocket. All benefits, including prescription drug benefits (retail and mail order) must apply to the plan's overall Deductible and Out-of-Pocket Maximum.</p>		
<p>Vaccinations obtained through Pharmacies***</p>	<p>Yes, all ACA vaccines, including flu covered at pharmacies participating in Prime's Vaccination Network only: Zero Copayment Deductible does not apply (No OON Benefits)</p>	
<p>Specialty Drugs†</p>	<p>Available at ANY retail pharmacy. <small>NOTE: For the Performance drug list, coverage will be based on the drug formulary. Customization is not allowed.</small></p>	
<p>Retail Pharmacy (Benefit payments are based on a 30-day supply. With appropriate prescription order, up to a 90-day supply is available.)</p>	<p>80% of Allowable Amount after the Deductible****</p>	
<p>Preferred Network Pharmacy Differential <small>Note: A differential is required if Preferred network is selected. If it is not selected, Advantage network applies by default.</small></p>	<p><input type="checkbox"/> Flat – Additional \$5 generic/\$10 preferred and non-preferred brand member cost share <input type="checkbox"/> Percent – Additional 5% generic/10% preferred and non-non preferred brand member cost share</p>	

BlueEdge HSA Insured – Embedded with Network Deductible



	<input type="checkbox"/> Mixed – Additional \$5 generic/10% preferred and non-preferred brand member cost share <input type="checkbox"/> Other:
Mail Order Program (Benefit payments are based on a 30-day supply. With appropriate prescription order, up to a 90-day supply is available.)	80% of Allowable Amount after the Deductible****

MAC 3 - Generic Incentive-Members who purchase Preferred/Non-Preferred Brand Name Drugs when a Generic equivalent exists, will be required to pay the difference between the cost of the Generic and Preferred/Non-Preferred Brand Name Drug, plus the Preferred Brand Name Copayment Amount.

* To locate a preferred/ participating pharmacy in your area, go to myprime.com or contact customer service at the phone number on the back of your identification card.

**The standard and generics plus drug lists are available at: bcbstx.com/member/rx_drugs.html

***Select Participating Pharmacies have been contracted to provide vaccination services. Each pharmacy may have age, scheduling, or other requirements that will apply. Members are encouraged to contact the store in advance. **Benefit does not include childhood immunizations, subject to state regulations.**

**** Three-month Deductible carryover does not apply to prescription drug deductible.

†For more information on the specialty drug program, call Prime Specialty Pharmacy at (877)627-6337.

Diabetes Supplies are available under the Prescription Drug benefits of your plan. Diabetic Supplies include insulin and insulin analog preparations, insulin syringes necessary for self-administration, prescriptive and non-prescriptive oral agents, all required test strips and tablets which test for glucose, ketones, and protein, lancets and lancet devices, biohazard disposable containers, glucagon emergency kits, and other injection aids. All provisions of this portion of the plan will apply including Copayment Amounts and any pricing differences that may apply to the items dispensed.

Standard UM Programs (prior authorization and step therapy) and exclusions apply, including auto updates and FastPath.

Note: To confirm standard benefits, refer to the Pharmacy page on Product Central on FYIBlue.

± Please be reminded that Health Savings Accounts (HSA's) have tax and legal ramifications. Blue Cross and Blue Shield of Texas does not provide legal or tax advice, and nothing herein should be construed as legal or tax advice. These materials, and any tax-related statements in them, are not intended or written to be used, and cannot be used or relied on, for the purpose of avoiding tax penalties. Tax-related statements, if any, may have been written in connection with the promotion or marketing of the transaction(s) or matter(s) addressed by these materials. You should seek advice based on your particular circumstances from an independent tax advisor regarding the tax consequences of specific health insurance plans or products.

EMPLOYER INFORMATION RATES

Plan I - Two Rate Structure

Employee Only	\$
Employee + Dependent(s)	\$

Plan I – Three Rate Structure

Employee Only	\$
Employee + 1 Dependent	\$
Employee + 2 or more Dependents	\$

Plan I – Four Rate Structure

Employee Only	\$
Employee + Child(ren)	\$
Employee + Spouse	\$
Employee + Family	\$

The above proposed rates are projected to be effective for the 12-month period beginning on the effective date of group coverage. Changes in enrollment and contribution will be addressed as stated in the Benefit Program Application (BPA).

 Group Executive Name and Title
 (Please type or print)

 Signature

 Date

 Agent of Record Name
 (Please print or type)

 Signature

 Date

 BCBSTX Representative Name

 Signature

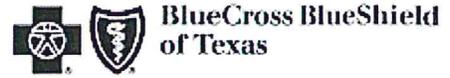
 Date

**BlueEdge HSA Insured – Embedded with
Network Deductible**



(Please print or type)

Blue Essentials AccessSM HSA – Fully Insured



BENEFIT HIGHLIGHTS *Prepared For City of Corinth*
 Effective Date: 10/01/2017
 Benefit Agreement #: **Alternate**

Blue Essentials NetworkSM

(Important Note: (Delete before external distribution) – Please fill out the benefits below according to the member share.

(Important Note: (Delete before external distribution) – This document does not replace the ACA required SBC. All benefit documents must be completed and emailed to ACA-Uniform Summaries. The SBC must be given to the group during their open enrollment period.)

This is a general summary of your benefits. Please refer to your Summary of Benefits and Coverage (SBC) for additional details and a description of the plan requirements and benefit design. This plan does not cover all health care expenses. Please carefully review the plan's limitations and exclusions.

HSA Plan Association	
<input type="checkbox"/> Incentives (Must include Incentive Matrix) <input type="checkbox"/> Limited Purpose HCA (213(d) Grouping 8) HO-Health Only <input type="checkbox"/> Vitality HCA (Must include Incentive Matrix)	
Health Savings Account Administrator	
<input type="checkbox"/> BenefitWallet (Mellon Bank) <input type="checkbox"/> HSA Bank <input checked="" type="checkbox"/> Other: Name: Optum If this is a HSA compatible HDHP only please indicate "Unknown - HDHP only"	
Deductible	
<input type="checkbox"/> Plan <input checked="" type="checkbox"/> Calendar Year	
Per Individual Member Per Family <input type="checkbox"/> Aggregate <input checked="" type="checkbox"/> Embedded Deductible credit from prior carrier (Applied on initial group enrollment only)	\$2,600 \$5,200 Yes
<i>Common (One deductible that applies to Inpatient Facility and Medical / Surgical Services)</i>	
Out-of-Pocket Maximums	
Per Individual Member Per Family (Must match Deductible "Family Coverage" choice above) <input type="checkbox"/> Aggregate <input checked="" type="checkbox"/> Embedded Credit for Out-of-Pocket Maximum from prior carrier (applied on initial group enrollment only)	\$4,000 \$8,000 Yes

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Deductible applies to Out-of-Pocket
Copayment applies to Out-of-Pocket

Yes
Yes

Professional Services

Primary Care Physician (“PCP”) Office or Home Visit

Participating Specialist Physician (“Specialist”) Office or Home Visit

20% coinsurance after deductible

20% coinsurance after deductible

Inpatient Hospital Services

Inpatient Hospital Services
Per Admission Copay

Inpatient Services

Penalty for failure to preauthorize services

Tubal Ligation

No

20% coinsurance after deductible

None

Deductible Applies Yes
then 20% coinsurance
standard: 0%-50%

Outpatient Facility Services

Outpatient Surgery

Outpatient Hospital Based Infusion Therapy

Radiation Therapy

Dialysis

20% coinsurance after deductible

20% coinsurance after deductible

20% coinsurance after deductible

20% coinsurance after deductible

Outpatient Diagnostic Laboratory and X-Ray Services

Arteriograms, Computerized Tomography (CT Scan), Magnetic Resonance Imaging (MRI), Electroencephalogram (EEG), Myelogram, Positron Emission Tomography (PET Scan) (per procedure)
Other Outpatient Lab

Other X-Ray Services

20% coinsurance after deductible

20% coinsurance after deductible

20% coinsurance after deductible

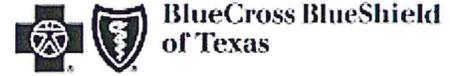
Rehabilitation Services

Blue Essentials AccessSM HSA – Fully Insured



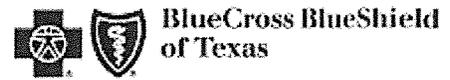
Rehabilitation Services and Therapies	
PCP	20% coinsurance after deductible Copay after deductible
Specialist	20% coinsurance after deductibl Copay after deductible
Inpatient Hospital Services	20% coinsurance after deductible
Outpatient Facility Services (as applicable)	20% coinsurance after deductible
Maternity Care and Family Planning Services	
Maternity Care	
Prenatal and Postnatal Visit	
PCP	20% coinsurance
Specialist	20% coinsurance
Inpatient Hospital Services	20% coinsurance after deductible
Voluntary sterilization	
Vasectomy	20% coinsurance after deductible
PCP	20% coinsurance after deductible
Specialist	20% coinsurance after deductible
Outpatient Surgery Services (as applicable)	20% coinsurance after deductible
Infertility Services	
Diagnostic counseling, consultations, planning and treatment services	
PCP	20% coinsurance after deductible
Specialist	20% coinsurance after deductible
Artificial insemination, for each procedure and all services related to procedure (cost of sperm not covered) (optional)	
PCP	20% coinsurance after deductible
Specialist	20% coinsurance after deductible
Outpatient Surgery Services (as applicable)	20% coinsurance after deductible
Pregnancy Terminations	
Limited to Medically Necessary therapeutic terminations of pregnancy	
PCP	20% coinsurance after deductible

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Specialist	20% coinsurance
Inpatient Hospital Services	20% coinsurance after deductible
Outpatient Surgery Services (as applicable)	20% coinsurance after deductible
Behavioral Health Services	
Outpatient Mental Health Care	Covered / Same as any other illness
Mental Health (Serious Mental Illness (SMI) included)	Covered / Same as any other illness
Chemical Dependency (Substance Use Disorder) Services	Covered / Same as any other illness
Emergency Care Services	
Emergency Care- Facility	20% coinsurance after deductible
Emergency Care- Physician	20% coinsurance after deductible
Urgent Care Center	20% coinsurance after deductible
Ambulance Services	
Ambulance Services	20% coinsurance after deductible
Extended Care Services	
Skilled Nursing Facility Services	20% coinsurance after deductible Benefit Standard: 0%-50% Day limit per calendar year <u>60</u> Alternate day-limit standards: 30-180 days per Calendar Year
Hospice Care	20% coinsurance after deductible
Home Health Care	20% coinsurance after deductible
Health Maintenance and Preventive Services	
Well child care through age 17	0 - No Deductible
Periodic health assessments for Members age 18 and older	0 - No Deductible
Immunizations	
• Childhood immunizations required by law for Members through age 6	0 - No Deductible
• Immunizations for Members over age 6	0 - No Deductible
Eye and ear screenings for Members through age 17, once every twelve months	same as PCP copay or Specialist copay

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Eye and ear screening for Members age 18 and older, once every two years	same as PCP copay or Specialist copay
Preventive Lab & X-Ray Services <ul style="list-style-type: none"> Outpatient Lab, includes independent lab X-Ray services, includes routine EKG 	<p>0 - No Deductible</p> <p>0 - No Deductible</p>
Exam for prostate cancer, once every twelve months	0 - No Deductible
Bone mass measurement for osteoporosis	0 - No Deductible
Well-woman exam, once every twelve months, includes, but not limited to, exam for cervical cancer (Pap smear)	0 - No Deductible
Screening mammogram for female Members age 35 and over and for female Members with other risk factors, once every twelve months <ul style="list-style-type: none"> Outpatient facility or imaging centers 	0 - No Deductible
Family Planning Services: <ul style="list-style-type: none"> Diagnostic counseling, consultations and planning services Insertion or removal of intrauterine device (IUD), including cost of device Diaphragm or cervical cap fitting, including cost of device Insertion or removal of birth control device implanted under the skin, including cost of device Injectable contraceptive drugs, including cost of drug Contraceptive Services Supplies-Certain FDA approved contraceptive methods for women, female sterilization procedures and devices included on the Contraceptive Drug & Devices list Breastfeeding Support and Counseling Services 	0 - No Deductible
Hearing Loss <ul style="list-style-type: none"> Screening test from birth through 30 days Follow-up care from birth through 24 months 	<p>0 - No Deductible</p> <p>0 - No Deductible</p>
Rectal screening for the detection of colorectal cancer for Members age 50 and older: <ul style="list-style-type: none"> Annual fecal occult blood test, once every twelve months Flexible sigmoidoscopy with hemoccult of the stool, limited to 1 every 5 years Colonoscopy, limited to 1 every 10 years 	<p>0 - No Deductible</p> <p>0 - No Deductible</p> <p>0 - No Deductible</p>
Early detection test for cardiovascular disease	Limited to 1 test every 5 years, covered same as any other medical/surgical expense in accordance with state mandate
Early detection test for Ovarian Cancer	Same as PCP Copay or Specialist Copay Limited to 1 test every 12 months

Dental Surgical Procedures

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Dental Surgical Procedures (limited Covered Services)	
PCP	20% coinsurance after deductible
Specialist	20% coinsurance after deductible
Inpatient Hospital Services (as applicable)	20% coinsurance after deductible
Outpatient Surgery Services (as applicable)	20% coinsurance after deductible
Cosmetic, Reconstructive or Plastic Surgery	
Cosmetic, Reconstructive or Plastic Surgery (limited Covered Services)	
PCP	20% coinsurance after deductible
Specialist	20% coinsurance after deductible
Inpatient Hospital Services (as applicable)	20% coinsurance after deductible
Outpatient Surgery Services (as applicable)	20% coinsurance after deductible
Allergy Care	
Testing and Evaluation	20% coinsurance after deductible
Injections	20% coinsurance after deductible
Serum	20% coinsurance after deductible
Diabetes Care	
Diabetes Self-Management Training	
PCP	20% coinsurance after deductible
Specialist	20% coinsurance after deductible
Diabetes Equipment	20% coinsurance after deductible
Diabetes Supplies	20% coinsurance after deductible
Prosthetic Appliances and Orthotic Devices	
Prosthetic Appliances and Orthotic Devices	20% coinsurance after deductible
\$300 maximum benefit for purchase of one (1) wig needed as a result of current chemotherapy or radiation treatment for cancer; limited to initial breast prostheses and two (2) surgical brassieres after mastectomy	

Additional Options and Offers (Riders) - Standard

Durable Medical Equipment	
<p>Rental or purchase of DME (initial placement only, and standard replacements because of physical growth of members under age 18)</p> <p><i>DME additional benefit option must be selected for coverage of hearing aids</i></p>	<p><input type="checkbox"/> DM5 Deductible Applies Yes No Copay</p> <p><input checked="" type="checkbox"/> DM6 Deductible Applies Yes 20% coinsurance</p> <p><input type="checkbox"/> DM8 Deductible Applies: Yes General payment level (standard)</p>
Inpatient Mental Health Care	
<p>Copay-Same as that required for other Inpatient Hospital Services. If the plan has no copayment for Inpatient Hospital Service, there is no copayment for inpatient mental health care services under this additional benefit option.</p> <p><i>* IM5 can only be selected if the plan has a common plan deductible.</i></p>	<p><input checked="" type="checkbox"/> IM5 Deductible Applies Yes</p>
Additional Options for State Mandated Offerings	
<p>(Coverage provided for in vitro fertilization procedures to the same extent and at the same copayment levels as other pregnancy-related services (specific conditions must be met).</p> <p><i>Benefits also available for non-experimental fertility drugs (subject to a 50% Copayment).</i></p>	<p><input type="checkbox"/> IV1 – In Vitro Fertilization Deductible Applies Yes</p>

Pharmacy Benefits	
<p><input checked="" type="checkbox"/> Prescription Drug Benefits (Prime Therapeutics)</p> <p><input type="checkbox"/> Prescription Drug Benefits Carved Out</p>	

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<input type="checkbox"/> CVS/Caremark – Provide telephone number or other contact information, if available: _____ <input type="checkbox"/> Catamaran – Provide telephone number or other contact information, if available: _____ <input type="checkbox"/> Express Scripts/Medco – Provide telephone number or other contact information, if available: _____ <input type="checkbox"/> OptumRx – Provide telephone number or other contact information, if available: _____		
Drug List**	<input checked="" type="checkbox"/> <i>Enhanced (Previously drug list 2)</i> <input type="checkbox"/> <i>Performance (closed formulary) (UM package for this drug list will automatically apply)</i> <i>Note: For non-grandfathered insured business, enhanced is standard. Non-grandfathered insured business may optionally select Performance.</i>	
Compound Drugs	Not Covered	
Deductible and Out of Pocket Accum -Integrated is the Standard option for HSA.		
Integrated RX Accum The drug deductible and Out-of-Pocket is the same as the medical Deductible and /Out-of-Pocket. All benefits, including prescription drug benefits (retail and mail order) must apply to the plan's overall Deductible and Out-of-Pocket Maximum.		
Non-sedating antihistamine (NSA) drugs and combination medications containing a non-sedating antihistamine and decongestant	Exclude prescription strength NSAs	
Proton Pump Inhibitors <i>NOTE: For the Performance drug list, coverage will be based on the drug formulary. Customization is not allowed.</i>	<input checked="" type="checkbox"/> <i>Generics coverage only (mandatory for Performance)</i> <input type="checkbox"/> <i>Generics and Brands coverage</i>	
Prescription medications even if they have over-the-counter (OTC) equivalents	<i>Not covered:</i> <i>Exclude prescription orders for which there is an OTC product available with the same active ingredient(s) in the same strength (standard exclusion).</i> <i>Cover Omeprazole 20 mg-Yes</i>	
Vaccinations obtained through Pharmacies****	<input checked="" type="checkbox"/> <i>Yes</i> <input checked="" type="checkbox"/> <i>All ACA vaccines, including flu (standard)</i> <input type="checkbox"/> <i>Only flu vaccines</i> <input type="checkbox"/> <i>No</i> <i>Covered at pharmacies participating in Prime's Vaccination Network only:</i> <input checked="" type="checkbox"/> <i>Zero Copayment</i> <input type="checkbox"/> <i>Copayment Amount applies: select from drop down</i> Deductible does not apply	
Retail Pharmacy		
3 Tier	20% after deductible	Copay \$ n/a or 20% after deductible
Generic Drug	20% after deductible	Copay \$ n/a or 20% after deductible
Preferred Brand Name Drug	20% after deductible	Copay \$n/a or 20% after deductible
Non-Preferred Brand Name Drug		
Mail Order Program		

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(Copayment amounts are based on a 30-day supply. With appropriate prescription order, up to a 90-day supply is available. Copayment amounts apply to the Out-of-Pocket Maximum.)	
3 Tier	
Generic Drug	20% after deductible
Preferred Brand Name Drug	20% after deductible
Non-Preferred Brand Name Drug	20% after deductible
<p>Rx Enhanced (MAC II) - If the Allowable Amount of the drug is less than the Copayment, member pays the lower cost. Member pays no more than the applicable Preferred Drug or Non-Preferred Drug Copayment if the Prescription Order includes a valid dispensing directive prohibiting substitution of a generic equivalent (brand necessary or brand medically necessary) or if there is no generic equivalent. If member receives a name brand drug when product selection is permitted and when a generic equivalent is available, the Copayment will be the total of the Generic Drug Copayment plus the difference between the cost of the Generic Drug equivalent and the cost of the name brand drug</p> <p>****Select Participating Pharmacies have been contracted to provide vaccination services. Each pharmacy may have age, scheduling, or other requirements that will apply. Members are encouraged to contact the store in advance. Benefit does not include childhood immunizations, subject to state regulations.</p> <p>†For more information on the specialty drug program, call Prime Specialty Pharmacy at (877) 627-6337.</p> <p>Diabetes Supplies are available under the Prescription Drug benefits of your plan. Diabetic Supplies include insulin and insulin analog preparations, insulin syringes necessary for self-administration, prescriptive and non-prescriptive oral agents, all required test strips and tablets which test for glucose, ketones, and protein, lancets and lancet devices, biohazard disposable containers, glucagon emergency kits, and other injection aids. All provisions of this portion of the plan will apply including Copayment Amounts and any pricing differences that may apply to the items dispensed.</p> <p>Standard UM Programs (prior authorization and step therapy) and exclusions apply, including auto updates and FastPath.</p> <p>Note: To confirm standard benefits, refer to the Pharmacy page on Product Central on FYIBlue.</p>	

_____	_____	_____
Group Executive Name and Title (Please type or print)	Signature	Date
_____	_____	_____
Agent of Record Name (Please print or type)	Signature	Date
_____	_____	_____
BCBSTX Representative Name (Please print or type)	Signature	Date

CONSENT ITEM 3.

City Council Special Session

Meeting Date: 08/10/2017
Title: Lake Sharon Drive Paving, Drainage and Water Improvements Award of Bid
Submitted For: Fred Gibbs, Director **Submitted By:** Cindy Deckard, Coordinator
Finance Review: N/A **Legal Review:** N/A
City Manager Review: Approval: Bob Hart, City Manager

AGENDA ITEM

Discuss and consider awarding the Lake Sharon Drive Paving, Drainage and Water Improvements project to the lowest responsible bidder, Munilla Construction Management, LLC dba MCM, in the amount of \$5,064,468.47. The award includes the base bid amount of \$4,997,337.78 and the alternate bid amount of \$67,130.69.

AGENDA ITEM SUMMARY/BACKGROUND

The Lake Sharon Drive Paving, Drainage and Water Improvements extends Lake Sharon Drive from Oakmont Drive to the newly constructed FM 2499 approximately 0.6 miles to the west. The extension will match the current 4-lane, divided pavement section with landscaped medians and decorative lighting. The alternate bid includes a new informational monument sign to be constructed with the project. Sidewalks will be constructed on both sides of the roadway with a 4-way stop at the intersection of Navaho Trail. A multi-barrel box culvert will be constructed to elevate the roadway surface across the lake and above the 100-year floodplain elevation providing access and completing the Lake Sharon corridor between FM 2499 and Tower Ridge.

Bids were opened at 2:00 pm in the Council Chambers on July 17, 2017. A total of three bids were received ranging from \$5,064,468.47 to \$6,550,906.90. The low bidder was Munilla Construction Management, LLC dba MCM in the total amount of \$5,064,468.47. The project duration is 240 consecutive calendar days.

MCM is a Florida based company and has performed numerous projects for the Florida Highway Department. They have also completed one project for the TxDOT Denton office and are currently about halfway thru a second project. MCM is also the low bidder for TxDOT's FM 2181 project that will extend west from the recently completed section of FM 2181 located in Corinth.

RECOMMENDATION

Staff recommends that Council award the project to the low bidder, Munilla Construction Management, LLC dba MCM, in the amount of \$5,064,468.47.?

Attachments

Lake Sharon Improvements Bid Tab Signed



BID TABULATION REPORT

CLIENT: City of Corinth
DESCRIPTION: Lake Sharon Drive Paving, Drainage & Water Improvements

City of Corinth Bid # 1108

TNP JOB NO: CRN13290
ENGINEER'S ESTIMATE: \$5.3 million
BID DATE: July 18, 2017
BID TIME: 2 pm

ITEM NO.	DESCRIPTION OF ITEMS	QUANTITY	UNIT	BIDDERS							
				Teague, Nall and Perkins, Inc.		Munilla Construction Management, LLC dba MCM		McMahon Contracting L.P.		Tiseo Paving Co	
				UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL
Paving & Draining Improvements											
1	Mobilization and Demobilization (Maximum 5% of Total Bid)	1	LS	\$250,000.00	\$250,000.00	\$231,000.00	\$231,000.00	\$221,259.60	\$221,259.60	\$263,000.00	\$263,000.00
2	General Site Preparation	32	STA	\$8,000.00	\$256,000.00	\$8,500.00	\$272,000.00	\$6,222.13	\$199,108.16	\$16,835.00	\$538,720.00
3	Unclassified Excavation	4,730	CY	\$10.00	\$47,300.00	\$10.00	\$47,300.00	\$10.48	\$49,570.40	\$8.50	\$40,205.00
4	Embankment Type A (Final) Borrow	37,600	CY	\$25.00	\$940,000.00	\$15.00	\$564,000.00	\$17.37	\$653,112.00	\$15.00	\$564,000.00
5	6" Lime Slurry or Cement Stabilized Subgrade	19,520	SY	\$3.50	\$68,320.00	\$4.00	\$78,080.00	\$4.89	\$95,452.80	\$3.60	\$70,272.00
6	6" Lime Slurry/Cement Treatment at 32 lbs/SY	320	TON	\$200.00	\$64,000.00	\$145.62	\$46,598.40	\$239.81	\$76,739.20	\$282.00	\$90,240.00
7	8" Reinforced Concrete Pavement w/6" Monolithic Curb	18,150	SY	\$50.00	\$907,500.00	\$36.00	\$653,400.00	\$50.76	\$921,294.00	\$71.00	\$1,288,650.00
8	8" Concrete Driveway w/6" Monolithic Curb & Approach	170	SY	\$55.00	\$9,350.00	\$88.00	\$14,960.00	\$82.31	\$13,992.70	\$145.00	\$24,650.00
9	8" Concrete Driveway & Approach	100	SY	\$48.00	\$4,800.00	\$85.00	\$8,500.00	\$76.41	\$7,641.00	\$145.00	\$14,500.00
9a	Median Nose Type A	1	EA	\$1,000.00	\$1,000.00	\$13,669.75	\$13,669.75	\$1,475.00	\$1,475.00	\$1,000.00	\$1,000.00
9b	Median Nose Type B	6	EA	\$1,250.00	\$7,500.00	\$603.94	\$3,623.64	\$649.00	\$3,894.00	\$1,500.00	\$9,000.00
10	4" Concrete Sidewalk	30,830	SF	\$5.00	\$154,150.00	\$9.32	\$287,335.60	\$6.29	\$193,920.70	\$6.10	\$188,063.00
11	4" Stamped Colored Concrete	3,940	SF	\$6.00	\$23,640.00	\$13.06	\$51,456.40	\$8.26	\$32,544.40	\$14.00	\$55,160.00
12	6" Concrete Curb and Gutter Median (Oakmont)	175	LF	\$32.00	\$5,600.00	\$34.24	\$5,992.00	\$16.07	\$2,812.25	\$50.00	\$8,750.00
13	Retaining Wall TxDOT Type RW (MSE)	1,290	SF	\$50.00	\$64,500.00	\$83.15	\$107,263.50	\$51.82	\$66,847.80	\$116.00	\$149,640.00
14	Retaining Wall TxDOT Type RW 1(L)A	300	SF	\$48.00	\$14,400.00	\$117.00	\$35,100.00	\$83.05	\$24,915.00	\$90.00	\$27,000.00
15	Reinforced Concrete Flume (4' - 4")	90	LF	\$77.00	\$6,930.00	\$150.00	\$13,500.00	\$44.36	\$3,992.40	\$105.00	\$9,450.00
16	Pedestrian Rail TxDOT Type PR1 (MOD) Retaining Wall A	185	LF	\$88.00	\$16,280.00	\$58.00	\$10,730.00	\$121.54	\$22,484.90	\$160.00	\$29,600.00
17	Barrier Free Accessible Curb Ramp	15	EA	\$1,250.00	\$18,750.00	\$2,108.97	\$31,634.55	\$1,416.00	\$21,240.00	\$2,210.00	\$33,150.00
18	Erosion Control, SWPPP Plan and Implementation	1	LS	\$25,000.00	\$25,000.00	\$57,000.00	\$57,000.00	\$31,318.67	\$31,318.67	\$55,000.00	\$55,000.00
19	4" Yellow Stripe (Solid)	400	LF	\$1.25	\$500.00	\$0.93	\$372.00	\$1.18	\$472.00	\$1.05	\$420.00
20	4" White Stripe (Solid)	960	LF	\$1.25	\$1,200.00	\$0.52	\$499.20	\$1.18	\$1,132.80	\$1.05	\$1,008.00
21	4" White Stripe (Break)	5,890	LF	\$1.25	\$7,362.50	\$0.52	\$3,062.80	\$0.47	\$2,768.30	\$0.50	\$2,945.00
22	8" White Stripe (Solid)	854	LF	\$2.00	\$1,708.00	\$0.52	\$444.08	\$2.36	\$2,015.44	\$2.10	\$1,793.40
23	24" White Stripe (Solid)	267	LF	\$2.25	\$600.75	\$2.58	\$688.86	\$7.08	\$1,890.36	\$6.50	\$1,735.50
24	Refl Pav Mrk (Word) White	9	EA	\$150.00	\$1,350.00	\$258.19	\$2,323.71	\$177.00	\$1,593.00	\$160.00	\$1,440.00
25	Refl Pav Mrk (Arrow) White	25	EA	\$150.00	\$3,750.00	\$258.19	\$6,454.75	\$188.80	\$4,720.00	\$170.00	\$4,250.00
26	Permanent Small Sign Assemblies (Including Foundations)	9	EA	\$700.00	\$6,300.00	\$1,549.17	\$13,942.53	\$607.70	\$5,469.30	\$550.00	\$4,950.00
27	Traffic Plan and Control	1	LS	\$5,000.00	\$5,000.00	\$14,908.96	\$14,908.96	\$20,670.32	\$20,670.32	\$31,000.00	\$31,000.00
28	Project Sign	2	EA	\$1,000.00	\$2,000.00	\$1,549.17	\$3,098.34	\$512.49	\$1,024.98	\$600.00	\$1,200.00
29	8' Steel Fence with Mow Strip	500	LF	\$32.00	\$16,000.00	\$137.14	\$68,570.00	\$184.08	\$92,040.00	\$165.00	\$82,500.00
30	26' Steel Motorized Gate	1	EA	\$20,000.00	\$20,000.00	\$20,480.75	\$20,480.75	\$22,939.20	\$22,939.20	\$21,000.00	\$21,000.00
31	16' Steel Manual Swing Gate	1	EA	\$5,000.00	\$5,000.00	\$6,561.23	\$6,561.23	\$7,333.70	\$7,333.70	\$6,600.00	\$6,600.00
32	18" Class III RCP	170	LF	\$65.00	\$11,050.00	\$55.57	\$9,446.90	\$71.98	\$12,236.60	\$76.00	\$12,920.00
33	24" Class III RCP	752	LF	\$70.00	\$52,640.00	\$70.87	\$53,294.24	\$89.09	\$66,995.68	\$97.00	\$72,944.00
34	30" Class III RCP	463	LF	\$90.00	\$41,670.00	\$87.65	\$40,581.95	\$106.20	\$49,170.60	\$121.00	\$56,023.00
35	36" Class III RCP	18	LF	\$350.00	\$6,300.00	\$115.49	\$2,078.82	\$139.24	\$2,506.32	\$160.00	\$2,880.00
36	54" Class III RCP	775	LF	\$170.00	\$131,750.00	\$270.30	\$209,482.50	\$335.12	\$259,718.00	\$331.00	\$256,525.00
37	6' x 3' Reinforced Concrete Box	47	LF	\$450.00	\$21,150.00	\$297.00	\$13,959.00	\$352.82	\$16,582.54	\$461.00	\$21,667.00
38	6' x 4' Reinforced Concrete Box	87	LF	\$500.00	\$43,500.00	\$324.73	\$28,251.51	\$383.50	\$33,364.50	\$491.00	\$42,717.00
39	6' x 5' Reinforced Concrete Box	512	LF	\$550.00	\$281,600.00	\$349.11	\$178,744.32	\$409.46	\$209,643.52	\$545.00	\$279,040.00
40	10' x 8' Precast Reinforced Concrete Box Culvert	336	LF	\$1,080.00	\$362,880.00	\$1,000.00	\$336,000.00	\$977.04	\$328,285.44	\$1,450.00	\$487,200.00
41	10' x 9' Precast Reinforced Concrete Box Culvert	168	LF	\$1,140.00	\$191,520.00	\$1,200.00	\$201,600.00	\$982.94	\$165,133.92	\$1,500.00	\$252,000.00
42	Concrete Headwall with Parallel Wings	2	EA	\$35,000.00	\$70,000.00	\$123,008.29	\$246,016.58	\$137,470.00	\$274,940.00	\$101,000.00	\$202,000.00
43	Pedestrian Rail (TxDOT Type PR1)	249	LF	\$88.00	\$21,912.00	\$57.50	\$14,317.50	\$121.24	\$30,188.76	\$160.00	\$39,840.00
44	Trench Safety (Storm Drain)	3,244	LF	\$1.50	\$4,866.00	\$0.53	\$1,719.32	\$0.59	\$1,913.96	\$2.00	\$6,488.00
45	10' Standard Recess Inlet	7	EA	\$4,500.00	\$31,500.00	\$4,810.86	\$33,676.02	\$5,398.50	\$37,789.50	\$5,600.00	\$39,200.00
46	15' Standard Recess Inlet	4	EA	\$5,500.00	\$22,000.00	\$7,283.21	\$29,132.84	\$8,177.40	\$32,709.60	\$6,200.00	\$24,800.00
47	20' Standard Recess Inlet	2	EA	\$6,500.00	\$13,000.00	\$9,677.57	\$19,355.14	\$10,858.95	\$21,717.90	\$6,800.00	\$13,600.00

TNP JOB NO: CRN13290
 ENGINEER'S ESTIMATE: \$5.3 million
 BID DATE: July 18, 2017
 BID TIME: 2 pm

				BIDDERS								
				Teague, Nall and Perkins, Inc.		Munilla Construction Management, LLC dba MCM		McMahon Contracting L.P.		Tiseo Paving Co		
ITEM NO.	DESCRIPTION OF ITEMS	QUANTITY	UNIT	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	
48	6' x 6' Standard Drop Inlet	1	EA	\$5,000.00	\$5,000.00	\$6,136.61	\$6,136.61	\$6,881.76	\$6,881.76	\$5,600.00	\$5,600.00	
49	JB-1 (6'x4' Junction Box)	1	EA	\$12,000.00	\$12,000.00	\$7,024.48	\$7,024.48	\$7,790.36	\$7,790.36	\$11,500.00	\$11,500.00	
49a	JB-2 (6'8"x3'8" Junction Box)	1	EA	\$10,000.00	\$10,000.00	\$7,870.26	\$7,870.26	\$8,374.46	\$8,374.46	\$11,500.00	\$11,500.00	
50	JB-3 (8'x6' Junction Box)	1	EA	\$14,000.00	\$14,000.00	\$8,125.77	\$8,125.77	\$9,023.46	\$9,023.46	\$9,000.00	\$9,000.00	
50a	JB-4 (8'x4' Junction Box)	1	EA	\$12,000.00	\$12,000.00	\$12,817.19	\$12,817.19	\$8,374.46	\$8,374.46	\$7,700.00	\$7,700.00	
51	4' x 4' Junction Box	2	EA	\$3,500.00	\$7,000.00	\$3,715.11	\$7,430.22	\$4,122.33	\$8,244.66	\$4,000.00	\$8,000.00	
52	4' x 3' Safety End Treatment	2	EA	\$5,900.00	\$11,800.00	\$3,419.77	\$6,839.54	\$3,829.10	\$7,658.20	\$6,500.00	\$13,000.00	
53	6' x 4' Safety End Treatment	2	EA	\$5,900.00	\$11,800.00	\$4,405.12	\$8,810.24	\$4,932.40	\$9,864.80	\$7,700.00	\$15,400.00	
54	18" Grouted Common Stone Rock Riprap	345	SY	\$110.00	\$37,950.00	\$163.35	\$56,355.75	\$206.50	\$71,242.50	\$180.00	\$62,100.00	
Paving & Draining Improvements Subtotal:					\$4,384,679.25		\$4,213,617.75		\$4,488,035.88		\$5,574,535.90	
WATER IMPROVEMENTS												
55	12" AWWA C-900 DR-18 PVC Water Line and Fittings	990	LF	\$80.00	\$79,200.00	\$69.95	\$69,250.50	\$67.26	\$66,587.40	\$83.00	\$82,170.00	
56	12" Class 250 Ductile Iron Water Line and Fittings	110	LF	\$110.00	\$12,100.00	\$145.10	\$15,961.00	\$128.62	\$14,148.20	\$153.00	\$16,830.00	
57	16" Class 250 Ductile Iron Water Line and Fittings	35	LF	\$145.00	\$5,075.00	\$288.71	\$10,104.85	\$250.16	\$8,755.60	\$277.00	\$9,695.00	
58	20" Class 250 Ductile Iron Water Line and Fittings	10	LF	\$250.00	\$2,500.00	\$947.99	\$9,479.90	\$784.70	\$7,847.00	\$861.00	\$8,610.00	
59	12" Gate Valves and Box	2	EA	\$3,000.00	\$6,000.00	\$4,754.83	\$9,509.66	\$4,426.18	\$8,852.36	\$3,200.00	\$6,400.00	
60	Trench Safety (Water Line)	1,140	LF	\$1.50	\$1,710.00	\$0.74	\$843.60	\$0.59	\$672.60	\$2.00	\$2,280.00	
61	Connection to Existing Waterline	1	EA	\$1,200.00	\$1,200.00	\$1,629.59	\$1,629.59	\$1,780.62	\$1,780.62	\$7,300.00	\$7,300.00	
62	Fire Hydrant Assembly	1	EA	\$4,000.00	\$4,000.00	\$4,889.89	\$4,889.89	\$6,370.82	\$6,370.82	\$4,800.00	\$4,800.00	
Adjust UTRWD Air Release Valve/Vault to Grade and Valve Stem Extension (~STA 2+50)				1	LS	\$8,000.00	\$8,000.00	\$3,096.97	\$3,096.97	\$3,293.38	\$6,700.00	\$6,700.00
64	Ground Box for Tracer Tape	2	EA	\$500.00	\$1,000.00	\$804.38	\$1,608.76	\$882.05	\$1,764.10	\$420.00	\$840.00	
Water Improvements Subtotal:					\$120,785.00		\$126,374.72		\$120,072.08		\$145,625.00	
UTRWD IMPROVEMENTS												
65	UTRWD Bypass Work Plan	1	LS	\$10,000.00	\$10,000.00	\$15,611.30	\$15,611.30	\$17,232.72	\$17,232.72	\$21,000.00	\$21,000.00	
66	24" Restrained Joint Ductile Iron Pipe	174	LF	\$280.00	\$48,720.00	\$253.00	\$44,022.00	\$230.10	\$40,037.40	\$286.00	\$49,764.00	
67	20" Restrained Joint Ductile Iron Pipe	10	LF	\$250.00	\$2,500.00	\$246.89	\$2,468.90	\$226.56	\$2,265.60	\$336.00	\$3,360.00	
68	20" Gate Valve with Extension and Valve Box	4	EA	\$25,000.00	\$100,000.00	\$21,205.11	\$84,820.44	\$18,299.44	\$73,197.76	\$33,000.00	\$132,000.00	
69	Flowable Fill for 24" DI Pipe Crossing of Bryant Branch	40	CY	\$300.00	\$12,000.00	\$259.69	\$10,387.60	\$233.64	\$9,345.60	\$210.00	\$8,400.00	
70	36" Steel Casing	123	LF	\$260.00	\$31,980.00	\$273.83	\$33,681.09	\$245.44	\$30,189.12	\$315.00	\$38,745.00	
71	Ductile Iron Fittings	3	TON	\$6,000.00	\$18,000.00	\$22,223.41	\$66,670.23	\$18,148.40	\$54,445.20	\$21,000.00	\$63,000.00	
72	Cut Existing 20" DI Pipe and Connection	2	EA	\$8,000.00	\$16,000.00	\$13,974.28	\$27,948.56	\$15,930.00	\$31,860.00	\$6,000.00	\$12,000.00	
73	10" Blow-Off Assembly (Includes Valves and Valve Extension Assembly)	1	EA	\$10,000.00	\$10,000.00	\$22,591.00	\$22,591.00	\$19,789.78	\$19,789.78	\$27,000.00	\$27,000.00	
UTRWD Improvements Subtotal:					\$249,200.00		\$308,201.12		\$278,363.18		\$355,269.00	
LANDSCAPE AND IRRIGATION IMPROVEMENTS												
74	3" Caliper Trees	32	EA	\$600.00	\$19,200.00	\$580.18	\$18,565.76	\$648.06	\$20,737.92	\$685.00	\$21,920.00	
75	Tree Root Barrier	1,580	LF	\$30.00	\$47,400.00	\$30.32	\$47,905.60	\$35.57	\$56,200.60	\$20.00	\$31,600.00	
76	Stockpile and Spread 4-inch Depth Topsoil	29,900	SY	\$1.00	\$29,900.00	\$1.26	\$37,674.00	\$1.25	\$37,375.00	\$2.00	\$59,800.00	
77	Soil Preparation and Seeding	29,900	SY	\$1.35	\$40,365.00	\$0.93	\$27,807.00	\$3.19	\$95,381.00	\$2.50	\$74,750.00	
78	Solid Bermuda Sod	500	SY	\$6.00	\$3,000.00	\$4.49	\$2,245.00	\$8.85	\$4,425.00	\$8.50	\$4,250.00	
79	Irrigation System	1	LS	\$16,000.00	\$16,000.00	\$58,277.46	\$58,277.46	\$31,801.00	\$31,801.00	\$30,000.00	\$30,000.00	
80	4" Irrigation Sleeves	242	LF	\$12.00	\$2,904.00	\$11.51	\$2,785.42	\$7.08	\$1,713.36	\$15.00	\$3,630.00	
81	6" Irrigation Sleeves	268	LF	\$20.00	\$5,360.00	\$10.56	\$2,830.08	\$32.86	\$8,806.48	\$19.00	\$5,092.00	
Landscape and Irrigation Improvements Subtotal:					\$164,129.00		\$198,090.32		\$256,440.36		\$231,042.00	
ILLUMINATION IMPROVEMENTS												
82	Roadway Light Foundations	7	EA	\$1,500.00	\$10,500.00	\$1,354.21	\$9,479.47	\$1,516.30	\$10,614.10	\$1,400.00	\$9,800.00	
83	Illumination Pole Assembly and Luminaires	7	EA	\$15,000.00	\$105,000.00	\$13,262.79	\$92,839.53	\$14,850.30	\$103,952.10	\$15,000.00	\$105,000.00	
84	2" PVC Sch. 40 Conduit (Trench)	3,190	LF	\$12.00	\$38,280.00	\$7.38	\$23,542.20	\$8.26	\$26,349.40	\$8.00	\$25,520.00	
85	2" PVC Sch. 40 Conduit (Bore)	25	LF	\$25.00	\$625.00	\$36.89	\$922.25	\$41.30	\$1,032.50	\$37.00	\$925.00	
86	Type 'A' Ground Box with Apron	5	EA	\$800.00	\$4,000.00	\$658.66	\$3,293.30	\$737.50	\$3,687.50	\$660.00	\$3,300.00	
87	1 Conductor #8 Gauge Bare Wire	3,115	LF	\$1.05	\$3,270.75	\$1.37	\$4,267.55	\$1.53	\$4,765.95	\$2.00	\$6,230.00	
88	1 Conductor #6 XHHW Wire - Red	3,115	LF	\$1.50	\$4,672.50	\$1.69	\$5,264.35	\$1.89	\$5,887.35	\$2.00	\$6,230.00	
89	1 Conductor #6 XHHW Wire - Black	3,115	LF	\$1.50	\$4,672.50	\$1.69	\$5,264.35	\$1.89	\$5,887.35	\$2.00	\$6,230.00	
90	Power Service and Pedestal Equipment	1	EA	\$6,000.00	\$6,000.00	\$6,180.87	\$6,180.87	\$6,920.70	\$6,920.70	\$6,200.00	\$6,200.00	

City Council Special Session

Meeting Date: 08/10/2017
Title: Tax Rate Public Hearings
Submitted For: Lee Ann Bunselmeyer, Director
Submitted By: Lee Ann Bunselmeyer, Director
Finance Review: N/A
Approval: Lee Ann Bunselmeyer, Acting City Manager

Legal Review: Yes

AGENDA ITEM

Consider approval of a resolution of the City Council of the City of Corinth, Texas placing a proposal on the September 21, 2017 City Council Public Meeting Agenda to adopt a 2017 tax rate that will exceed the lower of the rollback rate or effective tax rate; calling two public hearings on a tax increase to be held on August 24, 2017, and September 7, 2017; requiring publication of a *Notice of 2017 Tax Year Proposed Property Tax Rate* in accordance with the law; and providing an effective date.

AGENDA ITEM SUMMARY/BACKGROUND

The Truth-in-Taxation publication notices must be calculated based on the highest possible rate the City Council may consider. The rate the City Council finally adopts can be lower than the proposed and published rate, but it cannot exceed it without undergoing the required posting requirements and timeframes. This agenda item is to establish the highest possible tax rate for the City Council to consider.

In addition, according to Property Tax Code Section 26.05(d), the City is required to hold two public hearings on the proposed tax increase **if** the City Council is proposing a rate that exceeds the lower of the rollback rate or the effective rate. Additional requirements include publishing a quarter-page notice informing the public of the proposed tax rate, preceding year tax rate, effective & rollback tax rate, formula for estimated tax amount, and the date, time, and location of the two required public hearings. The *Notice of 2017 Tax Year Proposed Property Tax Rate for the City of Corinth* is scheduled to appear in the Denton Record Chronicle on Tuesday, August 15, 2017, as required by the Texas Property Tax Code timetables.

Proposed Tax Rate	\$.55000 per \$100
Preceding Year's Tax Rate	\$.58193 per \$100
Effective Tax Rate	\$.53686 per \$100
Rollback Tax Rate	\$.55032 per \$100

The FY 2017-18 Proposed Budget was submitted to City Council by July 31, 2017 as required by the City Charter. The proposed budget is also available online on the City's website www.cityofcorinth.com.

RECOMMENDATION

Proposed Motion to publish a Proposed Tax Rate of \$0.55000 which exceeds the effective rate of \$0.53686:

I move to approve a resolution placing a proposal on the September 21, 2017 Council Agenda to consider a FY 2017-2018 tax rate of \$.55000 per one hundred dollars (\$100) of valuation and to set the public hearings on the proposal to increase total tax revenues for Thursday, August 24^h at 7:00 p.m. and Thursday, September 7th at 7:00 p.m., with each meeting taking place at the Corinth Municipal Chambers at 3300 Corinth Parkway, Corinth, Texas.
