

LOUIS RIGBY
Mayor
JOHN ZEMANEK
Councilmember at Large A
DOTTIE KAMINSKI
Mayor Pro-Tem
Councilmember at Large B
DANNY EARP
Councilmember District 1
CHUCK ENGELKEN
Councilmember District 2



DARYL LEONARD
Councilmember District 3
TOMMY MOSER
Councilmember District 4
JAY MARTIN
Councilmember District 5
MIKE CLAUSEN
Councilmember District 6

CITY COUNCIL MEETING SPECIAL AGENDA

Notice is hereby given of a Special Meeting of the La Porte City Council to be held April 18, 2015, beginning at 8:30 AM, in the City Hall Council Chambers, 604 W. Fairmont Parkway, La Porte, Texas, for the purpose of considering the following agenda items. All agenda items are subject to action.

- 1. CALL TO ORDER**
- 2. DISCUSSION OR OTHER ACTION** - The purpose of this meeting is to discuss and formulate City Council and staff plans, operations, policies, and/or future projects, including the following:
 - (a) Financial Overview - M. Dolby
 - (b) Capital Improvement Plan Outlook - D. Mick
 - (c) Benefits Discussion (Stop Loss and Proposals for consideration to control costs for medical) - C. Alexander
 - (d) Lomax Equestrian Trail - Councilmember Danny Earp (R. Epting)
 - (e) Safe Sidewalk Connector to Lomax Jr. High - Councilmember Danny Earp (R. Epting)
 - (f) Revitalization/Beautification Fund - Councilmember Jay Martin (T. Leach)
 - (g) Christmas Lighting Display Leasing - Councilmember Jay Martin (R. Epting)
 - (h) 125th Anniversary of La Porte - Mayor Louis Rigby (C. Alexander)
 - (i) Shade Structures for Lomax Arena Catwalk - Councilmember Danny Earp (R. Epting)
 - (j) Park Street Sidewalk - Councilmember Dottie Kaminski (R. Epting)
 - (k) Possible Spray Park - Councilmember Dottie Kaminski (C. Alexander)
- 3. RECEIVE DIRECTION FROM COUNCIL ON UPCOMING 2015-16 FISCAL YEAR BUDGET.**
- 4. COUNCIL COMMENTS** - Regarding matters appearing on the agenda; recognition of community members, city employees, and upcoming events; inquiry of staff regarding specific factual information or existing policies - Councilmembers Clausen, Martin, Moser, Kaminski, Zemanek, Leonard, Engelken, Earp and Mayor Rigby.
- 5. ADJOURN**

The City Council reserves the right to meet in a closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

In compliance with the Americans with Disabilities Act, the City of La Porte will provide for reasonable accommodations for persons attending public meetings. To better serve attendees, requests should be received 24 hours prior to the meeting. Please contact Patrice Fogarty, City Secretary, at 281.470.5019.

CERTIFICATION

I certify that a copy of the April 18, 2015, agenda of items to be considered by the City Council was posted on the City Hall bulletin board and website on April 10, 2015.

Patrice Fogarty

Patrice Fogarty, City Secretary

City of La Porte

City Council Retreat

Financial Overview



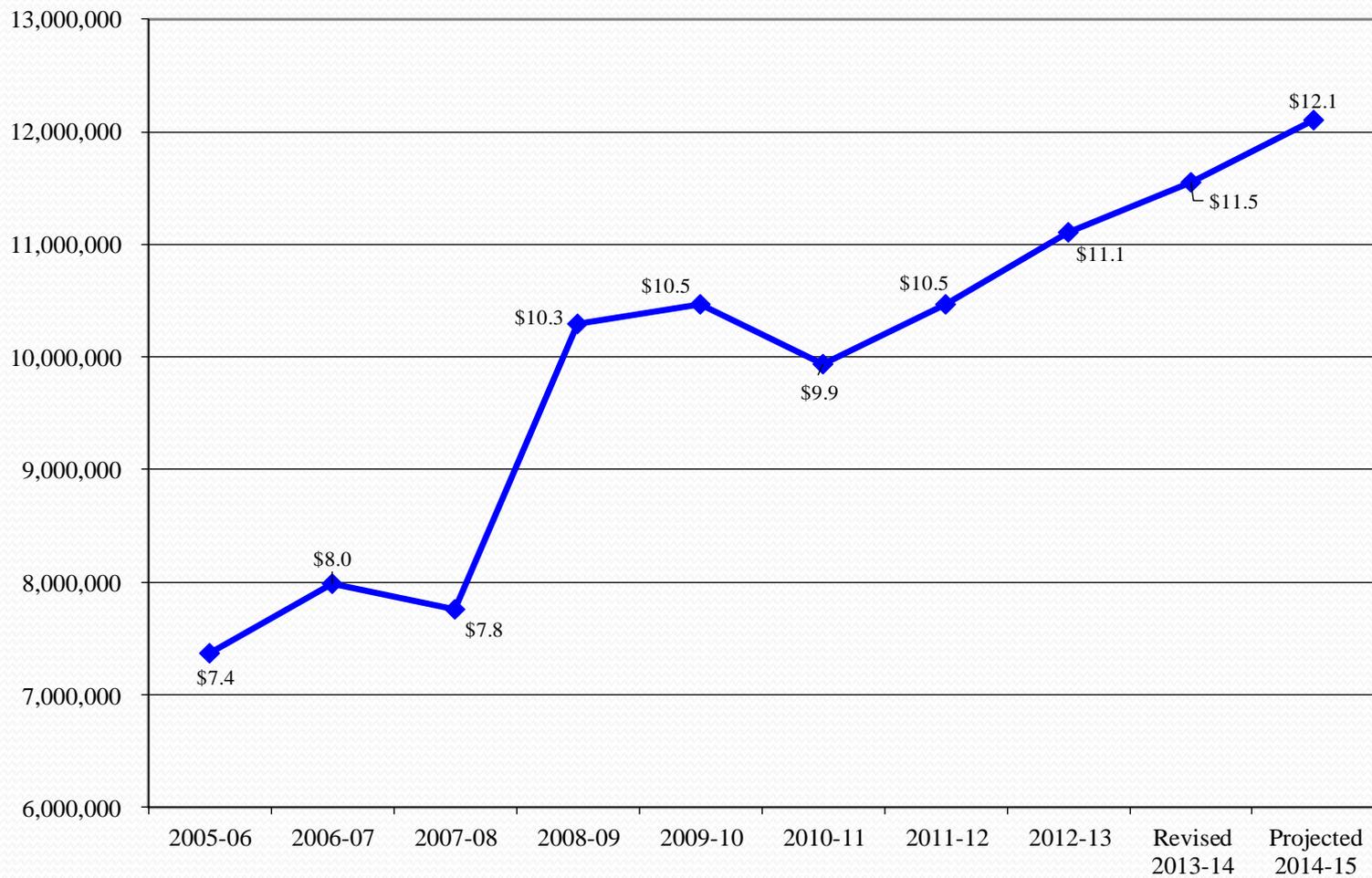


Property Tax Growth General Fund Current Tax Collections (O&M) 10 Year History



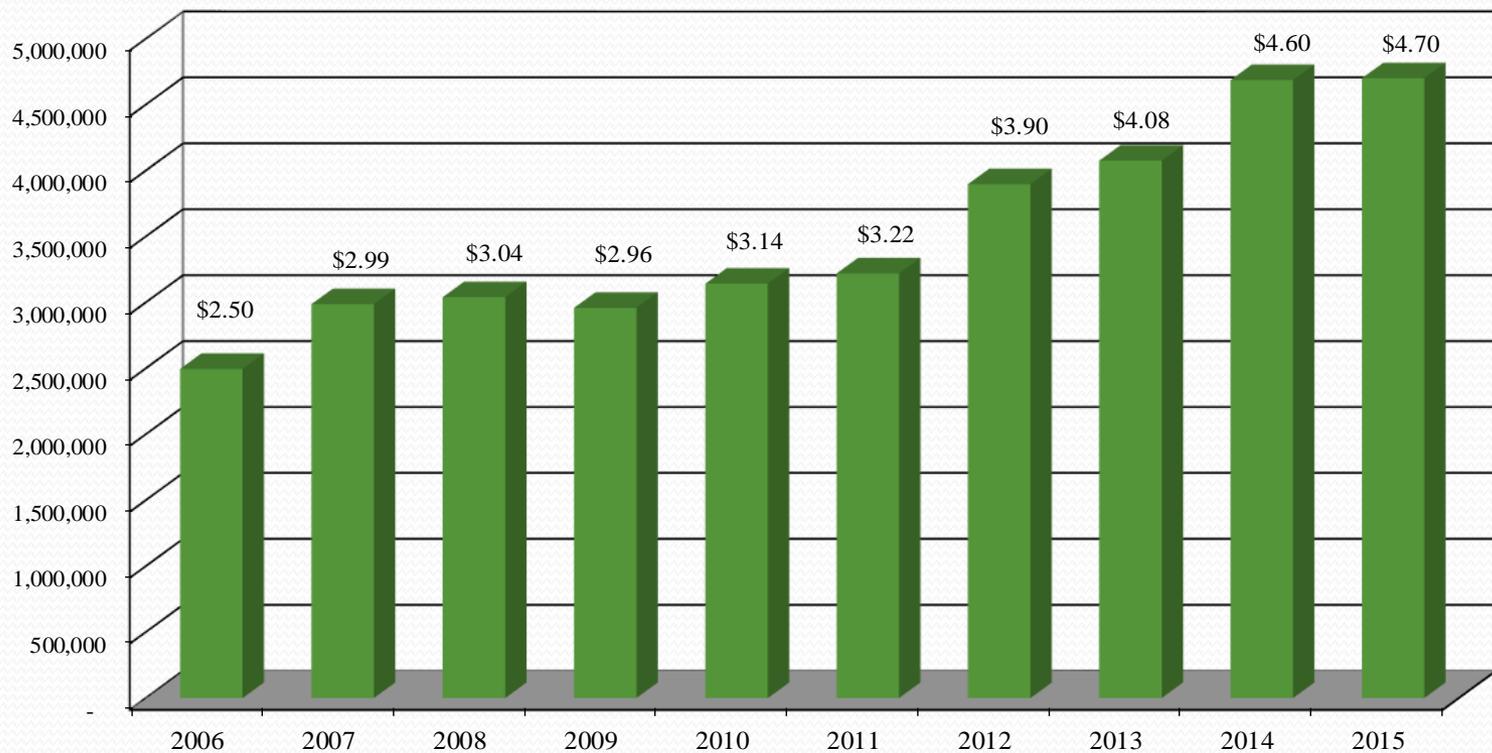


In-Lieu of Taxes Trends – General Fund





Sales Tax Trends – General Fund Historical Growth - 10 Years





General Fund

Statement of Revenues, Expenditures and Changes in Fund Balances For the Fifth Month Ended February 28, 2015 with Comparative Data for the Prior Year 42% of Year Lapsed

	Current Year				Prior Year		
	Budget	Actual Year to Date	Variance	Percent of Budget	Budget	Actual Year to Date	Percent of Budget
REVENUES							
Property taxes	\$ 14,728,500	\$ 16,044,122	\$ 1,315,622	108.93%	\$ 13,860,500	\$ 15,121,536	109.10%
Franchise taxes	2,158,666	500,735	(1,657,931)	23.20%	2,218,479	1,024,797	46.19%
Sales taxes	4,417,259	1,299,210	(3,118,049)	29.41%	3,978,875	1,797,112	45.17%
Industrial payments	12,054,598	12,101,469	46,871	100.39%	11,086,500	11,497,320	103.71%
Other taxes	60,000	29,294	(30,706)	48.82%	60,000	17,491	29.15%
Licenses and permits	388,050	286,041	(102,009)	73.71%	368,175	151,404	41.12%
Fines and forfeits	1,461,800	713,848	(747,952)	48.83%	1,586,700	633,922	39.95%
Charges for services	5,553,095	2,225,942	(3,327,153)	40.08%	5,463,658	2,328,129	42.61%
Interest	71,000	36,867	(34,133)	51.93%	71,000	29,845	42.04%
Miscellaneous	40,000	80,392	40,392	200.98%	40,000	127,788	319.47%
Total revenues	40,932,968	33,317,920	(7,615,048)	81.40%	38,733,887	32,729,344	84.50%



General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fifth Month Ended February 28, 2015 with Comparative Data for the Prior Year
42% of Year Lapsed

EXPENDITURES	Current Year				Prior Year		
	Budget	Actual Year to Date	Variance	Percent of Budget	Budget	Actual Year to Date	Percent of Budget
General Government:							
Administration ¹	6,965,526	2,574,601	4,390,925	36.96%	6,484,442	2,451,721	37.81%
Finance	4,480,725	1,332,643	3,148,082	29.74%	3,897,684	1,420,392	36.44%
Planning & Engineering	2,014,477	650,902	1,363,575	32.31%	2,020,897	571,032	28.26%
Public Safety:							
Fire and Emergency Services	4,630,470	1,796,720	2,833,750	38.80%	4,602,416	1,759,699	38.23%
Police	11,936,517	4,604,804	7,331,713	38.58%	11,784,186	4,636,581	39.35%
Public Works:							
Public Works Administration	362,429	134,921	227,508	37.23%	377,203	136,905	36.29%
Streets	2,549,095	1,020,124	1,528,971	40.02%	2,592,837	1,006,154	38.81%
Health and Sanitation:							
Solidwaste	2,516,817	960,569	1,556,248	38.17%	2,353,365	926,975	39.39%
Culture and Recreation							
Parks and Recreation	3,899,388	1,444,967	2,454,421	37.06%	3,996,131	1,403,726	35.13%
Total expenditures	<u>39,355,444</u>	<u>14,520,252</u>	<u>24,835,192</u>	<u>36.90%</u>	<u>38,109,161</u>	<u>14,313,184</u>	<u>37.56%</u>
Excess (deficiency) of revenues over expenditures	<u>1,577,524</u>	<u>18,797,668</u>	<u>17,220,144</u>		<u>624,726</u>	<u>18,416,160</u>	

¹ Includes Admin, HR, MC, IT, City Secr, Legal, Emergency Management, City Council and Golf.



General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fifth Month Ended February 28, 2015 with Comparative Data for the Prior Year
42% of Year Lapsed

	Current Year				Prior Year		
	Budget	Actual Year to Date	Variance	Percent of Budget	Budget	Actual Year to Date	Percent of Budget
OTHER FINANCING SOURCES (USES)							
Transfers in	124,507	51,878	(72,629)	41.67%	107,839	44,933	41.67%
Transfers out	(3,256,876)	(1,357,032)	1,899,844	41.67%	(3,471,876)	(1,404,476)	40.45%
Total other financing sources (uses)	(3,132,369)	(1,305,153)	1,827,215	41.67%	(3,364,037)	(1,359,543)	40.41%
Net change in fund balances	(1,554,845)	18,126,281	19,047,359		(2,739,311)	17,056,617	
Fund balances—beginning	29,713,640	29,713,640	-		23,964,557	23,964,557	
Fund balances—ending	\$28,158,795	\$47,839,921	\$19,047,359		\$21,225,246	\$41,021,174	



General Fund Long Range Financial Plan Assumptions - Revenues

Property tax at 97.5% collection rate	2.50%
Industrial Payments (In Lieu)	1.00%
Sales tax	2.50%
Franchise Fees <i>(Electrical payments based on contract)</i>	Range of 1.00% to 2.00%
Licenses and Permits	2.00%
Fines & Forfeits	1.00%
Charges for Service	2.00%
Interest Earnings <i>(FY 2014-15 projections based on current economic conditions and the low overnight rate; out years projecting 2% growth)</i>	2.00%



General Fund Long Range Financial Plan Assumptions - Expenditures

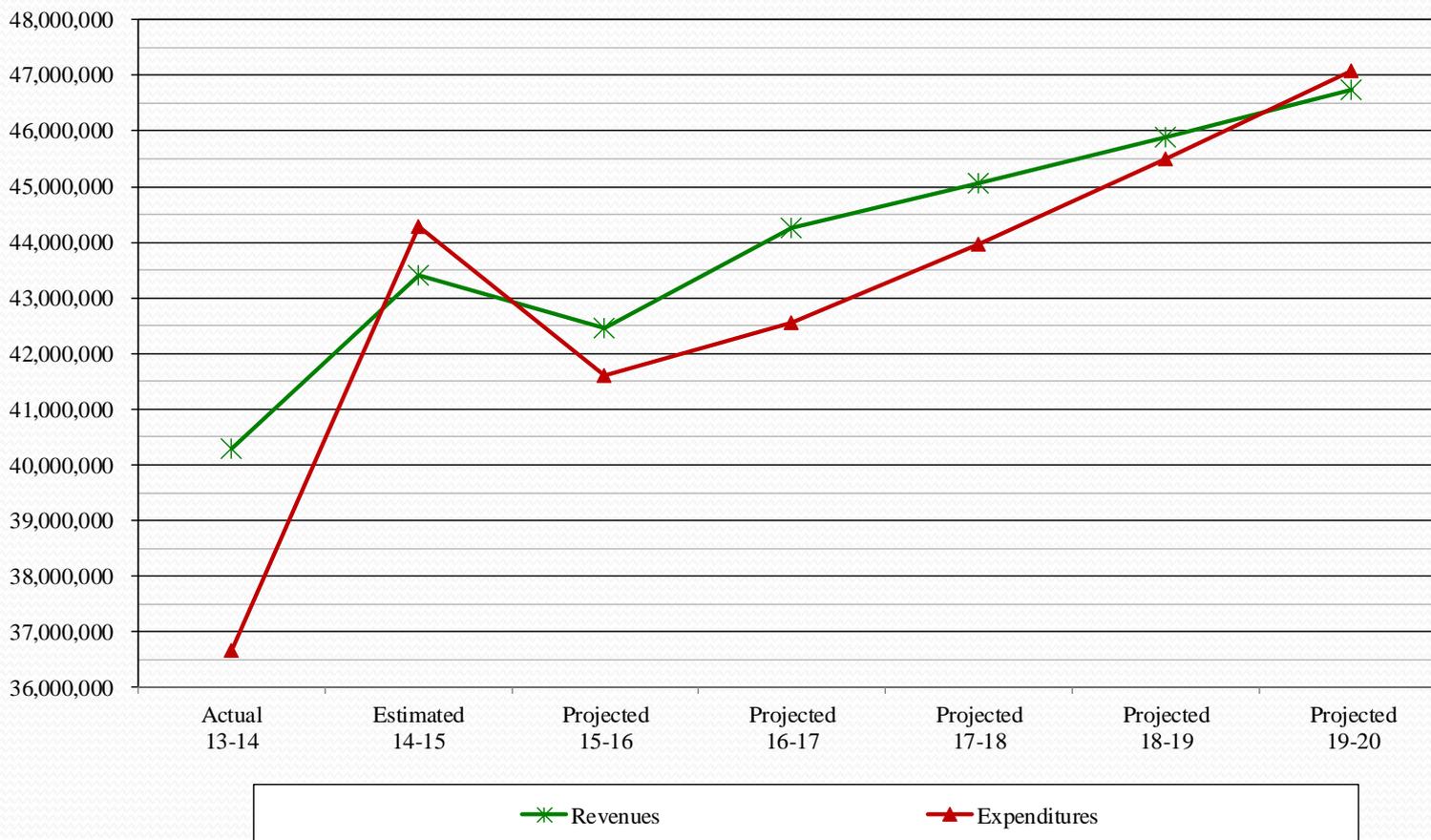
Personal Services – <i>average growth</i>	3.50%
Supplies	3.00%
Maintenance	3.00%
Capital Outlay - <i>no growth built in as requests vary from year to year</i>	
Budget Requests – Merit	3.00%



General Fund

Projected Revenues and Expenditures

FY	Actual 13-14	Estimated 14-15	Projected 15-16	Projected 16-17	Projected 17-18	Projected 18-19	Projected 19-20
Revenues	40,287,867	43,399,256	42,465,949	44,252,152	45,065,810	45,893,093	46,737,804
Expenditures	36,660,365	44,272,493	41,615,934	42,552,439	43,968,983	45,494,585	47,090,332
▲ fund balance	3,627,502	(873,237)	850,015	1,699,712	1,096,827	398,509	(352,528)





Utility Fund

Statement of Revenues, Expenditures and Changes in Fund Balances For the Fifth Month Ended February 28, 2015 with Comparative Data for the Prior Year 42% of Year Lapsed

	Current Year				Prior Year		
	Budget	Actual Year to Date	Variance	Percent of Budget	Budget	Actual Year to Date	Percent of Budget
Operating Revenues:							
User fees	\$ 8,177,500	\$ 3,198,731	\$(4,978,769)	39.12%	\$ 8,148,250	\$ 3,239,771	39.76%
Operating expenses:							
Personal services	3,230,254	1,243,047	1,987,207	38.48%	3,216,048	1,177,889	36.63%
Supplies	284,457	101,247	183,210	35.59%	296,623	109,021	36.75%
Other services and charges	4,933,783	1,659,639	3,274,144	33.64%	5,055,167	1,303,175	25.78%
Total operating expenses	8,448,494	3,003,932	5,444,562	35.56%	8,567,838	2,590,084	30.23%
Operating income	(270,994)	194,800	465,793		(419,588)	649,687	
Nonoperating revenues (expenses):							
Interest income	3,000	2,119	(881)	70.63%	3,500	1,441	41.17%
Miscellaneous Income	-	-	-	0.00%	-	-	0.00%
Debt Service Principal and Interest	(277,226)	(272,318)	4,908	98.23%	(287,044)	(277,226)	96.58%
Income before contributions and transfers	(545,220)	(75,399)	469,820		(703,132)	373,901	
Capital Contributions	-	-	-	0.00%	-	-	0.00%
Transfers in	2,577,226	1,073,844	(1,503,382)	41.67%	1,387,044	577,935	41.67%
Transfers out	(1,140,580)	(475,242)	665,338	41.67%	(1,296,729)	(599,942)	46.27%
Change in net assets	891,426	523,202	(368,225)		(612,817)	351,893	
Net assets - beginning of the year	29,713,640	29,713,640	-		31,706,456	31,706,456	
Net assets - end of the year	\$ 30,605,066	\$ 30,236,842	\$ (368,225)		\$ 31,093,639	\$ 32,058,349	



Utility Fund Long Range Financial Plan Assumptions – Revenues & Expenses

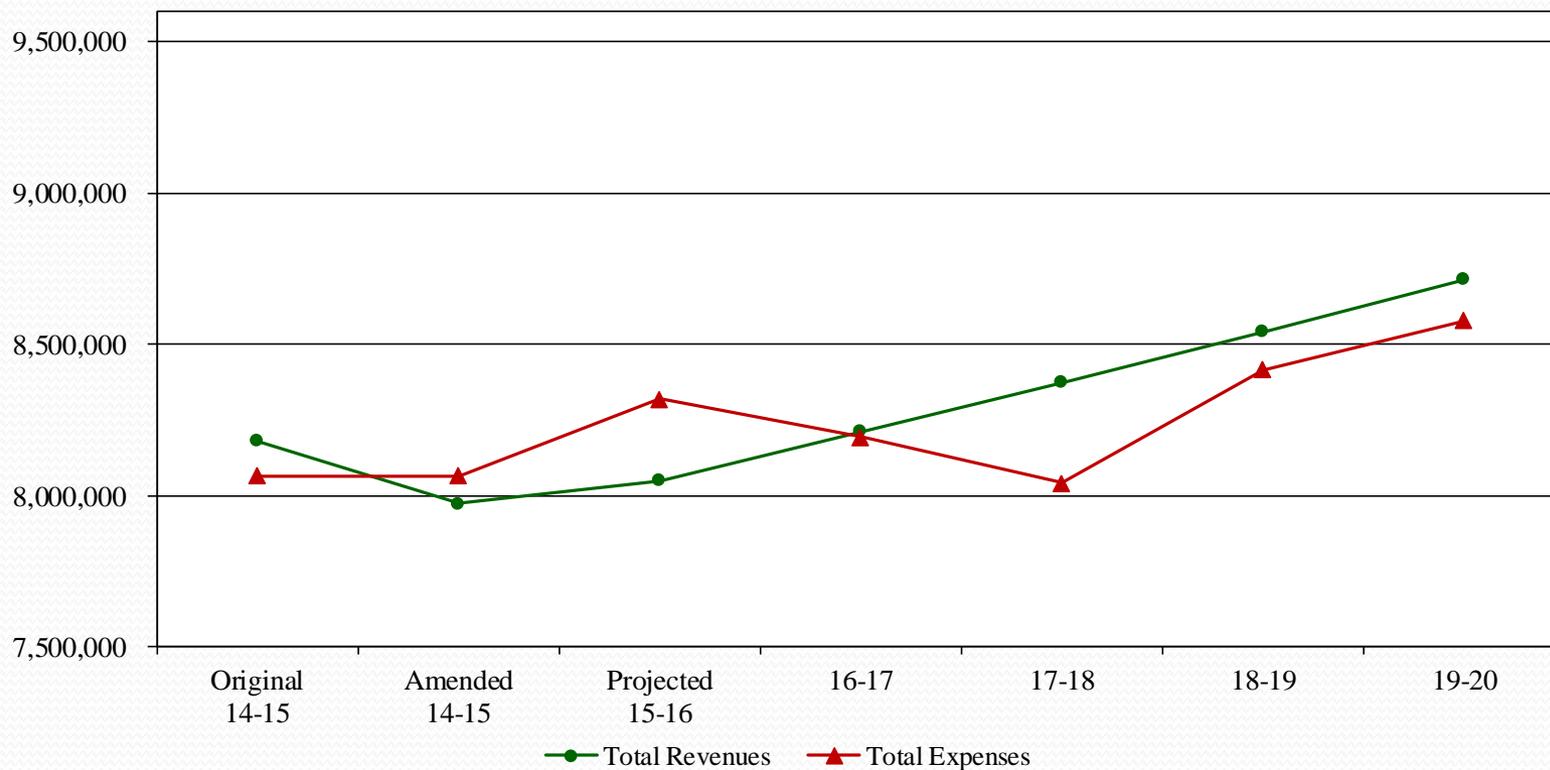
Water Sales	2.00%
Waste Water Sales <i>(85% of Water Sales)</i>	2.00%
Interest Earnings <i>(FY 2014-15 projections based on current economic conditions and the low overnight rate; out years projecting 2% growth)</i>	2.00%

Expenses are based on the same assumptions as the General Fund.



Utility Fund Long Range Projection

FY	Original 14-15	Amended 14-15	Projected 15-16	16-17	17-18	18-19	19-20
Total Revenues	8,178,700	7,972,944	8,049,200	8,210,054	8,374,125	8,541,478	8,712,177
Total Expenses	8,064,074	8,064,074	8,317,382	8,193,141	8,041,836	8,414,195	8,577,123
▲ fund balance	114,626	(91,130)	(268,182)	16,913	332,289	127,283	135,054



Questions?



CIP (Streets, Utilities, Drainage)

	A	I	J	K	L	M	AF
185	(SSO Plan = City/TCEQ Agreed Project Schedule to Eliminate Sanitary Sewer Overflows)						
186							
187							
188		2015-16					
189		Street	Utility	Drain	Grant	Total	Comments
190		CIP	CIP	Fee	or Bond		
191		(\$1000)	(\$1000)	(\$1000)	(\$1000)	(\$1000)	
192	FY 2016						
193							
194							
195	Construct W D. (S. 6th to S. 3rd); S. 4th (W. B to W. D)	650	100	200		950	{** Drainage Bond = \$200K}.
196	Construct Handicap Ramp (Where Sidewalk Exists, Full Height Curb, No Ramps Currently, \$50,000), Sidewalk Repairs	150				150	Including P&E Dept Portion
197	Construct Asphalt Street Surfacing: All or portions of Main Street (146 to S. Broadway) , Kansas, N. 4th (Main to W. B), West A, West B, N. Utah, N. Brownell, East K/Montana/East L, Oregon, Bay Colony (west of Sunrise), McCarty, Browning, N. Lobit, H Street (West of H), C St. (San Jacinto to S. Idaho), West Polk/S 18/S 17 (west of S 16th) . Others TBD Budget Permitting.	1000				1000	Investigate Potential for Main Street Grant for FY 18.
198	Asphalt Streets Reclaimed by City Crews:	150				150	
199	Concrete Street Repair - Remove/Replace (Small Sections)	200				200	
200	Concrete Street Repair - Slab Jacking (Small Sections)	35 -50				35 -50	
201	Street Repair Materials (City Crew Construction)	75				75	
202	Design Coupland Drive Improvements/R/O/W acquisition	100		100		200	Including R/O/W and Acquisition = \$50K
203	Design Pinebluff Subdivision Improvements	80	70	50		200	
204	Drainage Plan - Area Bounded by Barbour's Cut/Main Street/Hwy 146/N. Broadway and Offsite Improvements Necessary to Drain the Bounded Area. [For use in developing 5-YR Community Block Grant Development Plan (FY 18 - FY 22)]	{25}		{85}		110	Moved to FY 15
205	Thermoplastic Markings/Reflectors Luella, Thermoplastic Markings Other Locations City wide.	80				80	
206							
207	Utility Only Projects						
208							
209	Sewer Rehabilitation (SSO Plan)		350			350	
210							
211							
212	Design Replace Hillridge Booster Pumps, Add Pumping Capacity, New Building		100			100	
213	Interior/Exterior Painting _ Fairmont Elevated Water Tank		350 -335			350 -335	\$140K Rolled from FY 15. Total \$475K.
214	Exterior Painting _ Main/4th Street Elevated Water Tank		350			350	Moved to FY 18.
215	Water line replacement In-house		45			45	
216	Equipment Replacement Water		20			20	
217	Equipment Replacement Wastewater		40			40	
218	Valve Replacement Program In-house		25			25	
219	Headworks Improvements at the WWTP		300			300	
220	Survey for S. Broadway Sewer (Assume in-house)		20 -0			20 -0	Preliminary Survey Design Completed FY 15
221	Lift Pump Replacement		60			60	
222	Clarifier Drive Replacement		95			95	Moved to FY 17
223	Lift Station Improvements		35			35	
224	Utility Contingency		40			40	
225	Water Meter Replacement		180			180	\$90K Residential; \$90K Commercial
226	Drainage Only Projects						
227							
228	Construct Mission Estates Storm Sewer Rehabilitation			300		300	
229	Drainage Materials for City Crews			50		50	
230	TV Inspection Storm Sewer System			20		20	
231							
232	Streets/Drainage Contingency	80 -10		85		80 -95	
233							
234	146 SB Access Water Main Extension Design & Construction		165			165	
235	Union Pacific RR Relocates		100			100	
236							Target = 3,000 Streets + 100 Sidewalks + \$250 Drainage Fee
237							FY 16 Streets + Drainage Target = \$3,350
238							3,350
239	FY 2016 Annual Expenditure Total	\$2,545	\$2,000	\$805	\$0	\$5,350	
240							
241	Other	General	Airport	Loan	Grant	Total	
242	Loan Costs - Texas Water Development Board (Lomax Lift Stations)	170				170	
243	Lomax Lift Station Consolidation Design			765	195	960	
244	Airport Business Study		10		90	100	
245	Airport FY 17 Resurfacing Project Design		30		170	200	
246						6,780	

CIP (Streets, Utilities, Drainage)

	A	I	J	K	L	M	AF	
249	(SSO Plan = City/TCEQ Agreed Project Schedule to Eliminate Sanitary Sewer Overflows)							
250								
251								
252		2016-17						
253		Street	Utility	Drain	Grant	Total	Comments	
254		CIP	CIP	Fee	or Bond			
255		(\$1000)	(\$1000)	(\$1000)	(\$1000)	(\$1000)		
256	FY 2017							
257								
258	Construct Coupland Drive Improvements	750	50	350		1150	Slipline vitrified clay sewer.	
259	Construct Pinebluff Subdivision Improvements	750	750	500		2000	Reconstruct/Rehab Water and Sanitary.	
260	Design N. 6th Improvements	70	40	40		150	Anticipate FY 18 CDBG Grant	
261	Design Sommerton Improvements	75	50	25		150		
262								
263	Asphalt Streets Reclaimed/Surfaced: TBD. Utilize FY 17 Streets Inspection.	150				150		
264	Concrete Street Repair - Remove/Replace (Small Sections)	200				200		
265	Concrete Street Repair - Slab Jacking (Small Sections)	40				40		
266	Street Repair Materials (City Crew Construction)	75				75		
267	Construct Handicap Ramp (Where Sidewalk Exists, Full Height Curb, No Ramps Currently, \$50,000), Sidewalk Repairs	150				150	Including P&E Dept Portion	
268	Inspect all City Streets (Contract)	25				25		
269								
270								
271								
272								
273	Utility Only Projects							
274	Sewer Rehabilitation (SSO Plan)		350			350		
275	Big Island Slough Foremain (Phase 1)		60			60	Included with TxWDB Lomax Lift Sta. Project	
276	Bayshore Park Subdivision Water and Service Relocation (incl. design)		200			200		
277	Water line replacement In-house		60			60		
278	Equipment Replacement Water		20			20		
279	Equipment Replacement Wastewater		40			40		
280	Valve Replacement In house		25			25		
281	Lift Station Improvements		35			35		
282	Design S. Broadway Sanitary Sewer Replacement		60			60		
283	Utility Contingency	0	260 40		0	260 40	Move-260K to FY 18	
284	Water Meter Replacement		180			180	\$90K Residential; \$90K Commercial	
285	Clarifier Drive - WWTP		100			100	Moved from FY 16	
286								
287	Drainage Only Projects							
288								
289	Drainage Materials for City Crews			50		50		
290	TV Inspection Storm Sewer System			20		20		
291								
292	Streets/Drainage Contingency	80		0		80		
293							Target = 3,000 Streets + 100 Sidewalks + \$250 Drainage Fee	
294							FY 17 Streets + Drairage Target = \$3,350	
295			2,000				\$3,350	
296	FY 2017 Annual Expenditure Total	\$2,365	\$1,740	\$985	\$0	\$5,350	{Move-260K Utilities to FY 18}	
297								
298								
299	Other	General	Airport	Loan	Grant	Total		
300					Other			
301	Lomax Lift Station Consolidation - Phase 1			5,420	810	6,050		
302	Airport Runway, Taxiway, Tie-Down Apron Rehabilitation		280		2,120	2,400		
303	Fairmont Parkway Intersection/Signal Improvements	1,500			5,500	7,000		
304						20,800		
305								

CIP (Streets, Utilities, Drainage)

	A	I	J	K	L	M	AF
308	(SSO Plan = City/TCEQ Agreed Project Schedule to Eliminate Sanitary Sewer Overflows)						
309							
310							
311		2017-18					
312		Street	Utility	Drain	Grant	Total	Comments
313		CIP	CIP	Fee	or Bond		
314		(\$1000)	(\$1000)	(\$1000)	(\$1000)	(\$1000)	
315	FY 2018						
316							
317	May 2018 Ballot Issue - Street Tax Renewal (4-years)						
318							
319	Construct Somerton Drive Improvements (Spencer to south line of Brookglen Park). 12" Watermain connection from Bandridge WP to Spencer Hwy and Venture Road Watermain Connection	900	500	300		1700	
320	Construct N. 6th Phase 1 (Main to West Tyler)	{350}	200	{200}	550	750	\$550K CDBG Grant for Streets/Drainage
321	Construct Asphalt Resurfacing - Utilize FY 17 Updated Street Inspection. Anticipating Work on Main Street and the Spenwick area, areas east of	1500				1500	
322						0	
323	Asphalt Streets Reclaimed/Surfaced: TBD. Utilize FY 17 Street Inspection.	100				100	
324	Concrete Street Repair - Remove/Replace (Small Sections)	100				100	
325	Concrete Street Repair - Slab Jacking (Small Sections)	25				25	
326	Street Repair Materials (City Crew Construction)	0				0	
327	Construct Handicap Ramp (Where Sidewalk Exists, Full Height Curb, No Ramps Currently, \$50,000), Sidewalk Repairs	150				150	Including P&E Dept Portion
328	Design Collingswood (Farrington to Hillridge) and Hillridge (Fairmont Park Frontage)	70	45	45		400	Several Considerations: FY 19 Funding For Construction Moved up to FY 17 For Fairmont Parkway. Concrete Streets East of Farrington in Equal Condition with Higher Water Main Break History Last 3-years Than Collingswood west of Fairmont Parkway. Wait for FY 17 Citywide Street Inspection.
329							
330	Utility Only Projects						
331	Sewer Rehabilitation (SSO Plan)		350			350	
332	Big Island Slough Force Main		450				Included with Lomax Lift Stations
333	Hillridge Pump Station Construction-Phase 1-		500			500	Deferred to FY 19
334	Lift Station Consolidation-Phase 2				4000	4000	See Below
335	Valve Replacement {In House}		25			25	
336	Water line replacement In-house		60			60	
337	South Broadway Sanitary Sewer Replacement		350	240		350 240	Based on FY 15 Preliminary Design
338	Equipment Replacement Water		20			20	
339	Equipment Replacement Wastewater		40			40	
340	Lift Station Improvements		35			35	
341	Utility Contingency		45	90		45 90	
342	Exterior Painting- 4th st. Tower			350		350	
343	Water Meter Replacement			90		30	
344							
345	Drainage Only Projects						
346							
347	Drainage Materials for City Crews			50		50	
348	TV Inspection Storm Sewer System			20		20	
349						0	
350	Streets/Drainage Contingency	420	190	0	15	420 190	
351							
352							\$250 Drainage Fee
353							FY 18 Streets + Drainage Target = \$3,350
354							
355		2,965	2,000		550	5900	{260K Utilities Moved into FY 18 from FY 17}
356	FY 2018 Annual Expenditure Total	\$2,845	\$2,335	\$385	\$4,550	\$9,905	
357							
358							
359	Other	General	Airport	Loan	Other	Total	
360							
361	Lomax Lift Station Consolidation - Phase II			2,675	475	3,150	
362						9,050	

CIP (Streets, Utilities, Drainage)

	A	I	J	K	L	M	AF	
376								
377								
378								
379								
380								
381		2018-19						
382		Street CIP	Utility CIP	Drain Fee	Grant or Bond	Total	Comments	
383		(\$1000)	(\$1000)	(\$1000)	(\$1000)	(\$1000)		
384								
385	FY 2019							
386								
387	Contract N. 6th Phase 2 (West Tyler to Barbour's Cut)	{350}	200	{200}	550	750	\$550K CDBG Grant for Streets/Drainage	
388	Construct Collingswood (Farrington to Hillridge) and Hillridge (Fairmont Park Frontage) Per FY 17 Inspection	700	150	150		1000	\$1,500 K Fairmont Parkway. See FY 18 Comments	
389						0		
390	Asphalt Streets Reclaimed/Surfaced: TBD. Utilize FY 17 Street Inspection.	100				100		
391	Concrete Street Repair - Remove/Replace (Small Sections)	100 200				100 200		
392	Concrete Street Repair - Slab Jacking (Small Sections)	25 50				25 50		
393	Street Repair Materials (City Crew Construction)	0 75				0 75		
394	Construct Handicap Ramp (Where Sidewalk Exists, Full Height Curb, No Ramps Currently, \$50,000), Sidewalk Repairs	150				150	Including P&E Dept Portion	
395	Design S. Broadway Main to G; A/B/C Streets from Broadway to San Jacinto. Per FY 17 Citywide Inspection.	100		25		125		
396								
397								
398	Utility Only Projects							
399	Sewer Rehabilitation (SSO Plan)		350			350		
400	Lift Station Consolidation Phase 2				4000	4000	Scheduled for Completion Earlier FY's	
401	Water line replacement In-house		60			60		
402	Equipment Replacement Water		20			20		
403	Equipment Replacement Wastewater		40			40		
404	Valve Replacement		25			25		
405	Contract Water Main Replacement (TBD)		400 270			400 270		
406	Lift Station Improvements		35			35		
407	Big Island Slough Forcemain		150			150	Scheduled for Completion Earlier FY's	
408	Paint Interior of Ground Water Tank @ 4th Street		60			60		
409	Utility Contingency		510 0			510 0		
410	Lift Station Evaluation Study		50			50	Per TCEQ SSO Agreement	
411	Hillridge Waterfront Ph II		650			650	\$500K Deferred from FY 18.	
412								
413	Drainage Only Projects							
414								
415	Drainage Materials for City Crews			50		50		
416	TV Inspection Storm Sewer System			20		20		
417	Water Meter Replacement		90			90	Residential Meters	
418	Streets/Drainage Contingency	1590 730		500		1590 1230		
419	<i>Fairmont Parkway Intersection/Signal Improvements</i>	1200	150	150		1500	<i>Moved funding to FY 17</i>	
420								
421								
422							Target = 3,000 Streets + 100 Sidewalks + \$250 Drainage Fee + 160K FY 18 Loan to Utilities	
423							FY 17 Streets + Drainage Target = \$3,510	
424		*2605			550	5,900	\$3,350	
425	FY 2019 Annual Expenditure Total	\$2,765	\$2,000	\$745	\$6,050	\$11,560	* Move 1,500 to FY 17 Fairmont Parkway	
426								
427								
428								
429	Unfunded Consideration:							
430	M Street - 16th to 146	\$750 K						
431								

CIP (Streets, Utilities, Drainage)

	A	I	J	K	L	M	AF	
464								
465								
466								
467								
468								
469								
470		2019-20						
471		Street	Utility	Drain	Grant	Total	Comments	
472		CIP	CIP	Fee	or Bond			
473		(\$1000)	(\$1000)	(\$1000)	(\$1000)	(\$1000)		
474	FY 2020							
475								
476								
477								
478								
479	Asphalt Streets Reclaimed/Surfaced: TBD. Utilize FY 16 Street Inspection.	100				100		
480	Concrete Street Repair - Remove/Replace (Small Sections)	250				250		
481	Concrete Street Repair - Slab Jacking (Small Sections)	50				50		
482	Street Repair Materials (City Crew Construction)	75				75		
483	Construct Handicap Ramp (Where Sidewalk Exists, Full Height Curb, No Ramps Currently, \$50,000), Sidewalk Repairs	150				150	Including P&E Dept Portion	
484						0		
485						0		
486						0		
487	Utility Only Projects					0		
488								
489	Sewer Rehabilitation (SSO Plan)		350			350		
490	Water line replacement In-house		60			60		
491	Equipment Replacement Water		40			40		
492	Equipment Replacement Wastewater		50			50		
493	Valve Replacement		30			30		
494	Paint Lomax Water Tower Interior/Exterior		475			475		
495	Lift Station Improvements		50			50		
496	Hillridge Water Plant Improvements Phase III		500			500		
497								
498	Utility Contingency		445			445		
499						0		
500						0		
501						0		
502	Drainage Only Projects					0		
503								
504	Drainage Materials for City Crews			50		50		
505	TV Inspection Storm Sewer System			30		30		
506						0		
507	Streets/Drainage Contingency	2475		170		2645		
508								
509								
510								
511					\$0		Target = 3,000 Streets + 100 Sidewalks + \$250 Drainage Fee	
512							FY 20 Streets + Drainage Target = \$3,350	
513								
514	FY 2020 Annual Expenditure Total	\$3,100	\$2,000	\$250	\$0	\$5,350		
515								
516								
517								

Proposed CMAQ and Roadway Improvements – Fairmont Parkway

Scope of Work: The project includes the installation of 8.5 miles of fiber optic cable providing communication across various traffic devices along Fairmont Parkway from Beltway 8 to 7th Street. There will be a total of (2) two proposed signal installation, (8) eight signal rebuilds, (4) four signal modifications, (14) fourteen left-turn lane installations / modifications, various signal timing changes, and (1) one major intersection modification at SH 146 @ Fairmont Parkway. These improvements will improve the efficiency and relieve congestion at critical intersections, add capacity in much needed areas and improve air quality.

If both County and City agree upon a funding cap and de-scoping is required, then priority will be placed on roadway, communication, and signal improvements at intersections between the railroad grade separation and 7th Street (the eastern portions of the proposed project).

Funding:

The project will be funded through two mechanisms:

- 1) Federally-funded effort with 80/20 Local Participation of Construction
- 2) Roadway Improvements that are 100% Local Participation

	HGAC Federal Portion		Roadway	Total Local Share
	Total Federal Project	Local Share	100% Local	
Design	\$706,000	\$706,000	\$250,000	\$956,000
Construction	\$4,334,550	\$866,910	\$1,565,000	\$2,431,910
				\$3,387,910

Total Project Value Federal \$5,040,550

Total Project Value Roadway Work \$1,815,000

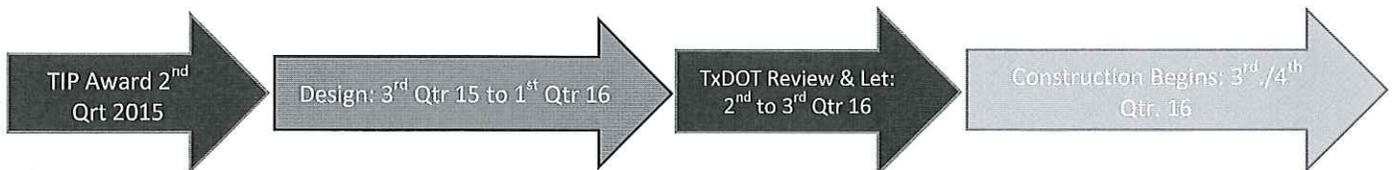
Total Value of Improvements \$6,855,550

Total Local Share \$3,387,910

Proposed La Porte Share \$1,000,000 minimum or 40% of Local Share of Construction

Proposed Harris County Share \$2,387,910

Conceptual Timeline



Texas Water Development Board
CWSRF SFY 2016 Project Information Form

Name of Entity: City of La Porte, Texas

Section 3. Project Category (Continued)

Private Entities (includes Non-Profits): Measures to mitigate stormwater or subsurface drainage water - Projects may include but be limited to, privately-owned projects in MS4 areas including green infrastructure (green roofs, rain gardens, roadside plantings, porous pavement, rainwater harvesting. Reuse or recycling – Projects may include but not be limited to installation of treatment equipment, distribution systems, recharge transmission lines, injection wells, equipment to reuse effluent.

Section 4. PROJECT DESCRIPTION

In the space below, briefly describe the proposed project including which phase(s) (i.e., planning, acquisition, design, and/or construction) funding is sought and any innovative or alternative technology to be used. If the project is a regional project, include all the names of the communities involved or WWTP service areas altered. If the project is a nonpoint source pollution control or estuary management project, identify the water body or estuary, respectively that will benefit from the project. If the proposed project is the result of a disaster, describe any public health or water quality problems consequent to the disaster that will be addressed by the proposed project. Add additional sheets as necessary.

The Lomax Area Wastewater Lift Station Consolidation Project request includes funding for planning, acquisition, design and construction.

The project scope includes extending gravity sewer to replace nine existing sanitary lift stations with a single lift station/force main. **Net reduction of eight (8) lift stations.** Taking the eight lift stations off line is accomplished with the construction of 4-miles of gravity sewer. The project also includes reconstructing a tenth lift station, Lift Station #23, that cannot be served by gravity due to a large oil and gas pipeline corridor. (See Appendix A for the Preliminary Engineering Report.) Finally, the project will include flow metering to plan for inflow/Infiltration considerations with this project and for future in-house and contracted maintenance efforts.

Much of this work is mandated by a Sanitary Sewer Overflow (SSO) consent decree between the city and TCEQ. The proposed project satisfies the TCEQ consent decree Provision #'s 14, 16b, 16c, 16d, 17 and 18. (TCEQ/City Agreement provided in Appendix B.)

There were 30 recorded SSO's associated with the lift stations included in the project area in the eight year period of 2007 through 2014. (Map and List of SSO's during the eight-year period is included in Appendix C.) The improvements proposed with this request are more ambitious and provide greater benefit than the solutions described in the City/TCEQ consent decree.

The project area is also contained within the Armand Bayou watershed of regional importance. (Armand Bayou Watershed Plan included in Appendix D.)

“Green” attributes include: i) improved efficiency (the sewage is pumped by lift stations in series up to five times currently; the sewage will be pumped once upon project completion), **ii) reduced inflow/infiltration** (joint separation is typical in the existing vitrified clay pipe sanitary sewer to be replaced along the proposed trunk sewer route; the project will also include replacement or lining the existing vitrified clay sanitary sewer laterals along the new sewer trunk main), **iii) reduced daily fuel costs** (a city employee w/city vehicle is required to daily monitor/maintain each of the city's 36 lift stations), **iv) reduced infrastructure** (the existing lift stations with generator back up would require replacement 3-times over projected 100-year service life of the new gravity sewer).

**Texas Water Development Board
CWSRF SFY 2016 Project Information Form**

Name of Entity: City of La Porte

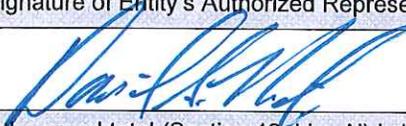
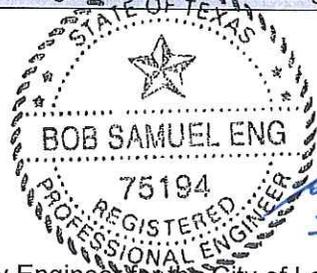
Section 13. ESTIMATED COSTS

Cost Category		(a) Planning	(b) Acquisition ¹	(c) Design	(d) Construction	(e) Total (a)+(b)+(c)+(d)
Check the phase(s) for which CWSRF funding is desired.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
A.	POTW Project: Treatment Project					
B.	POTW Project: Collection Project	\$208,075	\$90,000	\$800,000	\$7,401,540	\$8,499,615
C.	NPS Project					
D.	Estuary Management Project					
E.	Engineering					
F.	General, Legal, Financial	\$15,000	\$10,000			\$25,000
G.	Contingency			\$250,000	\$1,850,385	\$2,100,385
H.	Other (Describe cost)					
I.	Subtotal (Add Lines A-H)	\$233,075	\$100,000	\$1,050,000	\$9,251,925	10,625,000
J.	Financing from Local Funds	\$25,000	Preliminary	Engineering	Report	\$25,000
K.	Financing from Other Sources					
	Total, SRF-Funded Amount (Subtract Lines J and K from Line I)	\$208,075	\$100,000	\$1,050,000	\$9,251,925	\$10,600,000

Note: A financial assistance origination fee of 1.85% will be applied to any committed financial assistance amount.

M. Green Portion [Identify the estimated cost of the green portion (from Question 9.B) as a percentage of Line L.]

Section 14. AUTHORIZATION AND SIGNATURE

Printed Name and Title of Entity's Authorized Representative	Telephone Number
David S. Mick, Public Works Director (City of La Porte)	281.471.9650
Signature of Entity's Authorized Representative	Date (mm/dd/yyyy)
	02/25/2015
If the grand total (Section 12, Line N) is less than or equal to \$100,000, include: <ul style="list-style-type: none"> Statement establishing the basis for the project cost. Signature of system operator. 	If the grand total (Section 12, Line N) is greater than \$100,000, include: <ul style="list-style-type: none"> Seal of registered Professional Engineer. Signature of registered Professional Engineer.
	  Bob Eng, City Engineer for the City of La Porte, Texas

Project Information Form Submittal - Clean Water Revolving Fund Program

City of La Porte, Texas

Lomax Area Wastewater Lift Station Consolidation

February 25, 2015

Item	Quantity	Unit	Unit Price	Total
Phase 1 Construction Costs (Cobb Fendley Report)				\$ 2,619,000
Add 11,000 Lin. Ft. 16" Force Main	11000	LF	\$ 135.00	\$ 1,485,000
Add Lift Station 23 incl. Force Main Replacement	1	Lump	\$ 500,000.00	\$ 500,000
Add Sanitary Service Lateral Rehabilitation	70	Each	\$ 4,000.00	\$ 280,000
Subtotal Phase 1 Construction Costs				\$ 4,884,000
Phase 2 Construction Costs (Cobb Fendley Report)				\$ 2,317,540
Add Sanitary Service Lateral Rehabilitation	50	Each	\$ 4,000.00	\$ 200,000
Subtotal Phase 2 Construction Costs				\$ 2,517,540
SUBTOTAL PHASE 1 + PHASE 2 CONSTRUCTION				\$7,401,540
Add 25% Contingency				\$1,850,385
TOTAL CONSTRUCTION COST PLUS 25%				\$9,251,925

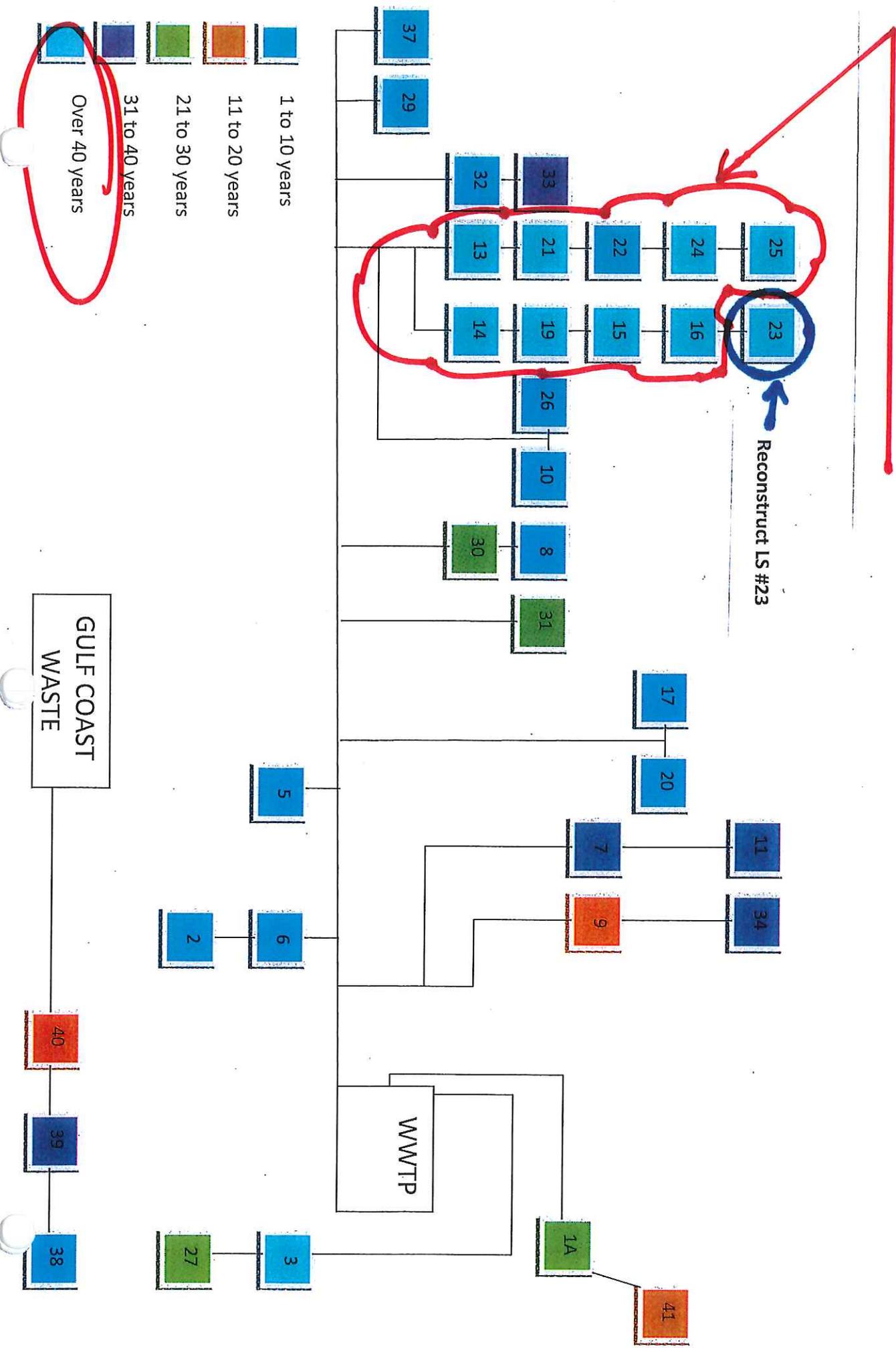
Green Project Component:

Total Project Cost Including Planning, Design, Contingency	\$10,600,000	100.0%
Exclude Lift Station 23 + Prorated 25% Contingency	\$625,000	5.9%
Exclude Lift Station 23 Share of Design, Design Contingency (625,000/9,251,925) * 1,050,000	\$70,931	0.7%
Total Green Project Construction Component	\$9,904,069	93.4%

City of La Porte

LIFT STATION AGE

Lift Station System Originally Built for Unincorporated Lomax. Proposed Project to Eliminate Nine (9) Existing Stations. Consolidating to a Single Lift Station.



Medical Benefit Information

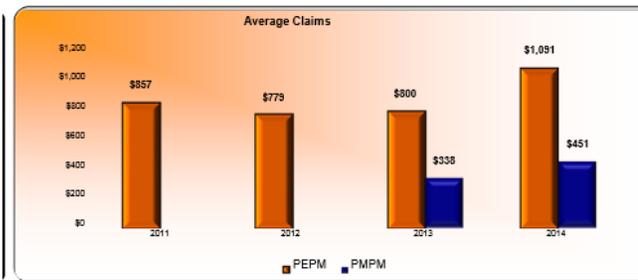
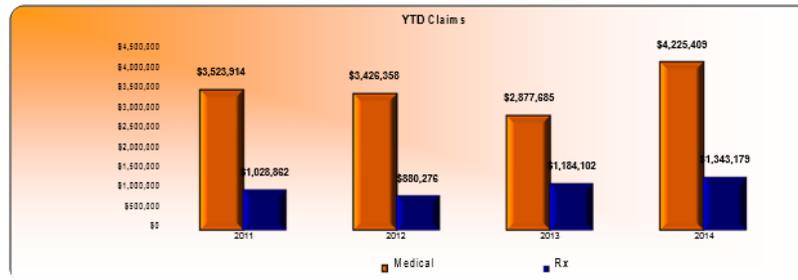
Corby Alexander



City of La Porte
Calendar Year Medical & Rx Plan Review - 2014

January 1, 2014 - December 31, 2014

Plan Year Vendor Specific SL Deductible Specific & Aggregate Contract	2011 Aetna \$145,000 24/12				2012 Aetna \$165,000 24/12				2013 Aetna \$165,000 24/12				2014 Aetna \$165,000 24/12			
	Enroll	Mbrs	Med	Rx	Enroll	Mbrs	Med	Rx	Enroll	Mbrs	Med	Rx	Enroll	Mbrs	Med	Rx
January	427	1,027	\$ 279,941	\$ 90,195	430	1,082	\$ 273,020	\$ 100,851	439	1,029	\$ 210,488	\$ 107,793	410	978	\$ 281,239	\$ 107,021
February	433	1,035	343,477	85,865	432	1,059	252,938	95,285	441	1,032	190,482	96,078	411	984	248,806	98,128
March	420	1,009	257,275	92,911	435	1,067	277,568	93,040	442	1,036	254,097	90,068	412	990	413,665	109,390
April	424	1,023	184,515	76,672	432	1,064	278,049	88,497	416	985	208,189	114,761	416	998	417,723	105,858
May	422	1,023	414,671	92,003	431	1,055	229,905	92,207	414	981	242,355	99,691	421	1,016	444,204	108,815
June	423	1,030	404,977	93,617	429	1,051	210,371	85,080	414	981	393,319	80,425	420	1,011	238,525	127,300
July	428	1,043	230,032	78,364	428	1,044	391,474	82,611	419	997	267,777	103,297	417	1,007	404,345	108,180
August	425	1,037	216,949	79,295	431	1,052	228,795	1,052	421	1,009	180,096	99,152	419	1,013	448,881	97,160
September	425	1,040	296,445	89,317	428	1,046	275,998	1,047	421	1,006	165,236	97,018	418	1,025	428,032	105,667
October	424	1,037	282,510	85,897	431	1,048	364,852	84,927	416	986	253,325	106,582	419	1,028	296,858	123,640
November	422	1,034	314,544	82,463	429	1,044	267,324	80,512	419	989	224,954	90,892	420	1,033	261,265	127,915
December	425	1,048	298,577	82,264	429	1,046	376,065	75,167	415	988	287,367	98,344	422	1,036	365,605	133,618
Totals	5,098	12,386	\$3,523,914	\$ 1,028,862	5,165	12,638	\$3,426,358	\$ 880,276	5,077	12,019	\$2,877,685	\$1,184,102	5,005	12,119	\$4,229,148	\$1,333,667
Total Gross Claims			\$4,552,776				\$4,306,634				\$4,061,787				\$5,528,668	
(Less Spec Claims)			(\$184,736)				(\$283,950)				-				(\$34,147)	
Total Net Claims			\$4,368,040				\$4,022,685				\$4,061,787				\$5,460,123	
Members Per Subscriber			2.43				2.45				2.37				2.42	
Average Employees Per Month			425				430				423				417	
Total Net Claims PEPM			\$856.81				\$778.84				\$800.04				\$1,104.63	
Percent Over Prior Year			N/A				-9.10%				2.72%				38.07%	
Average Members Per Month			1,032				1,053				1,002				1,010	
Total Net Claims PMPM			\$352.66				\$318.30				\$337.95				\$456.16	
Percent Over Prior Year			N/A				-9.74%				6.17%				34.97%	





Plan Cost Summary

Plans		EE's	Med Claims	Rx Claims	Spec Reimburse	Total Claim (less Spec)	Fixed Cost **	Total Spending
Combined	TOTAL	5005	\$4,229,147.17	\$1,333,667.02	\$34,147.44	\$5,528,666.75	\$602,795.09	\$6,131,461.84
	AVG	417	\$352,428.93	\$111,138.92	\$2,845.62	\$460,722.23	\$50,232.92	\$510,955.15
	PEPM		\$844.98	\$266.47	\$6.82	\$1,104.63	\$120.44	\$1,225.07
Active	TOTAL	4,126	\$3,496,932.96	\$972,229.46	\$34,147.44	\$4,435,014.98	\$501,889.80	\$4,936,904.78
	AVG	344	\$291,411.08	\$81,019.12	\$2,845.62	\$369,584.58	\$41,824.15	\$411,408.73
	PEPM		\$847.54	\$235.63	\$8.28	\$1,074.89	\$121.64	\$1,196.54
Ret <65	TOTAL	475	\$618,806.05	\$222,353.78	\$0.00	\$841,159.83	\$62,346.41	\$903,506.24
	AVG	40	\$51,567.17	\$18,529.48	\$0.00	\$70,096.65	\$5,195.53	\$75,292.19
	PEPM		\$1,302.75	\$468.11	\$0.00	\$1,770.86	\$131.26	\$1,902.12
Ret 65+	TOTAL	404	\$113,408.16	\$139,083.78	\$0.00	\$252,491.94	\$38,558.88	\$291,050.82
	AVG	34	\$9,450.68	\$11,590.32	\$0.00	\$21,041.00	\$3,213.24	\$24,254.24
	PEPM		\$280.71	\$344.27	\$0.00	\$624.98	\$95.44	\$720.42

**Fixed Cost-Stop Loss, Admin Fees, and ACA Fees



Plan Cost Summary Percentages

PLANS	PERCENT OF TOTAL (Active and Retiree)			
	MEMBERS	MEDICAL	RX	TOTAL COST
PPO	47%	60%	57%	58%
HF 1000	40%	36%	32%	36%
HF 1500	13%	4%	11%	6%

January 1, 2014 – December 31, 2014



Current Medical Plan

PLAN FEATURES	PPO 500		HEALTH FUND 1000		HEALTH FUND 1500	
	In-Network	Non-Network	In-Network	Non-Network	In-Network	Non-Network
Deductible (Individual/Family)	\$500/ \$1,500	\$1,000/ \$3,000	\$1,000/ \$3,000	\$2,000/ \$6,000	\$1,500/ \$4,500	\$3,000/ \$9,000
Member Coinsurance	20%	50%	20%	50%	20%	50%
Out of Pocket Maximum (Individual/Family)	\$3,500/ \$10,500	\$7,000/ \$21,000	\$3,000/ \$9,000	\$6,000/ \$18,000	\$4,200/ \$12,600	\$9,000/ \$27,000
Health Fund Amount (Individual/Family)	N/A	N/A	\$500/\$1,000		\$500/\$1,000	
Office Visits (PCP/Spec)	\$25/\$40	50%	20%	50%	20%	50%
Urgent Care	\$40	50%	20%	50%	20%	50%
PREVENTIVE CARE	In-Network	Non-Network	In-Network	Non-Network	In-Network	Non-Network
Routine Adult Physical Exams/ Well Woman Exams/ Well Child Exams/ Immunizations	\$0	50%	100%,ded waived	50%	100%,ded waived	50%
Routine Hearing Exams 1 exam/24 mo's	\$0	50%	100%,ded waived	50%	100%,ded waived	50%
DIAGNOSTIC PROCEDURES	In-Network	Non-Network	In-Network	Non-Network	In-Network	Non-Network
Diagnostic Lab and X-ray	20%	50%	20%	50%	20%	50%
Emergency Room*	\$150 copay; deductible waived	\$150 copay; deductible waived	20%	20%	20%	20%
Ambulance	20%	50%	20%	50%	20%	50%



Current Medical Plan

HOSPITAL/SURGICAL FACILITIES	In-Network	Non-Network	In-Network	Non-Network	In-Network	Non-Network
Inpatient Coverage (Incl. Mental Health Substance Abuse)	\$150/day, max 5 days, then 100% after ded.	50%	20%	50%	20%	50%
Outpatient Surgery	\$100, then 20% after ded.	50%	20%	50%	20%	50%
OTHER SERVICES	In-Network	Non-Network	In-Network	Non-Network	In-Network	Non-Network
Outpatient MntiHlth/Subs Abuse	\$40	50%	20%	50%	20%	50%
Convalescent Facility Max 100 days/Cal. Yr	20%	50%	20%	50%	20%	50%
Home Health Care Max – 120 visits	20%	50%	20%	50%	20%	50%
Outpatient Short-Term Rehabilitation Incl. Speech, Physical and Occ. Therapy; Max 60 visits/cal. yr	20% per visit after deductible	50%	20%	50%	20%	50%
Spinal Manipulation Therapy Max 20 visits/cal. Yr	\$40	50%	20%	50%	20%	50%
PHARMACY	Must Use Network Pharmacy:					
Retail Up to 30 day supply	Generic: \$10 Preferred Brand: \$30 Non-Preferred Brand: \$60 Non-Network: 30% after In-Network Copay applied					
Mail Order Up to 90 day supply, must use AETNA RX Home Delivery	Generic: \$20 Preferred Brand: \$60 Non-Preferred Brand: \$120					



Current Medical Plan Premiums

Plan	Elections	Per 26 Pay Periods	Employee Monthly Premium	City's Monthly Contribution	Total Monthly Cost
PPO 500	Employee	\$23.18	\$50.22	\$512.43	\$562.65
	Employee & Spouse	\$76.50	\$165.75	\$1,072.08	\$1,237.83
	Employee & Child(ren)	\$71.61	\$155.16	\$857.61	\$1,012.77
	Employee & Family	\$85.53	\$185.32	\$1,446.37	\$1,631.69
HealthFund 1000	Employee	\$10.48	\$22.71	\$484.26	\$506.97
	Employee & Spouse	\$60.16	\$130.35	\$984.99	\$1,115.34
	Employee & Child(ren)	\$55.42	\$120.08	\$792.47	\$912.55
	Employee & Family	\$71.82	\$155.61	\$1,314.62	\$1,470.23
HealthFund 1500	Employee	\$6.76	\$14.65	\$294.01	\$308.66
	Employee & Spouse	\$48.46	\$105.00	\$574.05	\$679.05
	Employee & Child(ren)	\$43.96	\$95.25	\$460.34	\$555.59
	Employee & Family	\$55.70	\$120.68	\$774.43	\$895.11



Projected Plan Cost

- **FY 2015**

- Medical Claims \$4,478,780
- Prescription Claims \$1,468,027
- Fixed Cost \$704,036
- (Admin \$220,613, Stop Loss Spec \$411,428, Agg \$21,420, ACA Fees \$50,573)
- **TOTAL Projected Cost \$6,650,844 = 8.5% Increase over LY**
 - **w/out Stop Loss Spec \$6,239,416**

- **FY 2016 Projection (assuming no plan changes)**

- Medical Claims \$4,728,421
- Prescription Claims \$1,555,255
- Fixed Cost \$731,417
 - (Admin \$231,643, Stop Loss Spec \$441,339, Agg \$22,491, ACA Fees \$35,943)
- **TOTAL Projected Cost \$7,015,094**
 - **w/out Stop Loss Spec \$6,573,755**



Options for Cost Savings

- Implement Health Fund-only Plan Options for New Hires
- Reconsider Stop Loss Coverage
- Evaluate alternatives for Rx Plan
- On Site Clinic
- Wellness Initiatives
- New Employee Options effective 1/1/2016



New Employee Medical Plan Options

- Health Coverage options for New Employees
 - Effective 10/1/2015
 - Health Fund 1000 or Health Fund 1500
- Current employees would not be impacted by this option

Reconsider Stop Loss Coverage





Self-Insurance

- As a self-funded employer, the City of La Porte assumes all or a portion of the risk for medical and prescription drug claims for all covered members on the City's health plan
- Covered members includes Active Employees, Retirees, & COBRA Participants
- The City has contracted with Aetna to administer and pay claims based off Aetna's contracted rates with providers
- The City has contracted with VOYA to cover large loss claims in excess of the specific and aggregate threshold amounts.



Stop Loss Terminology

Specific Stop Loss Insurance:

- Purchased to protect the City when eligible claims during the policy year on any one individual exceed the specific liability limit
 - The City of La Porte's specific stop loss deductible is set at \$165,000
 - This coverage cost \$411,428 in FY 2015.
 - When any one members' total claims paid during the plan year exceeds \$165,000, the City is reimbursed by the insurance company (VOYA)
 - Eligible claims include any claims that are covered by the medical and prescription drug plan
 - Both medical and prescription drug claims are applied towards the specific deductible
 - **Aetna provides a monthly report to VOYA to review claims, identify claims over the specific deductible, and reimburse the City for amounts over that deductible.**

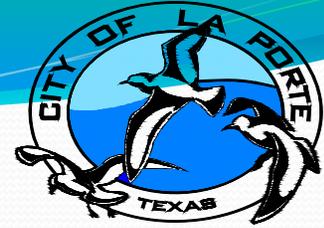


Stop Loss Terminology

Aggregate Stop Loss Insurance:

- Protects the City from eligible claims for the **entire group** that exceed the annual aggregate liability limit
 - If eligible claims for entire group exceed the aggregate liability limit, the insurance company will reimburse the City for those claims at end of the policy year
- Aggregate insurance is set at 125% above the City's expected claims level
 - Claims that exceed this level are reimbursed by Stop Loss carrier
 - 125% = Aggregate Attachment Factor; percentage can vary, but 125% is most common
 - Based on the estimate for claims in FY 2016, the Aggregate would be approximately \$7,854,595, meaning the City would pay out this amount in claims BEFORE any reimbursement would be made.
- This coverage costs \$21,420 for FY 2015.

Example of how a \$250,000 claim would be handled:



If the individual
Stop Loss
Deductible is
\$165,000...



...VOYA reimburses the
City for the excess over
the deductible amount:
\$85,000



The amount funded but not reimbursed (\$165,000 in this example) will apply toward the **Annual Aggregate Deductible**.



Why Have Specific/Individual Stop Loss Coverage

Protection Against Unexpected Claims

- A shock loss may be defined as an abnormally large and unexpected claim.

Examples include:

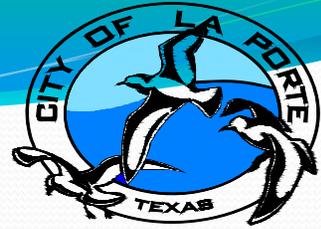
- Severe accident or injury
 - Severe Illness or long term hospitalization
 - Complicated pregnancy/birth
 - Ongoing high dollar treatments
- Insurance companies are prepared for such occurrences as they build margin into premium to help offset the financial impact shock losses can cause

Why Have Specific/Individual Stop Loss Coverage



- What can the self-funding employer do to protect assets against such losses?
 - Stop Loss Insurance is designed to offer effective protection against excessive claims by limiting the amount of risk on any one individual insured.
 - 100% of the claims the City pays for any individual in excess of the specific deductible will be reimbursed for the remainder of the policy year.

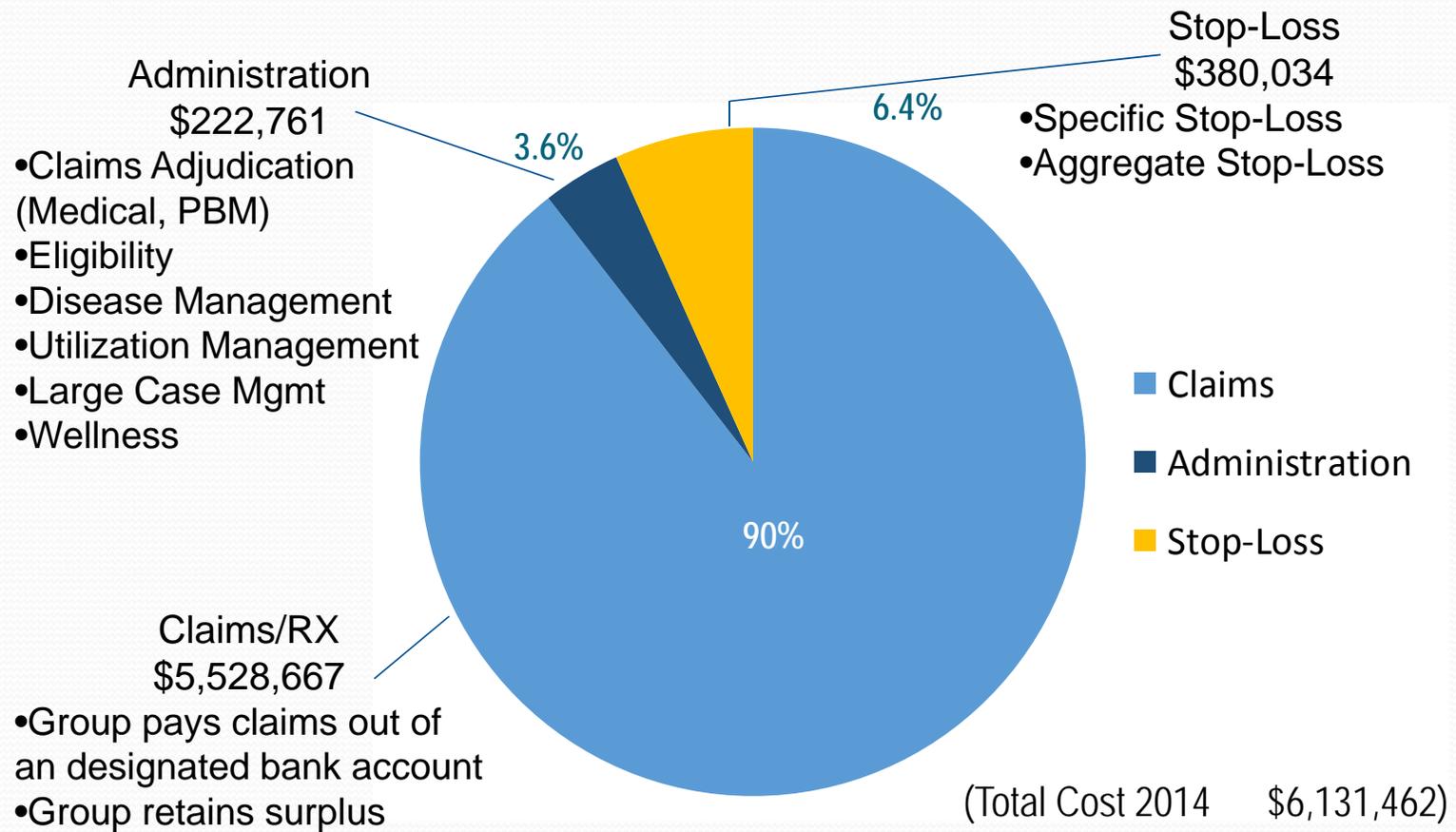
Aggregate Stop Loss: The Ultimate Protection!



- The expected claims of any given group can usually be predicted with a fair amount of accuracy and thus can be budgeted.
 - But, when these expected claims are incurred by a surprisingly high number of insureds, an unforeseeable fluctuation occurs.
- The impact of any unpredictable fluctuation could jeopardize the financial stability of an entity.
 - Aggregate Stop Loss Insurance is a precautionary measure designed to protect the City from the unknown, guarding the City's assets and preserving cash flow.



Cost Elements of a Self-Funded Plan





Stop Loss Past 10 Years

YEAR	SPECIFIC	PREMIUM COST	REIMBURSEMENT TO CITY
2015	\$165,000	\$435,000	\$34,000
2014	\$165,000	\$380,034	\$34,147
2013	\$165,000	\$374,713	\$0
2012	\$165,000	\$349,072	\$283,950
2011	\$145,000	\$352,685	\$184,736
2010	\$145,000	\$281,378	\$180,886
2009	\$135,000	\$294,958	\$50,789
2008	\$125,000	\$303,343	\$48,803
2007	\$115,000	\$314,605	\$436,892

Prescription Trends and Options





Prescription Summary

- Key Performance Metrics
- Managing Trend
- Top 10 Therapeutic Class Review
- DAW (Dispense as Written Program)
- Specialty Drug Tier Program



Key Performance Metrics

- Total plan cost increased by 13.1% to \$1,333,647
- Plan paid Per Member Per Month (PEPEM) increased 11.2% to \$109.60 compared to Aetna's Book of Business (BOB) of \$82.46
- High Cost Claimants (HCC) (>\$12,000) increased by 16.7% to 21.
- HCC Script cost increased by 20.3% to \$438,625

Cost	Jan-Dec 13	Jan-Dec 14	% Change	BOB	Public Administration
Total Plan Paid	\$1,179,291.00	\$1,333,647.00	13.1%		
Traditional Plan Paid	\$1,071,678.00	\$1,229,363.00	14.7%		
Plan Paid PMPM	\$98.57	\$109.60	11.2%	\$82.46	
Traditional Plan Paid PMPM	\$89.58	\$101.03	12.8%	\$57.12	
Specialty Plan Paid PMPM	\$8.99	\$8.57	-4.7%	\$25.34	
Total Member OOP	\$204,922.00	\$197,506.00	-3.6%		
Member Cost Share	14..8	\$12.90	-12.9%	13.80%	14.7%
Generic Dispense Rate	72.50%	77.1% 6.3	80.3%		
Total Prescriptions	14,979	15,741	5.1%		
% Retail Prescriptions	96.80%	96.60%	-0.02%	89.90%	94.90%
% Mail Prescriptions	3.20%	3.40%	5.80%	10.10%	5.10%
Average Membership	997	1014	1.70%		
Avg Monthly Utilizers as % of Members	37.50%	41.00%	9.40%		



Managing Trend

- **The Facts**

- City's Script Cost PMPM has increased 8.8%
- High utilization of Specialty Drugs (Compounds)
- No Penalties for un-necessary utilization

- **Plan Designs to Managing Trend**

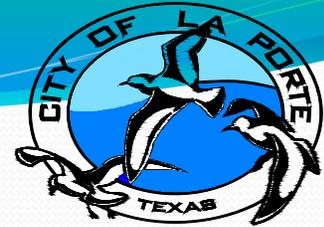
- Use additional copay incentives to reinforce the value of generics
 - Choose Generics (Mandatory Generics) **2.8% claims savings (\$37,343)**
 - With Grandfather plan to allow current members to keep current Rx's
 - Aetna Rx Step (Step Therapy) **2.5% claims savings (\$33,342)**
- Cost Savings through informed decisions
 - Save-a-CoPay-(Mail in Rx or CVS) 3 for the price of 2 - **.35% claims savings (\$4,668)**
 - DAW2 (Dispense as Written) **2.5% claims savings (\$33,342)**
 - Require the use of generics before the certain brands



Managing Trend

- **Clinical Appropriateness**
 - Reduce the potential for unnecessary side effects associated with inappropriate therapies (Set a cost Limit on Compounds)

Top Ten Therapeutic Class Review



• The Facts

- The top 10 therapeutic classes attribute to 65% of Rx total cost
- Diabetic agents increased by 19.6% which is being driven mostly by increase script cost
 - Diabetic agents are the number 1 class with 80 utilizing members

• The Unknown Class

- Increased in cost by 277% = \$86,743
- Increased in Utilization by 178.6% = 36 members
- This class of drug is mostly compounds (Compounds are not FDA regulated and often have no studies to prove effectiveness)
 - The Market Trend to control cost of compounds is to set a limit on the total covered amount



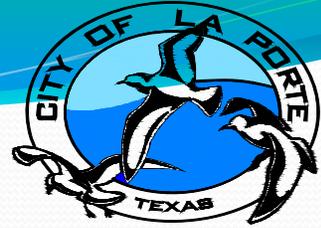
DAW2 (Dispense as Written) Program

- Currently no cost impact on member for selecting Brand name drug when it is not medically necessary
- Program helps cost save for member and plan
- Market Trend and Goal is to Increasing Generic Dispense Rate
 - The member who does not have a medical necessity for Brand Rx, but chooses to get would be balanced billed for the price difference of the generic vs the brand name
 - This plan design change would save the plan \$34,160 annually

On-Site Employee Health Clinic



Purpose of Implementing a Clinic



- To add a new employee benefit to participants in the health program
- To find potential chronic conditions early and being proactive when those conditions are found
- To positively impact the claims cost for the City Self-Funded Medical Program
- To increase wellness opportunities for its employees
- To improve productivity due to lost time at work



The Facts

- Medical and Pharmacy costs are increasing at close to double digits every year
- Cost shifting continues to burden employers and employees alike
- Primary Care visits tend to take additional time (productivity) away from work
- Difficult for physicians to impact claims on the “preventative” side. Traditional model is more reactionary
- Not as familiar with employer plan designs, drug formulary list, and employer initiatives



Goals of Employee Clinic

- To shift primary care visits into the clinic
- Cuts overhead charged by Primary Care Physicians
- Health Risk Assessments performed on employees who choose to use clinic
- Educate on the use of generic and low cost drugs
- Reduce wait time so employees can return to work
- Eliminate costs directly from the Self-Funded Medical Plan

Services Provided and Assumptions



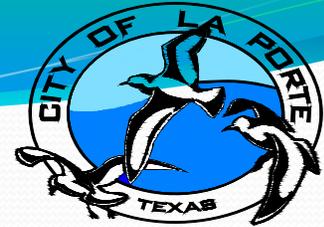
- Routine doctor visits
- Sore throats, earaches, headaches, coughs
- Sinus and allergies
- Rashes
- Diabetic supplies
- Adult flu shots and immunizations
- Minor surgical procedures
- Wellness exams
- Non-specific chest pain
- Generic medicines (optional)
- Health Risk Assessments (HRA)
- Pre employment physicals (optional)
- Strains and sprains



Services Provided and Assumptions

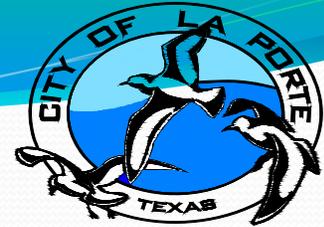
- Cost based on one full time clinic (25 hours)
- Assistance from vendor to identify location
- Staffed with an MD. Also staff two Medical Assistants.
- Generic drugs, prescribed at the clinic to be dispensed at a local pharmacy.
- 3-5 office visits per hour needed
- Flexibility to change format at City's discretion

Examples of Financial Impact & Cost



	Clinic Option #1		Clinic Option # 2		Clinic Option #3	
	Total Dollars	PEPM	Total Dollars	PEPM	Total Dollars	PEPM
Annual Expenses						
	25 hours a week		25 hours a week		30 hours a week	
	700		700		700	
Fixed Administrative Costs						
	\$ 193,200.00	\$ 23.00	\$ 180,600.00	\$ 21.50	\$ 44,715.00	\$ 5.32
Projected Variable Costs-Pass Through Costs						
* Clinic Staff	\$ 211,900	\$ 25.23	\$ 200,000	\$ 23.81	\$ 401,705	\$ 47.82
Supplies	\$ 84,000	\$ 10.00	Included	\$ -	\$ 43,317	\$ 5.16
Stock Medications	Included	\$ -	\$ -	\$ -	\$ -	\$ -
Labs (does not include biometric HRA)	Included	\$ -	\$ 41,250	\$ 4.91	\$ -	\$ -
Professional/External Insurance	\$ -	\$ -	\$ 2,438	\$ 0.29	\$ 13,279	\$ 1.58
Technology	\$ -	\$ -	\$ -	\$ -	\$ 16,500	\$ 1.96
Postage/Office Supplies	\$ -	\$ -	\$ -	\$ -	\$ 4,544	\$ 0.54
Pharmacy Benefit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 295,900.00	\$ 35.23	\$ 243,688.00	\$ 29.01	\$ 479,345.00	\$ 57.06
Approximate Total Annual Costs						
Initial Clinics Start Up Costs						
Supplies, Medical Equipment	\$ 12,814.40	\$ 1.53	\$ 35,000.00	\$ 4.17	\$ 58,001	\$ 6.90
Pharmacy	\$ 7,493.74	\$ 0.89	\$ -	\$ -	\$ -	\$ -
Technology/Software Licenses	\$ 14,278.34	\$ 1.70	\$ -	\$ -	\$ 26,420	\$ 3.15
Implementation and Service	Included	\$ -	Included	\$ -	\$ 22,500	\$ 2.68
	\$ 34,586.48	\$ 4.12	\$ 35,000.00	\$ 4.17	\$ 106,921.00	\$ 12.73
Health Risk Assessment						
	\$ 26,950.00	\$ 3.21	\$ -	\$ -	\$ 7,000.00 (Online)	\$ 0.83
Total Annual Expenses & Monthly Costs						
	\$ 550,636	\$ 65.55	\$ 459,288	\$ 54.68	\$ 637,981	\$ 75.95
	45,886		38,274		53,165	
Total Annual Expenses & Monthly Costs						
	\$ 516,050	\$ 61.43	\$ 424,288	\$ 50.51	\$ 531,060	\$ 63.22
	43,004.17		35,357.33		44,255.00	
Misc. Fees/Comments			Pharmacy cost is passed on to the city and included in the \$10 PEPM estimate on G14. Build out of facility is not included in fees quoted. X-ray machine would be estimated at \$65,000, plus the cost to lead line a room.	Will discuss pharmacy options	Facility/Hazardous Waste: \$728 CLIA Waiver \$165 Patient Surveys: \$4,200	
* Clinic Staff Explanation		1 Physician, 2 Medical Assistants	1 Physician, 1 Medical Assistant or Vocational Nurse		1 Physician, 1 Medical Assistant, 1 Administrative Assistant	
			50 Weeks a year-Previous quote was 20 hours			

Pros and Cons



• Pros

- Members do not pay a co-pay
- Becomes a PCP that knows the plan and member
- Reduces cost to the Medical Fund
- Quick service for Members
- Foundation to Wellness Program
- Proactive approach to members' health
- Possible Partnerships

• Cons

- Limited hours of operation (City's member pool is too small to run a 40 hour a week clinic)
- May not break even for years
- Location may not be best for 100% of all members
- Initial set up cost

Wellness Initiatives





Top Ten Conditions by Claims Paid

Condition/Disease	Unique Claimants	La Porte Prevalence	Aetna B.O.B.* Prevalence
Hypertension	232	26%	13.4%
Nonspecific Gastritis/Dyspepsia	114	12.8%	6.8%
Hyperlipidemia	199	22.3%	13.1%
Lower Back Pain	65	7.3%	5.9%
Ischemic Heart Disease	45	5%	1.8%
Allergy	95	10.6%	7.2%
Chronic Thyroid Disorders	85	9.5%	5.3%
Obesity	50	5.6%	1.96%
Diabetes Mellitus	78	8.7%	4.7%
Depression	68	7.6%	6%

* B.O.B.= Book of Business



Current Wellness Programs

- Annual Free Flu Shots for Member and reduced cost to dependent
- EAP Free Service to Employee and Family (Stress, Family, Adoption, Financial, Legal, Grief, Disaster, etc...)
- Annual Benefits Fair (education for employees and retirees from local businesses, and medical providers)
- Smoking –Cessation Program
- Health Risk Assessment
- Health Screenings
- Lunch and Learns on top medical conditions



Wellness Program Initiatives

- Smoking Surcharge
 - Addition to current premium of \$50
 - Smoking cessation program currently provided
- Annual Biometric Screen and Health Assessment
 - Benefit to member for participating would be the premium cost would remain the same
 - If member chooses to not complete, employee would have to pay an additional \$50 on top of current premium per month
 - Purpose is to drive self education of one's health
 - The City would provide services and computers to allow all members to complete process over a 3 to 4 week period, and member could go to PCP if they did not want to utilize the services the City provided

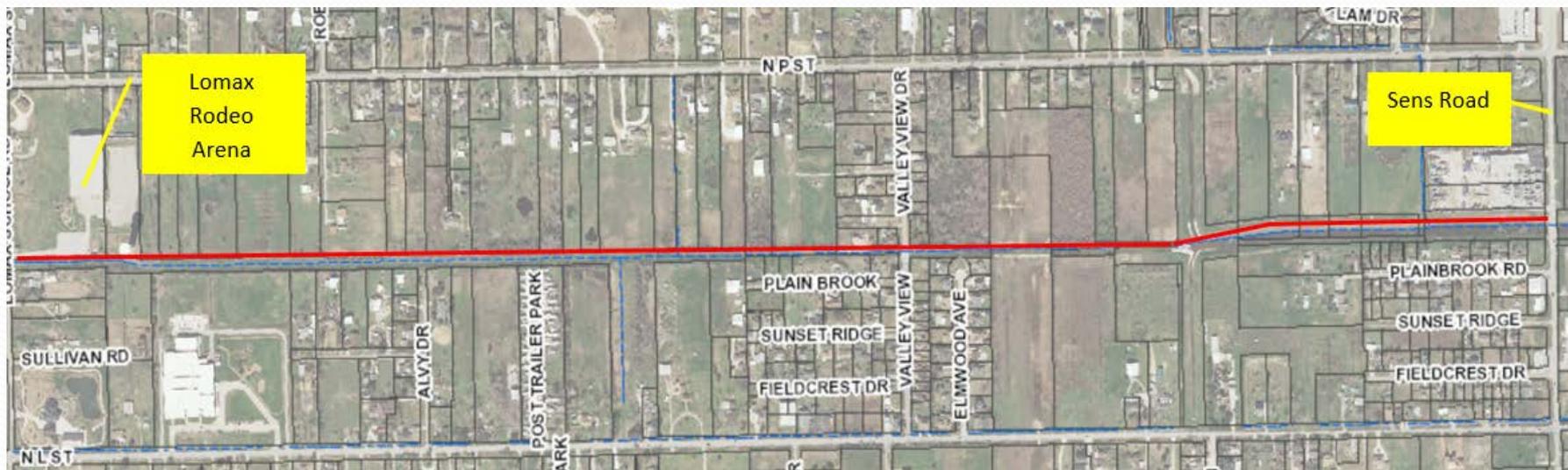


Summary of Available Changes

Consideration	Benefit	Council Recommendation
Reconsider Stop Loss Coverage	Save \$460,000 Increased Risk	
Mandatory Generics	Save \$37,343	
Step Therapy	Save \$33,342	
DAW2	Save \$33,342	
Compound Cost Limit	Approximate Savings \$30,000	
Health Clinic	Benefit to Employees	
Smoking Surcharge	Wellness Initiative	
Wellness Screenings/with premium differential for non-completion	Wellness Initiative	
New Employee Plan Limit	Future Health of Plan	

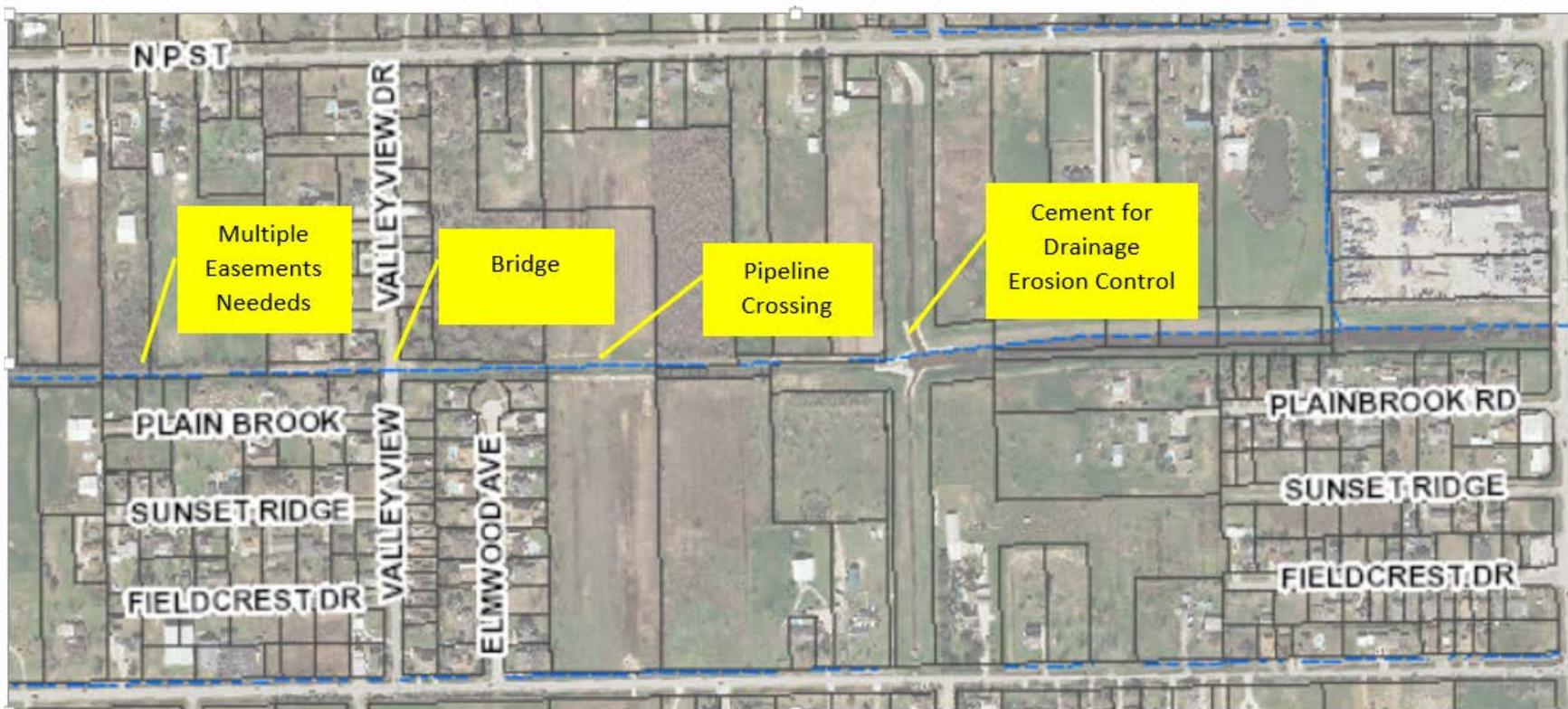


Equestrian/Multiuse Trail





Equestrian/Multiuse Trail Challenges





Equestrian/Multiuse Trail Concerns

- Approval of Harris County Flood Control District
- Part of the Drainage Channel is not at the width it will be in the future
- Bridge crossing
- Steep slope in places
- Cement (for drainage erosion control)
- Multiple easements are needed



Equestrian/Multiuse Trail Estimate

Design Fee	\$110,698
<ul style="list-style-type: none">• Survey & Geotechnical Work	
Site Preparation	\$ 33,000
<ul style="list-style-type: none">• Clear, grub, grading, drainage, SWPPP	
Hardscape	\$ 422,120
<ul style="list-style-type: none">• 10-12' Earthen Trail, slope stabilization, street crossing, trailhead (seating, drinking fountain, signage)	
Softscape	\$127,500
<ul style="list-style-type: none">• Fine grade, hydromulch, shade trees, ornamental trees, irrigation	
Design Contingency (10% of construction)	\$ 58,262
General Conditions (10% of construction)	\$ 58,262
TOTAL	\$ 809,842

Not including land acquisition & channel drainage work

Sidewalk for Glen Meadows & Creekmont to Lomax Jr. High





Sidewalk Concerns

- Approval of Harris County Flood Control District
- Slope along Big Island Slough
- Width of land along Big Island Slough is narrow
- Approval of the pedestrian bridge by Harris County Flood Control District
- Placement of the bridge so Harris County Flood Control District can perform their routine maintenance



Sidewalk Estimate

TOTAL

\$420,000

Includes:

- Property Acquisition
- Surveying
- Fencing
- Concrete Sidewalks
- Bridge
- Geotechnical
- Engineering
- Contingency

REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: April 18, 2015

Requested By: Traci Leach

Department: Administration

Report: Resolution: Ordinance:

Appropriation

Source of Funds:

Account Number:

Amount Budgeted:

Amount Requested:

Budgeted Item: YES NO

SUMMARY & RECOMMENDATION

This item has been placed on the agenda at the request of Councilman Martin.

Two of the areas of emphasis for the Council has been beautification and revitalization. At this time, there is no dedicated funding source that would provide funds for projects identified as beautification or revitalization. Some examples of how this fund could be used are purchasing blighted properties, demolition of blighted properties, and landscape projects that bring increased aesthetics.

Questions raised in regards to implementing this fund:

- Where would the money come from? In addition to General Fund monies, 4B funds may be used for land acquisition if it is used for eligible economic development purposes.
- How much money is needed to get started? If eliminating blight is the primary focus for this fund, substantial funding will be necessary in order to acquire blighted properties. For example, the former Rush oaks apartment complex has an appraised value of \$743,000 and the values of various apartment complexes along Broadway range from several hundred thousand to just over \$1 million.
- What guidelines should be placed on how the money could be spent? If 4B funds are utilized for this program, the statutory guidelines will provide the parameters on how funds can be used. However, if General Fund dollars are used, staff would like to receive additional feedback from the Council regarding preferences for what types of projects should be pursued.
- Who would be the fund manager? The City Manager would provide primary oversight over the expenditure of funds from this type of fund. Procedurally, all major expenditures for land acquisition would be approved by the Council.
- How do other cities acquire property at an opportune time for the purpose of infill or revitalization?

Action Required:

Provide direction.

Approved for City Council Agenda

Corby D. Alexander, City Manager

Date



Christmas Lighting-Currently

- Fairmont Parkway at City Hall
 - Peeking Santa, 4 Nutcracker Soldiers, 2 Toyland Arches, Elephant on a Ball
- Main Street
 - Overhead lighted garland cascade, banners set in lighted garland mounting brackets on light poles
- Library
 - Toy Train
- Five Points
 - 26' Tree, Santa Playing a Piano



Christmas Lights-Upgrade

- Keep what we currently have, but move to other locations
- Current Fairmont Parkway displays would move to Five Points and become “Toyland”
- Peeking Santa would need a new location
- City Hall and Fairmont would display one of 3 themes
 - North Pole
 - Winterfest
 - Country/Victorian with Texas elements
- Lights would be mailed to us and staff would install them
- After 4 years of renting the themes, we would own them

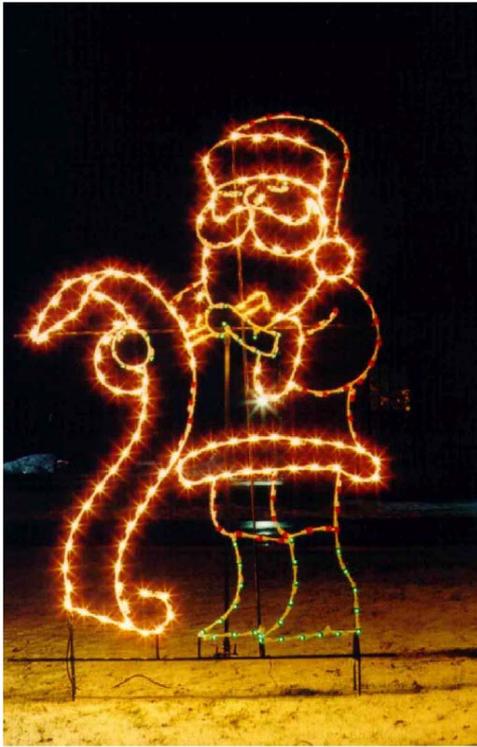


Custom Greeting





North Pole Theme-19 Pieces





Winterfest Theme-14 Pieces



Country/Victorian Theme-17 Pieces





Christmas Lights Estimate

New Light Theme	\$25,000
(Can mix and match pieces if desired, all include the custom greeting piece)	
Shipping	\$ 3,500
26' Tree Refurbishing	\$ 9,350 (optional)
Garland Mount Refurbishing	\$ 2,080 (optional)
TOTAL FOR ALL ITEMS	\$39,930

REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: April 18, 2015

Appropriation

Requested By: Mayor Rigby

Source of Funds:

Department: City Council

Account Number:

Report: Resolution: Ordinance:

Amount Budgeted:

Other:

Amount Requested:

Budgeted Item: YES NO

Attachments :

SUMMARY & RECOMMENDATIONS

2017 will mark the 125th anniversary of the City of La Porte. The Mayor has introduced the idea of having a really significant celebration. Planning and preparation for this would need to begin in the upcoming fiscal year. Council will need to provide direction on the nature of the celebration (ie multiple events, one day event, concert, etc.) and to establish a proposed budget for this endeavor should Council choose to move forward.

Action Required of Council:

Receive direction from the Council.

Approved for City Council Agenda

Corby D. Alexander, City Manager

Date

Canopy Covering for Lomax Arena Staircase



Canopy Covering for Lomax Arena Staircase



Canopy Covering for Lomax Arena Staircase





Canopy Estimate

TOTAL \$19,998

Includes:

- Canopy
- Stamped Plans



Sidewalk Estimate

TOTAL

\$357,000

Includes:

- Surveying
- Engineering
- Contingency

This item will be presented at the meeting.