

**City of Alpine  
Regular City Council Meeting  
Monday, July 11th, 2016  
5:30 P.M.  
Minutes**

- 1. Call to Order, Invocation and Pledge of allegiance to the flags – Mayor Ramos called the meeting to order. The meeting was held in the Council Chambers at 803 West Holland in the City of Alpine, Texas. Mr. Dick Zimmer gave the invocation. Mayor Ramos led the pledge of allegiance to the flags.**
  
- 2. Determination of a quorum and proof of notice of the meeting – Mayor Ramos, Councilors Antrim, Salas, Fitzgerald, Stephens and Escovedo were present. There was a quorum present. The meeting notice had been posted at 10:00 A.M. on July 8th, 2016. City Manager Zimmer, Assistant City Manager/Finance Director Antrim and City Secretary Taylor were also present. Citizens present were Dick Zimmer, Betty Fitzgerald, Don Wetterauer, Kurt Mannchen, Kristen Moody, Ken Roberts, Julian Gonzales Angela Bermudez, Dale Christopherson, Dr. Ekta Escovar, Theresa Wallace and Christine Cockran**
  
- 3. Presentations, recognitions and proclamations – None**
  
- 4. Reports –  
City Mayor’s Report - (A. Ramos, Mayor) – None  
City Manager Report – (E. Zimmer, CM) - None  
City Staff Updates – None**
  
- 5. Public Hearings – None**
  
- 6. Consent Agenda – (Minutes, Financial reports, Department written reports, board appointments, etc.) – (Notice to the Public – The following items are of a routine and administrative nature. The Council has been furnished with background and support material on each item, and/or it has been discussed at a previous meeting. All items will be acted upon by one vote without being discussed separately unless requested by a Council Member, in which event the item or items will immediately be withdrawn for individual consideration in its normal sequence after the items not requiring separate discussion have been acted upon. The remaining items will be adopted by one vote.) – None**
  
- 7. Information or Discussion items –  
  
**A. Budget Workshop – FY 2016-2017 City of Alpine Budget (E. Zimmer, CM)****

City Manager Zimmer said there was a 500% increase in the attendance already from last year. He said we are glad to have comments from the community on topics important to them. He said the survey responses (below) were from the elected officials. He said he and Megan are working on the proposed budget and will take from this survey the deeper understanding of our elected officials, so when they come back with a budget, hopefully they will have a better product. He said from a City perspective we have limited revenue streams and we are always looking for new ways to grow the revenue streams. He said they have put water and sewer rates across the city into a spread sheet and provided that to the Council last Friday. He said we are going to go through the ordinances before we approve the budget to see if there are any that we might change. City Manager Zimmer then read from the Survey Results. He said he would give the Council his perspective on these items. He said we need to develop a stronger asset maintenance program this year. He said streets are a strong priority with the city this year. He said we are investing over a million dollars on the streets. He said a priority is our water and sewer in second place. He said we are only investing about 1% into our assets. He said we need to develop a stronger asset program. He said Alpine is a tough area to recruit to. He said he thinks Sul Ross experiences similar challenges. He said we have been trying to find a utilities director for the better part of 6 months and have only had one qualified person who put in for it. He said the oversight of that is critical as well. He said our police officers write tickets and the ticket then goes to our Municipal Court. He said we are trying to instill pride of ownership in our town so we do not have to spend as much to try to remediate. He said he is debating about a \$4.00 a month charge that would drive everyone's sanitation bill up. He said if we do that are we creating an environment where people begin to expect that and put things beside the dumpsters and along the curb more often. He said accountability is one way to drive it and the other way is to increase the fees. Mayor Ramos said rather than adding the \$4 fee his opinion is to find the folks that dump their trash. He said that will drive the message that this needs to stop. Councilor Salas said if we do the \$4 fee, people will think they are paying for it anyway, so they will dump more. Councilor Fitzgerald asked how you catch people other than having their address somewhere in their trash. Mayor Ramos said the citizens need to turn in these people and get a license plate number and a description of the car. He said cameras would be good but cameras are expensive. He said peer pressure is the bottom line. Councilor Escovedo and Councilor Salas talked about getting carts instead of dumpsters. City Manager Zimmer said the dumpsters are trash magnets. He said if they are in alleys they have the predominance of illegal dumping. Councilor Salas asked when our TDS contract expires. City Manager Zimmer said we still have about 6 years on

the contract. He said if we ask them to do more, they will put a price on it. Erik said the Mayor had a good point. He said the majority of citizens will not challenge an illegal dumper. He said a picture would be substantive. City Manager Zimmer said another item is Economic Development. He said Rick and he were asked to work with that. Councilor Stephens said a lot of business does come in to this city. He said we are a tourist location. He said getting the feedback from UTSA will help us a lot. He said he thinks this is a great time for the city to talk about how we use our tourism dollars. He said the more tax money that comes in the more opportunities we have. Erik Zimmer said how do you have a workforce that supports the economic growth and development. He said we could come up with joint initiatives. He talked about food carts and the food industry. Cynthia Salas said if we can get a nursing home in here it would be nice if Sul Ross still had a nursing program. Rick said Sul Ross is turning that back around. Having a community college was also discussed. City Manager Zimmer said Jim McDonald was working on a nursing home facility. He said that would bring in dollars outside of Alpine as well. Rick asked what Volunteer Big Bend was. Councilor Antrim said it is an organization that recognizes the local volunteers. She said we have so many organizations in the city that depend on volunteers and she hates to see that lost. City Manager Zimmer said we could have the recognition banquet at the Civic Center. He talked about the Adopt-A-Spot program as well. Christine Cochran said regarding the trash, she really liked what was said about accountability. She said she knew the trustees cleaned up after July 4<sup>th</sup> and wondered if they could help clean up stuff around the dumpsters. City Manager Zimmer said there is limited availability on using the trustees. Christine said early education for children about trash would help. Julian Gonzales said the County does not have trash pickup system in place. He said it is all volunteer. He said a lot of people come in and dump their trash so they do not have to pay. He said the city needs to approach the county to see if they will do something about it. Andy said we can address that with the County liaison.

## **COUNCIL SURVEY RESULTS**

### **Top 3-5 Expectations for the 2016-17 Fiscal Year**

- **Ward 5**
  - Continued strong fiscal management e.g. meet budgets, continued drive toward debt
  - Continue to execute on road improvements, water/waste treatment/gas, and airport update strategy
  - With the increase of tax valuations from 85% to 95% of assessed value, and the additional revenue that will create, keep the tax rate the same

- Step up the game plan on economic development and tourism. great start with SBDC...more focus needed. Consider putting in place the structure to carry it out that takes advantage of all the resources the city has including HOT, visitor's center, SBDC plan that will be available late FY16
- Pull together the documents between the City, County and any other organizations so that the city can make prudent decisions on areas where there are overlaps
- Ward 1
  - Roads
  - Waste water management
  - 100% on audit
  - Take over Volunteer Big Bend
  - Reduce number of parks
- Ward 2
  - Budget allocated as needed to serve our community
  - Roads
  - EMS
  - Clean up our community
  - Fire hydrants
- Ward 3
  - Continue on the same path that we have been since Erik's arrival
  - Roads, Roads, Roads
  - Campaign to try and instill a pride of ownership in our City
  - Community involvement: The apathy in Alpine is high.
- Ward 4
  - Streets and Sewer lines need to be fixed
  - Fire Hydrants all need to be working. Does the city need more hydrants? Fire Hydrants need to be working properly because of insurance purposes for the home owner and their safety
  - Fire Hydrants spaced at least to meet the department 500-1000 ft. fire hose access rule need to be working.
  - Does the Park, Water, Sewer & Police departments need more employees to take care of the cities day to day work?
  - We need to hire a City Attorney, with the stipulation that he be a resident in Alpine or nearby
  - The Scown lawsuit needs to be figured out by an attorney that knows how to deal with it because this is only costing the city money, let's see how much we are losing by keeping this lawsuit ongoing.
  - Leave property tax same as last year 2015-2016
  - Improve the relations with the county, how by setting two meetings every six months or more if the need arises to brainstorm about what

**is best for the county and the city residence**

**-Hire a different auditor every year, let's get bids so we can see who has the best credentials and doesn't cost the city a lot of money.**

**This process is important and should be done every year**

**-Accounting books must be reconciled every month and attached with a copy of the bank statements so council has a clear view of check and balances**

**-Good department head management & training if they need it to keep good employees and communications open**

**-Restrooms at centennial need to be finished & restrooms at all parks should be working and opened to the public.**

**-Does the city have a person who writes grants?**

**City Manager Zimmer said there is an opportunity to use an outside vendor to satisfy the running of the water and sewer department. He said second is looking at the rates that we charge. City Manager Zimmer said we have not adjusted the rates in about 7 years with regards to water and sewer. He said Texas Town and City put out a survey this last month that talked about water and sewer rates for residential and commercial users across the state of Texas. He said we participated in that survey and there were roughly 83 cities that communicated in the survey, in the 5,000 to 10,000 population range. He said some interesting stats are if you look at residential water for 5,000 gallons in Alpine vs. the other 83 cities, here in Texas, of our size, we pay about 69 percent of what another city of our size pays. He said for 10,000 gallons, we pay 74%. He said we are paying under what the average city of our size pays. He said for residential wastewater, under 5,000 gallons, we pay 59% of what another city of our size would pay. He said for 10,000 gallons we pay 79% of what another city would pay. He said commercial water, 50,000 gallons, pays 63.79%. He said 100,000 gallon usage, 34.65%. He said on commercial wastewater, 50,000 gallon user, 76% and 100,000 user, 43%. He said the indicator to him on the commercial side is that we do not have accelerators in place to try to minimize usage. He said even though we have a little bit of an accelerated rate, compared to other communities around the state, your usage, as it accelerates, you have got much higher cost per gallon. He said on the residential side, we are hovering between basically 59% and 75% on water and wastewater. He said from a rate perspective, we certainly are well under the norm. He said for number 2, one of the challenges he sees, and he has been in the role for 2 ½ years now, water and wastewater requires very detailed and conscientious management related to preparing the infrastructure when you look at wells, pumps and wastewater treatment plant and you have to have a good planning schedule and a good repair schedule. He said you have to have trusted vendors that are willing to go out and do the work for you. He said one thing we have as a strong advantage in Alpine is between John Skinner, A.G. Hayes, and Heath Turner, we have 3 vendors out there that at a drop of a hat will go out there and work for us. He said for a health perspective for our water supply we need to have those people. He said the challenge is how we get our licenses. He said we are still looking for a Director of Utilities. He said for a B**

license if you do not have a College Degree you are looking at 5 years of experience. He said our longest tenured person right now has about 2 ½ years. He said we also have to have a C operator who needs at least one year of experience. He said on top of that these folks have to pass the tests. He said the tests are not simple. He said you do have to invest time and it is a pass or fail thing. He said we were in a position as a city where we needed to have a licensed person and we were able to contact US Water and they have helped us satiate our licensing. He said they have given us a proposal to look at running the operation. He said as a whole, mostly they deal with employees. He said as a City we ultimately are the permit holder. He said we have to maintain that asset. What we are trying to do is to get US Water to look at what the costs look like here to how much we spent today. He said the other piece that was critical is how much chemical we put in, or what a plant is telling us. He said he does not have a license. He said we as a city have to have experts in there. He said working with an outside entity in the short term is something we will have to do. He said he has been recruiting for six months and that is all we are able to get. He said we have asked TCEQ for help, we have gone to TML and Megan has presented there, and it seems that a lot of cities have the same problem. He said do we pay more with an outside vendor? He said it depends. He said if you have the oversight where you put in the right amount of chemicals and you have the right decisions being made about the equipment and you have a stronger buying history on what costs look like on pumps and motors. He said those are things when you have the right outside vendor you can help minimize some of those costs. He said when we are comparing costs we need to know how much we are paying for water and wastewater. Councilor Stephens asked if the City Manager knew how much these other cities are paying their employees. He said if they are being paid at a higher level we need to know that. City Manager Zimmer said we know regionally what they are being paid. He said we do not know the state average on the compensation. He said he can ask TML for that information. He said the men at US Water have a lot of data sets so he thinks that we can find that information. Councilor Fitzgerald said we do not have any control over what vendors charge us for chemicals and he questioned using US Water. Councilor Salas said if it is an outside vendor we do not have much choice. She said it might be different when some of our employees get their licenses. Erik said with TCEQ we are looking at a \$12,500 a month fine for not being properly licensed. Mayor Ramos said we have to weigh that because if we did not have the contract we would probably have a fine right now. He said our last Director was a wastewater plant supervisor so this was a step up for him. He said we hired him at a little lower rate. Erik said in retrospect he thinks we got a few things accomplished but we really need a more seasoned individual because some of the things need a higher experience. He said his proposal would be what it looks like using the outside vendor versus what it looks like not using the outside vendor.

Water/Sewer – Utilities Department: This past fiscal year has provided ample challenges for the City regarding licensed staffing for our Water/Sewer teams. This is a challenge that permeates through the state in many rural communities.

**The Ordinance establishing the rates has also not been addressed since October, 2010. What are your thoughts on the following two items: 1) Contemplation of an outside vendor to help facilitate the running of the department and 2) Going through a rate case study and potential adjustment of rates.**

- **Ward 5**  
-Both options have merit. Pull together proposals so that we can assess the value. My sense is that given the lack of qualified individuals for the city to hire, there is no choice on #1...the question is cost.
- **Ward 1**  
-Q1. I think this is the best solution. We would have licensed individuals, be in compliance and save ourselves a lot of headaches. We haven't had any qualified people apply. I see this as a stopgap measure until we can get our people trained and licensed – perhaps a three year contract and then re-evaluate.  
-Q2. Absolutely. I understand our rates are below the state average. Six years is a long time without a study.
- **Ward 2**  
-Q1. Use outside help depending on cost (for temporary use)  
-Q2. Yes absolutely review the rate case study/rate
- **Ward 3**  
-Q1. In view of the difficult time we have in obtaining and retaining qualified personnel, it seems reasonable to seek outside help, especially management people. Besides being wrong to put people out of work, it would be a community relations nightmare.  
-Q2. As far as water rates go, six years is a long time to maintain the same rate. Everything goes up. Chemicals cannot cost the same as they did in 2010. We have no control over what the vendors charge and this is how we justified the rate increase last time. I want a glass of water, not a glass of typhoid or cholera!
- **Ward 4**  
-No, Prioritization. Good management is needed not an outside vendor. Why would we want the cities money spend on a vendor, hire locally so that the city's money is spend here and stays here with someone locally. Train city employees to move up the ladder.

He said the next topic is EMS. He said in October of 2013 we signed an agreement with West Texas Ambulance and that was secondary to the agreement they had signed with the County. He said the City pays \$84,000 annually for West Texas Ambulance. He said the County pays a little over \$100,000 now. He said the total is about \$192,000. He said this comes from our General Fund from a state law

perspective. He said as a Municipality we are not obligated to provide EMS services. He said it has been a choice that the community has made. He said when you think about what attracts people to a community and having basic EMS services in a community is critical. He said if people thought there was not an ambulance here, they might not select to move here. He said it is an important element. He said we have been working with the Hospital District on this to see if they wanted to participate in the funding of this EMS unit. He said some bids for two ambulances are about \$500,000 and if you add transport that adds to it. He said one of the things to consider is having a Regional EMS provider. He said we are getting some quotes in that are focused on Alpine. He said he thinks the County is still trying to sort out what they are looking for. He said we should have some responses in by the end of this week. He said we are hoping to get three bids. Councilor Salas said the EMS issue is a big item for her. She said they are the only hospital within 60 miles going to Fort Stockton. She said we have limited services here and if any of our citizens need high level care we need to be able to provide either air or ground transport to accommodate them to get them the help they need. She said we need to really concentrate on our health care to make our hospital stronger so that we can keep Dr. Escovar and the physicians we have and draw more specialty doctors in. She said we need to make it stronger for our community. She said all the areas around here rely on Big Bend Regional. She said a lot of people do not have the means to pay for the transports. She said she thinks all the entities need to come together and find a way to be able to get the services that we need to our citizens. Councilor Stephens said Pecos has a model that works and they are smaller than we are. He said they have a nursing home and a hospital. He said that is why he thinks we have the wrong model in place where all the entities are separate. He said when the county and hospital are ready to sit down we need to have workshops on this. Erik said the hospital is trying to work through billing issues. Councilor Salas said the only advantage that Pecos County has is that they are a County hospital. Erik said the Scudders really want to serve Alpine. He said they are not the strongest business people so he thinks they struggle with how you tie in different parts such as grant funding and retention of quality employees. He said they are struggling with the reduction fees coming from Medicare right now. Erik said we asked the other entities to participate with us in the RFP but they said they needed an interlocal agreement.

EMS: We currently fund \$84K annually to EMS and contract runs through this fiscal year. What are your goals, objectives with this service contract? The funding for this comes from the General Fund. If the agreement with the County changed or the costs increased, how would you like to see this area funded?

- Ward 5  
-Goal – Quality, cost effective service. While we could spend more \$, the question is what would we get for the additional cost. The only topic that seems to continue to come up is the cost for service to

transport individuals for service outside of Alpine. EMS is only one item for consideration...the bigger picture is what are the healthcare needs of Alpine and what the long term strategy is. The city could play a role in facilitating that discussion.

- **Ward 1**  
-I can't think of any other source for the funding other than the general fund.
- **Ward 2**  
-Goals: To provide more dedication and prompt services to our community. We should look at others companies and resources to see what they have to offer. More accountability, area from where funds come from, would leave to City Manager to advise/ recommend.
- **Ward 3**  
-Ground transport to Odessa is essential. Carol provides that, but who knows how long they will be here. I think we should stand firm at \$84K. These guys know they get \$168K from us and the County before they even pull out of their driveway. We should also pursue other providers. Maybe we don't need to change providers, but I do not like to choose from a field of one. If more costs is inevitable, we probably just need to take more from the General Fund.
- **Ward 4**  
-I want to see it funded by the General Fund. A meeting between the county officials and city officials needs to occur so that we can all discuss the EMS and the Airport funding.

Erik said we are going to spend a million this year on paving. He said we know that for 1,057 blocks it will cost \$1.91 million dollars. He said a significant part of that amount is coming from an equity transfer from the gas fund. He said we know that is probably not going to happen again this next year. He said he does not know how much head room we will have until we sit down and discuss the budget. He said he likes the idea of seal coating and trying to save the streets. He said will get 7 to 10 years out of some of our seal coated streets. Councilor Salas asked if there was any way we could do a joint purchase with the County. Erik said if we look at what TxDot Transportation is doing, their buying is so significant right now. He said we are just trying to get in line to get material. He said we use rock and asphalt. He said he is willing to talk to Frenchie on buying. He said the amounts are so minimal that we are buying and these vendors are not moving the needle for us. He said what we are getting out of Ergon is oversight this year. He said they have come in and worked with Hector and Eddie and team on how much product they are putting down. He said we are actually minimizing the amount

of product we have to put down this year.

**Paving – We continue to look at ways to increase our spending on Paving – with the goal of reaching the \$1.19M annual need (as identified in the April 2015 Paving Presentation). What are your thoughts on budget allocations for paving?**

- **Ward 5**  
-Put \$1M in the budget and see what the outcome of the road improvement plan is for FY16.
  
- **Ward 1**  
-There has been real progress over the past year with paving. Bringing in additional help with a private paver will help us up to our goal with number of blocks repaired/paved. I would like to see us continue to increase the funding for paving. The condition of our roads is the number one complaint of our citizens.
  
- **Ward 2**  
-We need to allocate as much as we can to get the job done. Reviewing and looking at all revenues to see what options are available to us.  
-Joint purchasing of materials with the county would enable lower bulk purchases.
  
- **Ward 3**  
-My hot button. Every dime we can spare should go to roads. I still think that my idea of allocating ¼ cent of sales tax money to roads (\$200K per year) is a painless way to get more funds. It is the primary concern of the overwhelming percentage of the population. Much as I do not want to do it, a tax increase is still on the table. We are never going to reach the \$1.19M without a tax increase, I am afraid.
  
- **Ward 4**  
-Council needs a list of the streets on a map of the city to show what streets are in need of repair by rank the most trouble at the top to the least at the bottom.

Erik said we need to look at the balance of dollars that we need to look at that full 3.2 million dollar project. He said we will need to pay 10%. He said part of what you will see in the proposed budget is what the balance is that we need to get us all the way there so we will have the money in the bank. He said the reason he believes it is important to have that money in a fund, dedicated to this project is because we do not want TxDot to push us back into another funding cycle. He said we want to be ready to go on this project. He said the crack seal has bought us time, a two to three year time window, but we do not

want to try to push that to four years. He said the other element we considered was creating an ordinance requiring hangar owners to pay for a taxiway in front of their hangars. He said the feedback he received was that it is important to create that Ordinance. He said we certainly have nice traffic at the Airport. He said we get the UPS packages every day and some people don't understand that they are using the Airport on a daily basis. They are just not flying a plane. Plus we have the Air Transport at the Airport for those people who have to be flown out. He said when Joaquin Jackson passed away we had a certain amount of dignitaries that flew into the community. He said we have given a list to the County and the Airport is on that list. He said there is a lot of Airport benefit to the County as well such as hunting expeditions in the fall.

Airport: We do have an upcoming project on taxiway and apron enhancement. We are needing to put approximately \$250K in reserve to provide for our off-set. We are also needing to build some new taxiways with continued growth and development at the airport. Some thoughts we have considered are: 1) Completing an equity transfer from the gas fund to provide the off-set for the large project. 2) Creating an Ordinance requiring new hangar owners to pay for the taxiway in front of their hangars. Please offer up any thoughts, concerns, suggestions.

- Ward 5  
-Comment-The Airport provides tax base and revenue for the city. The County collects taxes on the airport, yet provide no support for maintaining the Airport. We need a specific proposal to the county about taxes collected on Airport property, or create an ordinance that says only the city collects the taxes. 1) Complete the equity transfer 2) Get feedback from the Airport Board about #2.
- Ward 1  
-Q1. We have already moved funds from the gas fund. I would hate to see us deplete this source. It helps to provide a backup for emergencies.  
-Q2. Yes. I think the hangar owners should pay for the taxiway in front of their hangars.
- Ward 2  
-Airport is important; one reason is for patients needing air transport to move to a higher level of care. 1) Transfer funds as allowable 2) Create Ordinance for hangar owners.
- Ward 3  
-I think both of the options mentioned should be considered. The airport is one of the three most important assets we have, in my opinion. We have to come up with the \$250K somehow. The gas department seems to be our cash cow, but that will not last forever.

- **Ward 4**  
-Equity is not real money so who is or where is the money coming from? Yes I am all for creating an ordinance that new and existing hangar owners pay for taxiway in the front of their hangars and the rest of existing hangars. Why were funds returned to TxDot-Aviation? Prioritize the Airport or the Streets? Why would a Citizen of Alpine or Brewster County pay for anything having to do with the airport when they don't have an airplane or a hangar? Why doesn't the County help with the cost, this is why we as officials need to meet with county officials? We must all work together for the better of the county and city. A transfer was already made for the streets, so this is where we need to decide what is our priority, the Streets or the Airport.

Erik said last fall we went out and had a survey sent out to the Community in relation to parks. The Parks Board would come back and make a recommendation to the Council concerning the survey. Erik said we have 4 members on our Parks staff. He said volume of the number of parks that we have, we have moved into a mowing and weed eating environment. He said the Parks Staff does all the mowing and weed eating and maintains City Hall and old City Hall and other City building assets. He said he thinks about the quality of the parks and do we just want to mow and weed eat them. He said do you want to get into tree trimming, maintaining your baseball fields, soccer fields, and softball fields. He asked if we wanted to have a more horticulture type approach where you train your people on what type of chemicals to put down. He said these are things that the Parks Board anticipated and contemplated in their recommendation. Erik said we do know that our main mower no longer works that we use for everything. He said we will have to purchase a new mower this year. He said the number one priority is to buy a mower this year. He said this is a sensitive issue. He said you get people to start thinking about closing parks. He said we are looking at how many dollars we are planning to put in each park to maintain it. He said right now we have \$280,000 a year in the fund but that is not a lot to go around all the parks. Councilor Salas said she is concerned about the lighting at Medina park and Baines park. She said there is a lot of activity at night and from what she has seen, it is not in a good way. She said we need to get the parks lit so we minimize the activity at night. She said you do not need to be at a park at night. She said she believes organizations need to maintain some of the parks. She said we do not have the staff or the finances to maintain all the parks in town. Mayor Ramos said he thinks we need to minimize some of the properties that we call parks. He said we do not have the staff or the funds to maintain all of these parks. He said there are 13 of them. He said for a city this size that is quite a few. Councilor Salas asked how we inherited the American Legion Park. City Manager Zimmer said the park was owned by the City at the time and was used for general baseball practice. He said the idea was to

develop full parks. He said Friends of Big Bend Park have done a really nice job at fundraising to develop replacement equipment so that when you take out old equipment the new equipment meets the safety requirements and minimizes the maintenance. He said he thinks one of the things that Friends is looking for now is some level of direction from the City saying here is where we are going to focus our efforts so as they go out and fundraise they are targeted at those areas of the city. Councilor Fitzgerald said in the survey the overwhelming majority of citizens used Kokernot park. He said he never sees anyone at American Legion park. City Manager said as recreational spaces in town you have Sul Ross, the school district, the County and there are other recreational spaces that other entities are already maintaining. He said the question is how do you make the parks have good quality so that people actually go out and use them. He said the biggest complaint that the baseball and softball teams have is stickers. Councilor Stephens said based upon what came out from the Parks Board, there would be a campaign to Adopt A Spot for the parks. He said Friends could focus on Kokernot, Baines and Medina this year. He said that does not mean that they could not branch out next year. He said the Adopt-a-spot volunteers will need to follow through. He said we know that there will be some people who will go out and work on a park and then six months later say, that was fun but I am dropping it now. He said we need the consistency over time. Councilor Fitzgerald asked if the City Manager who knew of any other cities of our size that had this many parks. City Manager Zimmer said he did not know off the top of his head but he would say that in other communities that he has lived in he saw home owner associations putting in parks and having funds to maintain them. He said in these parks we are using water and electricity. Dick Zimmer said he is actually a member of the Parks Board. He said there are 3 strong parks in Alpine, Kokernot, Baines and Medina that everyone uses. He also talked about the adopt-a-spot program. He said recently he and his wife and another couple have starting working on American Legion park. He said they have been doing mowing and weed eating and there is a restroom facility over there. He said they have been thanked for being volunteers and making the park look nice. He said the volunteering helps to build relationships within the community. He said Patsy McWilliams is the person to contact concerning Adopt a Spot. He said we have several little parks that do not have much to them but if someone adopts them they could really be beautiful assets to our community. Mayor Ramos said he strongly believes in community involvement with the parks. He said he has spoken to the American Legion about adopting American Legion Park. He said they do have volunteers. He said maybe this will be a snowballing effect and get more people to get involved and take care of the parks. He said there is a possibility that Fiesta del Barrio should adopt Centennial Park and maintain it and that would take some burden off the city. He said we need more community involvement – take pride in your community. Councilor Salas said if the community is hands on, it is more likely that the parks will not be vandalized. Dr. Escovar said she is the president of Friends of the Big Bend Parks. She said she agrees that

the parks should be a little more usable. She said she thinks the reason that you never see anyone at American Legion is because there is nothing out there. She talked about the grants that had been received for Kokernot Park, Baines Park and Medina Park. She said they need some direction on what to do. She talked about several ideas that could be incorporated into parks. She said the average amount of parks per 10,000 people per city is 6.3 parks per 10,000 people.

Parks: We currently have multiple parks across the City and maintenance intervals continue to be an issue. What type of action would you anticipate we take this year? (For example: should we add more staff, fund more equipment, minimize asset base, no change, etc...). The Parks Board has also worked through a survey polling the citizens and is currently working on a recommendation to Council.

- Ward 5  
-Look forward to hearing the recommendation of the Parks Board
- Ward 1  
-I would like to see us do all of the above; although with fewer parks we could probably get by with our current staff. I am waiting to see the board's recommendation. I would like to see fewer parks and concentrate our funding on improving the parks we retain. We might as a good faith measure appropriate additional funding for the parks whose funding was used elsewhere if the board recommends keeping those parks.
- Ward 2  
-Reach out to probation dept. and county judge to use jail inmates and any probation people that need community services or setup to have the surrounding neighbors to take care of the park in the area.
- Ward 3  
-We have too many parks. Twelve parks for 6000 people is absurd. One park for every 500 citizens? The least used parks should be eliminated and houses put up there. This would make a nonperforming asset, which is actually an expense, into a performing asset. I do not know what the average ratio of parks to citizens is, but I will bet it is not 500 to 1.
- Ward 4  
-Kokernot and Baines Park have gotten a lot of attention with grant monies from the friends of the Park, neglecting the other parks. I want to see grant money spent on Pueblo Nuevo & American Legion parks, these two parks need immediate work done to them. Management issues could be a problem as to why employees don't

stay, are they not getting enough pay, is there a conflict with head of the parks Dept. and employees. I have had citizens come to me and speak to me about situations about the parks department when I was on the parks board. To me and other citizens that I have talked to or have come to me feel tht these two parks need to be a priority. Why should the children, teens and adults have to drive across town to go to a park when there is a park in their neighborhood? We don't have a skating ring, a game room, a water park, etc...to give our community something to do.

Erik said for the last couple of years we have kept our tax rate at .5385 allowing the increase in the taxable values to create an increase in the tax revenues. He said we are seeing a little bit of development in the properties in the community and we have a few properties being added to that base. He said if we went to the rollback rate what the revenues would look like. Councilor Fitzgerald said he was not in favor of raising taxes but felt like the Council needed to see all the options. Erik said if we went to the rollback rate we would have to have an election. Councilor Stephens said with the changes in the assessed values he believes the city is going to get about \$110,000 to \$120,000 increase because of the increase in the assessed values. City Manager Zimmer said we have had a better than expected year on sales tax revenues. He said if we continue that trend it helps.

Ad Valorem Tax: Please feel free to voice any comments on Tax rate, property valuations, etc.

- Ward 5  
-Leave the rate the same
- Ward 1  
-No one wants to raise taxes, but to accomplish what needs to be done as well as what we want to do requires more funding than we currently have. If I understand the property values, we are losing money because our property values are below what they should be. Perhaps alternating between raising taxes and raising property values every 2 years would be less upsetting and still provide us with additional funding.
- Ward 3  
-It is my opinion that the way to increase taxes, with the least amount of fallout, is to do it gradually. Even if the increase is only one cent, people will gripe, but not as much as a big chunk. On the other hand, if we did a big chunk all at once, we would only incur the wrath of the citizens at one time. It is a no win situation.
- Ward 4

- Lower the tax rate to raise the revenues as last year 2015-2016
- Ad Valorem taxes should be comparable to other Home Rule communities of comparable size and industrial ambition as Alpine. The City should provide the data on comparable communities with citations for verification. If Alpine is to attract the retired population as its citizens, revenue increases should be related to more efficient city operations management rather than increases in AV tax.
- Training ambitious field staff to perform the work of outside contractors is the most successful way to save expenses and keep the expenses paid within the community. We should invest in training for the city employees and encourage training ambitious local staff.
- There appears to be more individual homestead property for-sale signs. Is this related to the reduction of city services with the prospect of increased taxation?

City Manager Zimmer said we do have Ken Robert here with us from RHA.  
Erik

said we use a partially self funded program and he had not used one prior to coming to the city but he does like it and he does think that there is a certain amount of risk that we face as a city. Ken Roberts said he has been the city's insurance agent for the past 10 years. He said he is an independent agent and they are going out for multiple bids this year. He said he will have to say that at the end of the process he still believes RHA will have the best package for the city. Ken described the differences between self-funded, and fully insured. City Manager Zimmer said we do have a lot of parents who have to pay health care for their kids. In order for them to have enough money to pay for rent and buy food we have to provide a very low insurance copay. Ken said cities are known for not paying that well sometimes. He said they are also known for having very good benefits. He said he and Erik are talking about making the existing \$1,500 deductible into a \$500 deductible. Erik said this is a high dollar item for the city. He said we pay up to \$700 a month per employee. He said we use it as a retention tool. He said he and Megan had also been working on offering employees an annual physical checkup. He said sometimes employees will not go to the doctor if they have to pay a \$30 copay. Councilor Stephens asked how much the city paid in health care for a year. Megan said it is around \$16,000 per month. She said that is just for the admin and our portion. She said she would have to pull the claims to get that number. She estimated \$250,000 to \$350,000 a year.

Health Care: The City currently uses a partially self-funded health care program for our employee benefits. Each year we look at rates to continue the partially self-funded program or convert to a fully-funded program. Ken Roberts from RHA will be providing us with new rate quotes by the end of June. Do you have any thoughts/concerns with this topic?

- **Ward 5**  
-Two challenges...quality healthcare for city employees and how best to provide cost effective service that they can afford. A suggestion is to line up one of the local healthcare providers to deliver the care to Alpine city employees and their families on a reduced rate.
- **Ward 1**  
-Want to see the new rates first before commenting more than what we need to provide health care.
- **Ward 2**  
-We need to take care of our employees. We need to review numbers/cost on self-funding vs. fully funded. Then decide what options are available to us.
- **Ward 3**  
-I have a great deal of respect for Ken Roberts. He is well versed in the field and has saved some folks a fair amount of money. I listen to and take his advice. Let's see what he comes up with and go from there.
- **Ward 4**  
-Work with TML and see if they have any ideas about insurance or maybe they can provide the City with one/we don't want to be self-funding it. Offer Vision through VSP (Guardian) and Dental through RHA.  
-Every update of rates and company coverage should be an ongoing activity of the administration to provide the best available.

**City Manager Zimmer said the 5-year Capital Plan updated list was sent to the Council last week. He said he said there is a certain focus on what we have to do. He said we are trying to get some of those done this fiscal year if we have room in the budget.**

**5-Year Capital Plan: Department Heads will be updating their lists as part of the budget process. If you need a copy of last year's 5-year plan, please let Megan or myself know. One item we discussed at a City Council meeting earlier this year was the percentage of total asset dollars we spend on maintenance for our water/sewer/gas infrastructure. Currently we spend around 1% of our total asset valuations in water/sewer on annual maintenance and a little less than 5% of our total asset valuation in gas on annual maintenance. Please provide any thoughts or comments on Capital spending related to both physical and infrastructure related assets.**

- **Ward 5**

**-We should spend time during the budget workshop on this. Either we liquidate city assets that we don't use, or increase the budget to maintain them.**

- **Ward 1**  
**-These figures seem awfully low for water. With the number of water leaks recently perhaps we need to spend more here.**
- **Ward 2**  
**-Is this working at 1% and 5%??? If not let's review options/ recommendations.**
- **Ward 3**  
**-First of all, it is great to have a long term plan. It was sorely needed. I fully support the way the City Manager has run the City so far, like a business! Last year's version of the capital plan only had 3 items listed for 2017 and 2 items for 2018. I would like to see what the new Capital Plan looks like.**
- **Ward 4**  
**-Council should review and verify all transactions at or above \$5,000. While maintenance ratios are usually considered in annual operations costs, for which there are industry standards to consider as base lines, both the age of our utility infrastructure and the past history of maintenance, repair and replacement, carefully, honestly and verifiably documented is of prime necessity for management to provide to the council for proper decision making. The change in the annual maintenance cost ratios with time is both a necessary and worthwhile indicator. The annual maintenance ratios with asset value is only useful when a consistent evaluation of assets is available, otherwise it becomes an easily manipulated tool for deception.**

**Erik said we have a few buildings out there that we do not charge any rent on. He said the Sunshine House is one of them and the Neighborhood Center is Another. He said we don't charge rent to the Chamber for the Visitor's Center but we have historically said that is part of running a visitor program. He said we may want to look at the maintenance of that building through our hotel occupancy fund. We may maintain all buildings under a separate fund. He said he and Megan are contemplating recommending that. He said we may want to charge rent or have them do maintenance. He said some of the buildings are in decent condition and Sunshine House is in bad condition. He said we need to make a determination on the use of that building. Dick Zimmer asked if the City had another building like the old fire department that could be used for this. Erik said sometimes it is easier to put up a metal building than try to renovate an old building. Theresa with the Sunshine House said they provide meals on wheels and other services. She said their**

board has been talking about which direction to go. She said they are thinking about starting a campaign and trying to build a new structure. Councilor Salas asked if they used the whole building. Theresa said the only part they do not use is the out building, the storage building. Councilor Salas said they need a kitchen and a dining area to serve the meals, an office and restrooms. She asked if they needed a conference room and Theresa said it would be nice to have at least a moderate sized conference room. Dick Zimmer said they have a small library as well, and quilting group. Councilor Stephens asked what the square footage was of the building. Theresa said they would like to have about 4,000 to 5,000 square feet. She said they could probably make do with as little as 3,000 square feet. Betty Fitzgerald asked if there was anything in the storage area that could be auctioned off or sold. Theresa said they do not own anything in there, that it belongs to the city. She said they cannot make grant improvements to the building because they do not own it. Councilor Salas said being a historical building there is only so much you can do with it. Theresa said they looked into that and may have more leeway than we think. She said the main thing they are concerned about is the exterior of the building. Mayor Ramos said with that kind of leeway, a grant could be an option. He said losing the Sunshine House is not an option for our city.

**Building Asset Management: Currently the City has multiple facilities that we charge \$0 rent. Directionally, would you like to see us drive up rental fees, sell these assets, or do something different?**

- **Ward 5**  
-Same comment as previous question.
- **Ward 1**  
-A combination of rent and sales – sell those that need extensive repairs as we can't afford the repairs particularly when we are not collecting rent. There needs to be at least a token rent, perhaps enough to cover insurance on the building.
- **Ward 2**  
-First, what, who, where are our facilities? Possibly consider rental fee to use for maintenance of the buildings or don't charge rent but let the business that is utilizing property maintain the building.
- **Ward 3**  
-My opinion is that if they are viable assets, they should be charged a little so they become performing assets. If they have outlived their usefulness, then get rid of them and put any monies received into the road budget.
- **Ward 4**  
-Reports from other non-profit agencies should also be submitted to

the Mayor and Council. What do these agencies provide for the City of Alpine and do we have proof that they are doing something for the City of Alpine and its residents?

-Do they pay rent, who pays the utilities, who pays for the maintenance, who buys the supplies, building insurance?

1) Sunshine House

2) Library

3) Children's Advocacy Center

4) Alpine Chamber of Commerce

-Neighborhood Center – Big Bend Community Action Center & CASA the City of Ft. Stockton/Pecos County has and is willing to provide to CASA a building for them since 90% of cases there.

-Cemetery Association needs help, a good used working riding lawn mower etc...

Erik said last year we were assertive into driving collaborative advertising dollars of the Alpine portion of the fund so those are being crafted by Chris Ruggia. He said they are reviewing and getting out more advertising to the bigger magazines, Texas Highways and Texas Monthly and advertising multiple events. He said we are certainly doing a better job of that. He said we have spent some dollars on the renovation of the Civic Center. He said we still need to take out the stage and rehabilitate the flooring in there. He said we want to add in a partial stage. He said we want to finish that this year. He said we are also going to put out an RFP to see if there is anyone out there who would want to run the visitor center. Councilor Fitzgerald said it is very important to have a visitor center here. He said it is a good draw.

HOT Fund: Do you have any thoughts on driving spend out of this fund further

towards advertising versus specific event offset spending as we've done in the past? What expectations do you have toward Visitor Center Funding? We also used approximately \$80K this year to handle the majority of renovations to the Civic Center. Would you like to see us target additional dollars to complete a few other activities like: finish the floor, remove fixed stage and add portable one, etc...

- Ward 5  
-See comment under 1D (fourth item of response)
- Ward 1  
-The Civic Center is very visible during a number of events and needs to look its best. Let's finish the floor and the staging.
- Ward 2  
-Advertise, letting every event to fund for themselves. If outdoors, provide usage of electricity if needed.

-Civic Center needs work, finish floors, new chairs, renovate bar, etc.,

- **Ward 3**  
-We should spend the money needed to do the new Convention Center up right. The better it looks, the more attractive it will be to the prospective renters. There needs to be a mix of advertising and support for the events. Some may have a great idea but need a little help to make it happen. For instance, the kite festival and jazz festival that Tushar put on. I noticed that Alpine did not have much at the welcome center in Texarkana.
- **Ward 4**  
-The city under the law is obligated to spend 50% of the revenues on advertisement.  
-I want to see what can be done to improve both the advertising and tourism that really remains Alpine's income asset. I also think a small article from the Mayor and councilmember on the newspaper of what is going on with the City is important to let Alpine and county residents know what we as elected officials are doing for them. One topic each Thursday and we can ask the citizens what they want us to explain to them.

Erik said last year we budgeted this at \$4,000. He said we had some debate on this topic last year. He discussed per diem and hotels and travel.

**Conference and Travel: We budgeted \$4K per elected official this past year. Do you want to increase/decrease for this next year?**

- **Ward 5**  
-No increase!
- **Ward 1**  
-I didn't spend near this. I'll try to do better next year! Let's leave it at that. I haven't heard any complaints about not enough travel funding.
- **Ward 2**  
-If council member terming out with that year, not allowing to spend funds. Funds should be available for incoming council members.
- **Ward 3**  
-We survived this year with \$4K. However, I would like to see it go back to \$5K since the abuse seems to have ceased. I think our group now will be more responsible. I like the idea of reporting what you learned at these sessions at Council. Some of us actually get something out of it.

- **Ward 4**  
-Elected officials require more funds as needed. Comparable data should be made available on this expenditure.

Erik said these are all very important to the citizens of Alpine. He said these do come out of our general fund. Councilor Fitzgerald said he would like to see a few extra dollars going to the library. Councilor Salas said she agreed with Councilor Fitzgerald. She said we need to make sure that the funds we give are being used for our citizens and not for luncheons for law enforcement. She said that needs to come from their funding and not ours. Councilor Fitzgerald said the library does a lot of their own fund raising. Erik said the Children's Advocacy Center could use a few more dollars as well. Dick Zimmer asked if the Council knew what the operating budgets were for each organization. Erik said last year the organizations came in to speak and explain what their expenses were and how their funds were spent. Councilor Escovedo suggested helping with the Cemetery. It was discussed that the Cemetery was county property. Megan said the County does budget funds for the cemetery.

**Non-Department subsidies: We currently fund the library \$40K annually, Family Crisis Center \$8K and Children's Advocacy Center \$5K. Do you want to continue at those levels? Are there other entities you feel the City should consider?**

- **Ward 5**  
-Continue the funding as is.
- **Ward 1**  
-I would like to see us help with the food pantry. The food pantry supplies food for hundreds of hungry citizens each month and all the work is done by unpaid volunteers.
- **Ward 2**  
-Find out what each entity is using funding to provide services to our community. Family Crisis Center spends a lot for luncheons to City Police, DPS, etc...funding should be used to help our citizens. Consider allocating funds to the new nursing home trying to open in our City.
- **Ward 3**  
-Family Crisis and Child Advocacy looks ok. The library, even with our stipend, ran so short of money they are now closed an additional day each week. If it were possible, I would like to see them get a little bit more. Perhaps something to bring up to the County. I do not know if they kick in any, but a lot of County residents use it.

- **Ward 4**  
-Yes, give us a list of potential users. The council should be provided data on how much present and anticipated participation exists in these services for council to make intelligent decisions.

**Waste Removal by Dumpsters – Non-Survey Item**

- **Last Year's Thoughts**
- **Cost Structure**

Erik said his goal will be to get the proposed budget to the Council 7 to 10 days in advance of our next budget workshop. He said feel free to come and visit with he or Megan concerning this.

**Other Considerations: Please use this space to identify additional thoughts/concerns/suggestions not identified previously**

- **Ward 5**  
-The city has a solid game plan on day to day operations and infrastructure improvement. Stay the course and take actions to document agreements with the county so that we can make prudent decisions.
- **Ward 1**  
-Also I think we should take over the Volunteer Big Bend luncheon. Alpine runs on volunteerism and we need to continue recognizing our volunteers. We may fund the library, but without the additional work done by volunteers, the library would not be able to function. This is true for much of what is done around Alpine. The luncheon as done by the Pilot Club broke even and often made a profit what with sponsors' fees and ticket sales. And we have a place to hold it at the Civic Center although SRSU might consider continuing to offer their facilities.
- **Ward 3**  
-Do we know how much money and manpower would be saved if we de-annexed Country Club Estates?
- **Ward 4**  
-Council needs to meet with each department director and employees to discuss their present needs and aspirations of the future.  
-Council receives monthly operational reports, including financial operations, from each Department Director. I want this in a very simplified manner where any citizen can walk in to the city office and be able to read it as well as council.  
-List of All Department heads and who is under them and their pay. Is the pay below or above the state average in other towns in Texas that

**work for the City of their town? Do we need to make adjustments?**

**-Give at least 5% raise to hourly employees working on the streets, water, sewage and police.**

**-Do the departments have the adequate equipment they need, like cameras for the Police Department to use for investigations, or lawn mowers for the sewer department, etc.? Are the company cars in good working conditions? Do they need to be replaced or just buy new engines?**

**-When Bids are sought the Mayor & Council Members should get a copy of who submitted a bid and a check list of the requirements/criteria.**

**-What is the Salary for Councilmembers & Mayor in the State of Texas, this needs to be researched and the city charter should be amended. Just like County Commissioners are paid a reasonable rate so should the Mayor and the Council. Do Councilmembers & Mayor have liability errors & omissions and if not why not? The money for Councilmembers and Mayor that is allowed for training, can it be used for other things and if so what? Do we need to add another meeting in order to be more efficient and receive our board packets on Wednesday instead of Friday to have more time to review the materials?**

**-Why can't we use a program that has been put into place like in Odessa and Midland where the prisoners are used for picking up trash? This has worked well in Odessa and Midland. Here is another instance where the County and City should be working together.**

**-The mark of a community is in how it services its most vulnerable citizens rather than how much money it can accumulate. To accompany Alpine's natural beauty and healthful environment, City Management should be focused on preserving its natural assets including its water supply. While utilizing and developing local educational resources to help develop the talents of its youth.**

**-As past history has taught us, we must remain vigilant of those who exploit our community for their own personal gain, especially when that personal gain takes away more than it provides the community.**

**Self Funded vs. Fully Insured (Ken Roberts – 806-722-2110, [ken@pictx.com](mailto:ken@pictx.com), 3001 68<sup>th</sup> Street, Lubbock, Texas 79413)**

- **Self funded – risk = reward**
- **Fully insured pay a fixed premium = no risks**
- **The more risk the client is willing to assume. The more money the client will save.**
- **Employer assumes all or a portion of the risk for health benefits**
- **Administrative options available to employers choosing self-funding:**
  - Third Party Administration (TPA)**
  - Fixed costs**
  - Variable/Claims Costs**

- **ADMINISTRATIVE FEE:**
  - Fee charged for claims adjudication, billing, eligibility, customer service, plan document maintenance, access fees, managed care fees
- **EXPECTED CLAIM:**
  - Total claims underwriter expects you to have in one policy year, actuarially determined from your past claims experience
- **SPECIFIC STOP LOSS INSURANCE;**
  - Purchased to protect you when eligible claims during the policy year on any one individual exceed the specific liability limit
  - When this does occur, you are reimbursed by the insurance company
- **AGGREGATE STOP LOSS INSURANCE;**
  - Protects you 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, insurance company will reimburse you for those claims at end of policy year.
  - Many insurance companies offer “accommodation agreement” for monthly fee (special contract provision provides monthly reimbursement of aggregate claims.
- **PROTECTION AGAINST UNEXPECTED CLAIMS**
  - The expected claims of any given group can usually be predicted with a fair amount of accuracy and thus become budgetable. (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 a company.
  - Aggregate Stop Loss Insurance is a precautionary measure designed to protect you from the unknown, guarding your assets and preserving cash flow.
- **MAXIMUM**
  - This is 125% above your 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
- **INDIVIDUAL AND AGGREGATE STOP LOSS**
  - Example of how a \$127,000 claim would be handled
    - 1) Employer pays the deductible amount of \$35,000
    - 2) If the individual stop loss deductible is \$35,000 the insurance company reimburses over the deductible amount \$92,000
    - 3) The amount funded but not reimbursed (\$35,000 in this Example will apply toward the Annual Aggregate Deductible
- **SELF-FUNDED ADVANTAGES AND DISADVANTAGES**
- **ADVANTAGES:**

**-Flexibility in Plan Design**

**-Self funded plan not bound by state mandates**

**-Risk Management effectiveness through Stop Loss Insurance**

1)Employer may choose the amount of risk to retain and the Amount to be covered under stop loss protection. Under an Insured arrangement, insurance company sets the pooling level.

2)Protection from monthly swings can be controlled through a monthly Aggregate

**-Tax Savings**

1) No premium tax for the self-funded claim fund; thus, an immediate savings equal to the amount of premium tax is realized. (Texas tax rate 1.75%) (Assuming annual premium ON A FULLY INSURED OF \$434,528.04, \$15,208.44 is taxes and fees)

**-Retention**

1) Administration of the plan IS less expensive under a self-funded arrangement without sacrificing a reduction in services.

**-Margin**

1) Insurance companies typically charge 3-10% for margin (for fluctuations in claims) Under self-funded arrangement, this component is eliminated.

**• DISADVANTAGES:**

**-Risk Assumption**

1) Employer assumes risk between the normally anticipated claim level and Stop Loss Coverage level.

**-Asset Exposure**

1)Employer's assets are exposed to any liability created by legal action against the self-funded plan

**-Fiduciary Responsibility**

1) Employer is responsible

**• 2015 COST COMPARISON BCBS VS RHA/TPA**

**-\$1,500/\$4,500 \$30 COPAY 80% COINSURANCE**

	1) BCBS \$10/\$35/\$75/\$150 Actual Cost	RHA \$15/\$30 Funding Cost	
EO	\$421.54	\$138.93	\$301.52
EC	\$758.78	\$247.01	\$576.58
ES	\$969.55	\$314.55	\$748.52
EF	\$1,306.79	\$436.13	\$1,058.99

**• PPO NETWORKS**

**- PHCS**

**-Multi Plan**

**-United Healthcare**

**8. Action Items to be accompanied by a brief statement of facts, including where funds are coming from, if applicable. (Action items limited to (up to) 10 per meeting.) (Citizens are allowed to comment—limited to 3 minutes – after being called upon by Mayor or Mayor Pro Tem) Citizens are required to state their name and the Ward in which they reside. Priority will be given to citizens of Alpine and those who own businesses or property in the City. Individuals who do not live in, or own businesses or property in the City limits of Alpine, will be allowed to speak if there is time available.) - None**

**9. Councilmember Comments and Answers -**

**10. Executive Session –**

**11. Action after Executive Session –**

**12. Adjournment – There being no further business, meeting was adjourned.**

**NOTICE: The City Council reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed on the posted agenda, above, as authorized by the Texas Government Code, Sections 551.071 (consultation with attorney), 551.072 (deliberations about real property), 551.073 (deliberations about gifts and donations), 551.074 (personnel matters), 551.076 (deliberations about security devices), and 551.086 (economic development).**

I certify that this notice was posted at 10:00 A. M. on July 8th, 2016, pursuant to Texas Open Meetings Act. (Texas Vernon's Annotated Civil statutes, section 551.043 Texas Government Code.) This facility is wheelchair accessible and accessible parking space is available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the city secretary's office at (432) 837-3301 or fax (432) 837-2044 for further information.

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Andres "Andy" Ramos, Mayor

Attest:

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Margaret "Molly" Taylor, City Secretary

I, Margaret "Molly" Taylor, City Secretary, do certify that this notice was posted at 10:00 A.M. on July 8th, 2016, and remained so posted continuously for at least 72 hours preceding the scheduled time of said meeting.

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Margaret "Molly" Taylor, City Secretary