

SPECIAL MEETING OF THE CITY COMMISSION

OF THE CITY OF DUMAS, TEXAS

SEPTEMBER 2, 2008

6:30 P.M.

BE IT REMEMBERED THAT THERE CAME AND WAS HELD A SPECIAL MEETING OF THE CITY COMMISSION OF THE CITY OF DUMAS, TEXAS IN THE DUMAS CITY HALL, 124 W. 6TH STREET, OF SAID CITY:

Members Present:

Mayor Mike Milligan
Mayor Pro Tem Pat L. Sims
Commissioner Mike Salim
Commissioner James Mahaffey
City Manager Vince DiPiazza

Members Absent:

Commissioner John D. Harris
City Attorney Tom Moore

Others Present: Kim Rehkopf, Michael Wright, Dolores Montoya, Dottie Williams, Mike Woolley, Christy Kimbley, Doug Daniels, Viola Shipman, Tommy Raper, Danny Shipman, Brenda Koehn, Paul J. Jenkins, Joe Faltinek, Joyce Faltinek, Shirley Roys, and Dale Alwan.

Mayor Milligan called the meeting to order.

Commissioner Mahaffey asked about the following bills: Seth Swafford, \$60 for refund fees and also asked why there are several refund fees in small amounts. City Manager Vince DiPiazza said this cost is for a ticket issued for a violation on private property which the police department normally doesn't do. Mr. DiPiazza said a fine is divided among several funds required by the state. Tex-Mex Supply, Inc., \$4,416 for street department. Public Works Director Tommy Raper said this cost is for the school signs, which are one-way streets and school safety zone hours. Shockey Machine Shop, \$2,099.41 for solid waste department. Mr. Raper said this cost is for motor repair on the 1993 packer. Mr. Raper said this is the second time the motor has quit working. Commissioner Mahaffey asked how the gas loop line was proceeding and Mr. Raper said they are at N. Maddox Avenue and N. 8th Street and the road bores are completed. A motion was made by Commissioner Mahaffey, seconded by Mayor Pro Tem Sims, and passed unanimously to approve the August 18, 2008 Regular City Commission meeting minutes; August 26, 2008 Special City Commission meeting minutes; August 27, 2008 Special City Commission meeting minutes; and paying the bills.

Mike Woolley with Employee Benefits Associates, Inc. (EBA) presented the medical benefits plan, administrator and stop loss provider bids. Mr. Woolley said the city is self insured with a \$55,000 specific deductible per individual, a stop loss carrier to provide insurance after the \$55,000 specific deductible, with a third party administrator. Twelve bids

were received at the \$55,000 specific deductible from RE Moulton for \$1,019,331.84; Mutual of Omaha for \$904,862.64 with laser option; Mutual of Omaha for \$952,417.92; CHUBB Accident & Health for \$887,928.72; Zurich for \$971,565.36; Symetra for \$965,442.72; HCC Life Insurance Company for \$1,002,087.60; Intermediary Insurance Services for \$978,102.24; Optum Health Specialty Benefits for \$958,393.20; and Transamerica Life for \$1,030,284.96. Mr. Woolley introduced Christy Kimbley with Insurance Management Services (IMS). Ms. Kimbley said the city's medical and prescription claims are higher this past year with a fifty-three percent increase in prescription claims. Ms. Kimbley said the city's current insurance carrier has proposed \$150,000 laser cost option and Mutual of Omaha's laser cost option is \$100,000. Ms. Kimbley recommends the city change their current stop loss carrier to Mutual of Omaha because they have a lower fixed cost and change the life insurance to Hartford because their premiums are considerably lower compared to the city's current carrier. Ms. Kimbley also recommends the following changes: Increase the deductible from \$500 to \$750; raise employee out of pocket maximum from \$1,000 to \$1,500; raise brand name prescription co-pay for preferred from \$25 to \$35, non-preferred from \$45 to \$50, mail prescriptions from \$50 to \$90, and change the prescription requirement to forced generic. If the employee does not purchase the generic prescription then they would pay the cost difference. A motion was made by Commissioner Salim, seconded by Commissioner Mahaffey, and passed unanimously to approve the bid from stop loss carrier Mutual of Omaha with a \$55,000 specific deductible at \$904,862.64 with Insurance Management Services as the third party administrator for the city's medical benefit plan.

Mayor Milligan said he has received a couple of comments from the public concerning the issuance of obligation bonds for the swimming pool project. The comments were that the city deceived the public and the bonds are five million dollars, not three million. City Manager Vince DiPiazza said on any loan, interest must be paid, and the city will owe interest on the obligation bonds. The interest rate is 4.5 percent. A motion was made by Commissioner Mahaffey, seconded by Mayor Pro Tem Sims, and passed unanimously to approve all matters incident and related to the issuance and sale of "City of Dumas, Texas, General Obligation Bonds, Series 2008," including the adoption of the Second & Final Reading of Ord. No.1056 authorizing the issuance of such bonds.

City Manager Vince DiPiazza presented an inter-local government agreement with Dumas Independent School District (DISD). Mr. DiPiazza said this is a joint agreement to create and establish school safety zones. A motion was made by Commissioner Mahaffey, seconded by Mayor Pro Tem Sims, and passed unanimously to approve the inter-local government agreement with D.I.S.D.

City Manager Vince DiPiazza said the natural gas lock in rate for six months would cost \$7.95 and twelve months would cost \$8.15. Mr. DiPiazza said it was too early in the month to have a September rate. A motion was made by Mayor Pro Tem Sims, seconded by Commissioner Mahaffey, and passed unanimously to table this item.

City Manager Vince DiPiazza said this item is a required procedure to propose to adopt the property tax rate on the agenda of a future meeting. Finance Director Dottie Williams said the rate for 2007 was \$.12682 and the proposed rate is \$.148944 per \$100 evaluation. Ms. Williams said notice must be published seven days before the first public hearing, and then the second public hearing could be held three days afterwards. A motion was made by Commissioner Salim, seconded by Mayor Pro Tem Sims, and passed

unanimously to approve a proposal to adopt the property tax rate on the agenda of a future meeting on September 15, 2008 and September 19, 2008.

Purchasing Agent Dolores Montoya presented the fire department personal clothing bids. There were four bids sent and one received from Fuego for \$2,169.71 per set. The budgeted amount is \$6,250. Ms. Montoya said if the clothing is ordered before September 12, 2008 the cost would be \$2,006.03 per set which would be under budget. Commissioner Salim asked how many sets of clothing are being bid and Chief Jenkins said three sets. A motion was made by Commissioner Salim, seconded by Mayor Pro Tem Sims, and passed unanimously to approve the bid from Fuego for three sets at \$2,006.03 per set, for personal protective clothing for the fire department.

Mayor Milligan opened the Work Session.

Park Superintendent Karla Smith presented lawn mower bid specifications. Ms. Smith said she needs to replace the Toro mower that burned and the amount budgeted is \$18,862.36. The consensus of the Commission agreed to the lawn mower bid specifications for the park department.

Fire Chief Paul J. Jenkins presented vehicle bid specifications to replace the suburban. The consensus of the Commission agreed to the vehicle bid specifications for the fire department.

City Manager Vince DiPiazza said there was nothing to discuss concerning the 2008-2009 city budget. There were no changes in the budget since the budget sessions were held.

Meeting adjourned.

Mike Milligan, Mayor

ATTEST:

Vince DiPiazza, City Manager