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## CITY COUNCIL AGENDA

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Notice is hereby given that the Rockport City Council will hold a regular meeting on Tuesday, October 13, 2015, at 6:30 p.m. The meeting will be held at Rockport City Hall, 622 E. Market, Rockport, Texas. The matters to be discussed and acted upon are as follows:

### **Opening Agenda**

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1. Call meeting to order.
2. Pledge of Allegiance.
3. Proclamation: Coastal Bend Day of Pink - October 23, 2015
4. Citizens to be heard.  
At this time, comments will be taken from the audience on any subject matter that is not on the agenda. To address the Council, please sign the speaker's card located on the table outside the Council Chamber and deliver to the City Secretary before the meeting begins. Please limit comments to three (3) minutes. In accordance with the Open Meetings Act, Council may not discuss or take action on any item that has not been posted on the agenda.

### **Consent Agenda**

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All consent agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

5. Deliberate and act on approval of City Council Special Meeting Minutes of September 15, 2015.
6. Deliberate and act on 4<sup>th</sup> quarter report from Rockport Center for the Arts for Fiscal Year 2014-2015 marketing expenditures.
7. Deliberate and act on 4<sup>th</sup> quarter report from Texas Maritime Museum for Fiscal Year 2014-2015 marketing expenditures.
8. Deliberate and act on 4<sup>th</sup> quarter report from Rockport-Fulton Chamber of Commerce for Fiscal Year 2014-2015 marketing expenditures.
9. Deliberate and act on 4<sup>th</sup> quarter report from the Friends of the Fulton Mansion State Historical Site for Fiscal Year 2014-2015 marketing expenditures.
10. Deliberate and act on report from Aransas County Education Foundation for the 2015 Rockport-Fulton Shopping Tournament marketing expenditures.
11. Deliberate and act on Texas Municipal League Intergovernmental Employee Benefits Pool retiree options.
12. Deliberate and act on request from Rockport Volunteer Fire Department for approval to close the north half of Ann Street between Cornwall and Concho Streets from 10:00 a.m. to noon on

Saturday, October 17, 2015, for dedication of the Rockport Volunteer Fire Department historical marker dedication.

### **Regular Agenda**

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13. Deliberate and act on a water supply agreement with Copano Cove Water Company, Inc.
14. Hear and deliberate on presentation of Rockport Fulton Chamber of Commerce Compass Report: Guidance, Promotion and Support.
15. Deliberate and act on a Final Plat submitted by Rebecca Allen Niven, Estate of Phoebe Allen Olcott, and Estate of Deborah Allen Hammett for a minor subdivision, 1024 Water Street; also known as Lots 1, 2, and 3, Block 1, Hugo Allen Subdivision, City of Rockport, Aransas County, Texas.
16. Reports from Council.  
At this time, the City Council will report/update on all committee assignments, which may include the following: Aransas Pathways Steering Committee; Building and Standards Commission; Coastal Bend Bays and Estuaries Program; Coastal Bend Council of Government; Environmental Committee for Water Issues; Parks & Leisure Services Advisory Board; Planning & Zoning Commission; Rockport Heritage District Board; Rockport-Fulton Chamber of Commerce; Aransas County Storm Water Management Advisory Committee; Swimming Pool Operations Advisory Committee; Tourism Development Council; Tree & Landscape Committee; YMCA Project Committee; Texas Maritime Museum, Fulton Mansion, Rockport Center for the Arts, Aransas County, Aransas County Independent School District, Aransas County Navigation District, Town of Fulton, and Texas Municipal League. No formal action can be taken on these items at this time.

### **Executive Session**

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City Council will hold an executive session pursuant to the provisions of Chapter 551 of the Texas Government Code, in accordance with the authority contained in:

17. Section 551.071(1)(A) Consultation with Attorney on pending or contemplated litigation: a) Aumada, and b) Bay Education Center.
18. Section 551.071(2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter.
19. Section 551.072 Deliberation about Real Property - Acquisition of property for public purpose: a) Aransas Woods Tract, and b) 1501 and 1505 Broadway.
20. Section 551.074 Personnel Matters – Municipal Court Administrator.
21. Section 551.076 Deliberations Regarding Security Devices or Security Audits.
22. Section 551.087 Deliberation Regarding Economic Development Negotiations: Project Cardinal.

## **Open Session**

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23. City Council will reconvene into open session pursuant to the provisions of Chapter 551 of the Texas Government Code to take any actions necessary related to the executive sessions noted herein, or regular agenda items, noted above, and/or related items.
24. Deliberate and act on re-appointment of Court Administrator for Municipal Court.
25. Adjournment.

## **Special Accommodations**

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's office at (361) 729-2213, ext. 225 or FAX (361) 790-5966 or email [citysec@cityofrockport.com](mailto:citysec@cityofrockport.com) for further information. Braille is not available. The City of Rockport reserves the right to convene into executive session under Government Code §§ 551.071-551.074 and 551.086.

## **Certification**

I certify that the above notice of meeting was posted on the bulletin board at City Hall, 622 E. Market Street, Rockport, Texas on Friday, October 9, 2015, by 5:00 p.m. and on the City's website at [www.cityofrockport.com](http://www.cityofrockport.com). I further certify that the following News Media were properly notified of this meeting as stated above: *The Rockport Pilot, Coastal Bend Herald, and Corpus Christi Caller Times.*

  
Teresa Valdez, City Secretary

**CITY COUNCIL AGENDA**  
**Regular Meeting: Tuesday, October 13, 2015**

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**AGENDA ITEM: 3**

Proclamation: Coastal Bend Day of Pink – October 23, 2015

**SUBMITTED BY:** Mayor Charles J. Wax

**APPROVED FOR AGENDA:** PKC

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**BACKGROUND:** Kayla Hansen, Senior Manager of Community Events for the American Cancer Society, and Carmen Arias, Marketing Director of Radiology Associates requested a Proclamation for the “Coastal Bend Day of Pink” inaugural events to be held in conjunction with October as Breast Cancer Awareness Month.

Please see the accompanying proclamation for information regarding the “Coastal Bend Day of Pink.”

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**FISCAL ANALYSIS:** N/A

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**RECOMMENDATION:** Not an action item.

## PROCLAMATION

**WHEREAS**, unfortunate statistics show that one in eight women will be diagnosed with breast cancer in her lifetime, and more than 16,510 women in Texas will be diagnosed with and treated for breast cancer in 2015; and

**WHEREAS**, the American Cancer Society's "Making Strides Against Breast Cancer" annual walk is the largest network of breast cancer awareness events in the nation, last year hosting more than 15,000 Coastal Bend residents and raising more than \$440,000 to help provide important services such as wigs, transportation, education and support groups to cancer survivors and their families in the Coastal Bend community; and

**WHEREAS**, during the inaugural "Coastal Bend Day of Pink" hosted by the American Cancer Society and Radiology Associates, citizens, businesses and organizations throughout the Coastal Bend will ban together to draw attention to and increase awareness of breast cancer while shining a spotlight on the Coastal Bend's continued commitment to fight this horrible disease. Companies and organizations - big and small - will show their dedication to the cause by having their employees "pink out" by wearing official "Coastal Bend Day of Pink" T-shirts.

**NOW, THEREFORE**, I, Charles J. Wax, Mayor of the City of Rockport, do hereby proclaim Friday, October 23, 2015, as

### Coastal Bend Day of Pink

in the City of Rockport and urge all citizens to observe this day by wearing pink to show community support for the Coastal Bend Day of Pink.

**IN WITNESS WHEREOF**, I have hereunto set my hand and caused the Great Seal of the City of Rockport, Texas to be affixed this 13<sup>th</sup> day of October 2015.

*CITY OF ROCKPORT, TEXAS*

\_\_\_\_\_  
Patrick (Pat) Rios, Mayor Pro-Tem

**ATTEST:**

\_\_\_\_\_  
Teresa Valdez, City Secretary

**CITY COUNCIL AGENDA**  
**Regular Meeting: Tuesday, October 13, 2015**

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**AGENDA ITEM: 5**

Deliberate and act on approval of City Council Special Meeting Minutes of September 15, 2015.

**SUBMITTED BY:** City Secretary Teresa Valdez

**APPROVED FOR AGENDA:** PKC

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**BACKGROUND:** Please see the accompanying minutes of the Special Meeting of September 15, 2015.

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**FISCAL ANALYSIS:** N/A

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**RECOMMENDATION:** Staff recommends Council approve the Minutes, as presented.

# CITY OF ROCKPORT

## MINUTES

### CITY COUNCIL SPECIAL MEETING 6:30 p.m., Tuesday, September 15, 2015 Rockport City Hall, 622 East Market Street

On the 15<sup>th</sup> day of September 2015, the City Council of the City of Rockport, Aransas County, Texas, convened in Special Session at 6:30 p.m., at the regular meeting place in City Hall, and notice of meeting giving time, place, date and subject was posted as described in V.T.C.A., Government Code § 551.041.

#### CITY COUNCIL MEMBERS PRESENT

Mayor Charles J. Wax  
Mayor Pro-Tem Pat Rios, Ward 3  
Council Member Rusty Day, Ward 1  
Council Member J. D. Villa, Ward 2  
Council Member Barbara Gurtner, Ward 4

#### CITY COUNCIL MEMBER(S) ABSENT

#### STAFF MEMBERS PRESENT

City Manager Kevin Carruth  
City Attorney Terry Baiamonte  
City Secretary Teresa Valdez  
Police Commander Jerry Lawing  
Public Works Director Mike Donoho  
Finance Director Patty Howard  
Parks & Leisure Services Director Tom Staley

#### ELECTED OFFICIALS

#### Opening Agenda

##### **1. Call to Order.**

With a quorum of the Council Members present, the Special Meeting of the Rockport City Council was called to order by Mayor Wax at 6:30 p.m. on Tuesday, September 15, 2015, in the Council Chambers of the Rockport City Hall, 622 E. Market Street, Rockport, Texas.

##### **2. Pledge of Allegiance.**

Mayor Pro-Tem Rios led the Pledge of Allegiance to the U.S. flag.

##### **3. Citizens to be heard.**

At this time comments will be taken from the audience on any subject matter that is not on the agenda. To address the Council, please sign the speaker's card located on the table outside the Council Chamber and deliver to the City Secretary before the meeting begins. Please limit comments to three (3) minutes. In accordance with

the Open Meetings Act, Council may not discuss or take any action on any item that has not been posted on the agenda.

There were no citizen comments.

### **Consent Agenda**

All consent agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

- 4. Deliberate and act on approval of City Council Regular Meeting Minutes of September 8, 2015.**
- 5. Deliberate and act on approval of City of Rockport holiday observance schedule for 2016.**
- 6. Deliberate and act to appoint W. Kent Howard to the Planning & Zoning Commission.**
- 7. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Friends of the Fulton Mansion State Historical Site.**
- 8. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Texas Maritime Museum.**
- 9. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Rockport-Fulton Chamber of Commerce.**
- 10. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Rockport Center for the Arts.**
- 11. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Rockport-Fulton Chamber of Commerce for the 2015 SeaFair Celebration.**
- 12. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Rockport-Fulton Chamber of Commerce for the 2016 HummerBird Celebration.**
- 13. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Aransas County Council on Aging for the 2016 Bountiful Bowl Pottery Fair.**
- 14. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Rockport Yacht Club for the 2016 Nautical Flea Market.**
- 15. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Rockport Rotary Club/Rockport Center for the Arts for the 2016 Film Fest.**

16. **Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Aquarium at Rockport Harbor for the 2016 Aquafest.**
17. **Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Aransas County Education Foundation for the 2015 Shopping Tournament.**
18. **Deliberate and act on approval of 2015-2016 Property Tax Assessment/Collection Agreement with Aransas County.**

City Manager Kevin Carruth informed the Council that Aransas County had agreed to monthly payments for the Property Tax Assessment/Collection Agreement.

Mayor Wax stated Mr. W. Kent Howard was present tonight. Mayor Wax welcomed Mr. Howard and stated he looks forward to working with Mr. Howard as a new member of the Planning and Zoning Commission.

Mayor Wax called for requests to remove any item from the Consent Agenda for separate discussion. There being no requests, Mayor Wax called for a motion.

**MOTION:** Council Member Villa to adopt the Consent Agenda Items as presented. Mayor Pro-Tem Rios seconded the motion. Motion carried unanimously.

### **Regular Agenda**

19. **Deliberate and act to adopt, on first and only reading, an Ordinance of the City of Rockport, Texas, adopting a budget and appropriating resources for Fiscal Year 2015-2016, beginning October 1, 2015, and ending September 30, 2016; in accordance with existing statutory requirements; repealing all conflicting ordinances, containing a severability clause; and providing for an effective date.**

**MOTION:** Council Member Villa moved to adopt on first and only reading an Ordinance of the City of Rockport, Texas, adopting a budget and appropriating resources for Fiscal Year 2015-2016, beginning October 1, 2015, and ending September 30, 2016; in accordance with existing statutory requirements; repealing all conflicting ordinances, containing a severability clause; and providing for an effective date. Mayor Pro-Tem Rios seconded the motion.

Mayor Wax called for a roll call vote:

**FOR MOTION:** Council Member Day, Council Member Villa, Mayor Pro-Tem Rios, Council Member Gurtner and Mayor Wax.

**AGAINST MOTION:** none

20. **Deliberate and act on second reading of an Ordinance of the City of Rockport approving the assessment and renditions for the 2015 taxable property as submitted by the Appraisal District; levying a tax rate for \$100.0 valuation for the City of Rockport, Aransas County, Texas, for the tax year 2015 of \$0.219047 for the purposes of maintenance and operations, \$0.145811 for payment of principal and**

**interest on debt of the City for a total tax rate of \$0.364858; and providing an effective date.**

**MOTION:** Council Member Villa moved to approve the second reading of an Ordinance of the City of Rockport approving the assessment and renditions for the 2015 taxable property as submitted by the Aransas County Appraisal District; levying a tax rate for \$100.00 valuation for the City of Rockport, Aransas County, Texas, for the tax year 2015 of \$0.219047 for the purposes of maintenance and operations, \$0.145811 for payment of principal and interest on debt of the City, for a total tax rate of \$0.364858; and providing an effective date. Council Mayor Pro-Tem Rios seconded the motion. Motion carried unanimously.

**21. Deliberate and act to ratify the property tax increase reflected in the 2015-2016 Annual Budget and Capital Improvement Plan.**

**MOTION:** Mayor Pro-Tem Rios moved to ratify the property tax increase reflected in the 2015-2016 Annual Budget and Capital Improvement Program. Motion was seconded by Council Member Gurtner. Motion carried unanimously.

**22. Deliberate and act on authorization for the Mayor to negotiate and execute all necessary documents for application to the Texas General Land Office Coastal Management Program for the acquisition of approximately 5.43 acres of property at 840-870 Highway 35 Bypass known as Aransas Woods.**

Mayor Wax stated that late this afternoon he had heard from Dr. Earl Matthew, and Mayor Pro-Tem Rios had heard from Prosperity Bank President Pat Lizcano, that they found the lien that was in question; the lien was paid off and it will be provided to the City by late this evening or early tomorrow. Mayor Wax said that glitch has been removed in regard to the property.

**MOTION:** Council Member Villa moved to authorize the Mayor to negotiate and execute all necessary documents for application to the Texas General Land Office Coastal Management Program for acquisition of approximately 5.42 acres of property at 840-870 Highway 35 Bypass known as Aransas Woods. Council Member Gurtner seconded the motion. Motion carried unanimously.

**23. Reports from Council.**

At this time, the City Council will report/update on all committee assignments, which may include the following: Aransas Pathways Steering Committee, Building and Standards Commission; Coastal Bend Bays and Estuaries Program; Coastal Bend Council of Government; Environmental Committee for Water Issues; Keep Rockport Beautiful Advisory Board; Parks & Leisure Services Advisory Board; Planning Zoning Commission; Rockport Heritage Board; Rockport-Fulton Chamber of Commerce; Aransas County Storm Water Management Advisory Committee; Swimming Pool Operations Advisory Committee; Tourism Development Council; Tree & Landscape Committee; YMCA Project Committee; Texas Maritime Museum; Fulton Mansion; Rockport Center for the Arts; Aransas County; Aransas County Independent School District; Aransas County Navigation District; Town of Fulton; and Texas Municipal League. No formal action can be taken on these items at this time.

Mayor Wax reminded everyone that the Texas Municipal League Annual Conference is next week. Mayor Wax stated he looks forward to seeing Council Members and Department Directors on Thursday evening.

Mayor Pro-Tem Rios informed the Council that the City's Community Planner Kimber Clark had given a presentation to the Chamber of Commerce Board of Directors. Mayor Pro-Tem Rios stated Ms. Clark had done a great job and he is pleased with that addition to City staff.

### **Executive Session**

**City Council will hold an executive session pursuant to the provisions of Chapter 551 of the Texas Government Code, in accordance with the authority contained in:**

- 24. Section 551.071(1)(A) Consultation with Attorney on pending or contemplated litigation: a) Aumada, and b) Bay Education Center.**
- 25. Section 551.071(2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter.**
- 26. Section 551.072 Deliberation about Real Property - Acquisition of property for public purpose: a) Aransas Woods Tract, and b) 1501 and 1505 Broadway.**
- 27. Section 551.087 Deliberation Regarding Economic Development Negotiations: Project Cardinal.**

At 6:41 p.m., Mayor Wax convened the Rockport City Council into an executive session pursuant to the provisions of Chapter 551 of the Texas Government Code, in accordance with the authority contained in Section 551.071910(A) Consultation with Attorney on pending or contemplated litigation: a) Aumada, and b) Bay Education Center; Section 551.071(2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rule of Professional Conduct of the State Bar of Texas clearly conflicts with the chapter; Section 551.072 Deliberation about Real Property - Acquisition of property for public purpose: a) Aransas Woods Tract, and b) 1501 and 1505 Broadway; and Section 551.087 Deliberation Regarding Economic Development Negotiations: Project Cardinal.

### **Open Session**

- 28. City Council will reconvene into open session pursuant to the provisions of Chapter 551 of the Texas Government Code to take any actions necessary related to the executive sessions noted herein, or regular agenda items, noted above, and/or related items.**

At 7:10 p.m., Mayor Wax reconvened the Rockport City Council into open session pursuant to the provisions of Chapter 551 of the Texas Government Code to take any actions

necessary related to the executive sessions noted herein, or regular agenda items, noted above, and/or related items.

Mayor Wax moved that Council support a letter from the Mayor indicating to Luce Properties the City's interest in purchasing property located at 1501 & 1505 Broadway for the asking price. Mayor Pro-Tem Rios seconded the motion. Motion carried unanimously.

Mayor Wax stated he forgot to mention under the agenda item Council Reports that the Council's receipt of Department Reports via email from City Manager Kevin Carruth is working well. Mayor Wax said that even though this is effective, there is an inherent risk: if Council are sending their questions to Department Directors, please copy Mr. Carruth so he is aware of the Department Directors' responses.

## **29. Adjournment**

At 7:13 p.m., Council Member Villa moved to adjourn. Motion was seconded by Mayor Pro-Tem Rios and carried unanimously.

## **CITY OF ROCKPORT, TEXAS**

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Charles J. Wax, Mayor

ATTEST:

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Teresa Valdez, City Secretary

**CITY COUNCIL AGENDA**  
**Regular Meeting: Tuesday, October 13, 2015**

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**AGENDA ITEM: 6**

Deliberate and act on 4<sup>th</sup> quarter report from the Rockport Center for the Arts for Fiscal Year 2014-2015 marketing expenditures.

**SUBMITTED BY:** City Secretary Teresa Valdez

**APPROVED FOR AGENDA:** PKC

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**BACKGROUND:** The Rockport Center for the Arts has been allocated \$84,000.00 in Fiscal Year 2014-2015 Hotel Occupancy Tax (HOT) funds. According to our agreement with Rockport Center for the Arts, fiscal quarterly financial reports are required to be submitted to the City Council for approval. See the accompanying 4<sup>th</sup> quarter HOT expenditure report for additional information.

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**FISCAL ANALYSIS:** Charged to account 6602040. YTD expenses are \$83,978.49.

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**RECOMMENDATION:** Staff recommends Council approve the Rockport Center for the Arts Fiscal Year 2014-2015 Hotel Occupancy Tax funds 4<sup>th</sup> Quarter expenditures, as presented.



## Rockport Center for the Arts

*Hotel Occupancy Tax, Period July – September 2015*

*Report of Activities for the **City of Rockport***

### **OUR MISSION**

*Since 1969, the goal of the Rockport Center for the Arts has been to be the focal point for art related activities in the community. This commitment is accomplished through art exhibits, educational activities, theater and musical performances, literary endeavors and lectures. The purpose is to promote cultural enrichment and art education in the community as a whole and especially cultural tourism, by establishing the City of Rockport and Rockport Center for the Arts as a major destination for visitors.*

### **OUR PROMISES**

*To provide a facility that is free and open to the public six days a week, year round.*

*To provide free summer art education programming to Aransas County students.*

*To provide a space where cultural enrichment is available to visitors and the community alike.*

*To conduct activities that attract cultural tourism.*

# Rockport Center for the Arts

## Report for the City of Rockport

### Highlights of Tourism Activities, July through September 2015

- Total visitors to the **Art Center Visitors** for the July - September period was **6,187**, as compared to **(5,003)** for the same period in 2014 (a **24% increase**).
  
- The % of the visitors that came from **outside of 70 miles** of Rockport as follows, **over the 3 month period:**

**July 84%      August 73%      September 65.5%**
  
- July's spike can be attributed to promotional and advertising activities for the Poster Artist Exhibit and the 46<sup>th</sup> annual Art Festival.
  
- In July **16% of visitors** came from outside of Texas.
- In August **20% of visitors** came from outside of Texas.
- In September **14.8% of visitors** came from outside of Texas.
  
- In **July 49.5% of visitors** came from Major Texas metropolitan areas: **Austin, Dallas/Ft. Worth, Houston & San Antonio.**
- Percentage of visitors to the Art Center that came from major Texas metropolitan areas:

**July 49.5%      August 39.5%      September 31.4%**

# Rockport Center for the Arts

## Report for the City of Rockport

### Highlights of Tourism Activities, Raw Data

#### July, August and September 2015

| Visitor Data At the Art Center   | Jul-15        | Aug-15        | Sep-15        | Quarter Total |
|--|---------------|---------------|---------------|---------------|
| Total Attendance (n)   | 2806          | 1633          | 1748          | 6187          |
|  |               |               |               |               |
| Visitor Data   | Jul-15        | Aug-15        | Sep-15        |               |
|  |               |               |               |               |
| <b>Outside of 70 Miles</b>   | <b>84.00%</b> | <b>73.00%</b> | <b>65.50%</b> |               |
| <b>Local</b>   | <b>16.00%</b> | <b>27.00%</b> | <b>34.50%</b> |               |
|  |               |               |               |               |
| Total  | 100.00%       | 100.00%       | 100.00%       |               |
|  |               |               |               |               |
| <b>Highlights of Tourism outside of 70 miles, major metropolitan areas</b> |               |               |               |               |
| Austin   | 20.60%        | 10.00%        | 8.00%         |               |
| Dallas / Ft. Worth   | 2.80%         | 1.70%         | 3.90%         |               |
| Houston  | 12.60%        | 12.00%        | 7.50%         |               |
| San Antonio  | 13.50%        | 15.80%        | 12.00%        |               |
|  |               |               |               |               |
| Total major metro areas  | 49.50%        | 39.50%        | 31.40%        |               |
| Tourism from outside of Texas  | 16.00%        | 20.00%        | 14.80%        |               |
| Rural tourism beyond 70 miles  | 18.50%        | 13.50%        | 19.30%        |               |
| <b>Total tourism from beyond 70 miles</b>                                  | <b>84.00%</b> | <b>73.00%</b> | <b>65.50%</b> |               |
|  |               |               |               |               |
| <b>Local Visitor Split</b>   |               |               |               |               |
| Rockport-Fulton  | 8.60%         | 11.50%        | 20.00%        |               |
| Corpus Christi   | 4.60%         | 8.50%         | 9.50%         |               |
| Rural Areas  | 2.80%         | 7.00%         | 5.00%         |               |
| <b>Total</b>   | <b>16.00%</b> | <b>27.00%</b> | <b>34.50%</b> |               |

# July 2015 Special Events that Attracted Tourists

**ROCKPORT ART FESTIVAL** **July 4-5**  
 ROCKPORT, TX  
**2-Day VIP Pass \$10** SAT 10-6, \$7  
 supplies limited! SUN 10-5, \$6  
 Kids 12 & under \$1

*Over 120 Artists | Live Music & Food | A/C Party Tent | Kids' Activities*

*© Chance Yarbrough*

**rockportartcenter.com**  
 Rockport Center for the Arts | 902 Navigation Circle | Rockport, TX 78382 | 361.729.5519

Helping Here:

## Total Attendance to the Art Festival 2015:

10,133

| Local, Major Metropolitan and Other Event Attendance               | July 4 and 5th, 2015 |
|--|----------------------|
| <b>Local</b>   |                      |
| Aransas County   | 15.4%                |
| Corpus Christi   | 19.7%                |
| Victoria   | 2.6%                 |
| Rural Areas  | 9.0%                 |
| <b>Total</b>   | <b>46.7%</b>         |
| <b>Visitors from Major Metropolitan areas in Texas</b>             |                      |
| Austin   | 7.4%                 |
| Dallas, Ft. Worth  | 2.9%                 |
| Houston  | 10.1%                |
| San Antonio  | 12.2%                |
| <b>Total Texas Major Metro</b>                                     | <b>32.6%</b>         |
| <b>Visitors from Texas' Rural Areas</b>                            | <b>16.3%</b>         |
| <b>Visitors from Outside of Texas</b>                              | <b>4.4%</b>          |
| <b>Total</b>   | <b>53.3%</b>         |
| Zip codes recorded that are outside 70 miles from Rockport-Fulton: | 53.3%                |
| Zip Codes Recorded from Local Area (inside 70 mile fringe):        | 46.7%                |
| Total US States Represented in Attendance Records:                 | 42*                  |
| Other Countries:   | 1, Mexico            |

\*Visitors from all 50 states but: Montana, Utah, Wyoming, North Dakota, New Jersey, Nebraska, Rhode Island, and Delaware.

## July 2015 Special Events that Attracted Tourists

The Art Center hosts numerous special events which draw tourism to our area 8 months of each year, the most significant being the Rockport Art Festival, a two day event in its 46<sup>th</sup> year, which drew **10,133 visitors** in 2015.

We welcomed **visitors from 43 of 50 states** as well as international visitors from **Mexico**. The Festival is a curated event with emphasis placed on quality work presented by 120 artists who are juried in. Artists participated from **8 states- Florida, California, Georgia, New Mexico, Louisiana, Colorado, Missouri** and various parts of **Texas**.

Besides providing an authentic coastal experience to artists and patrons, the Art Center takes care of the artists so they can focus on communicating with the public about their work and executing sales. Artists survey remarks regarding sales from **“Good” to “Best Year Ever” were 93%**.

Of the 120 artists that participated in the festival, **40%** returned a completed survey.



**ROCKPORT ART FESTIVAL**  **July 4-5**  
ROCKPORT, TX

**2-Day VIP Pass \$10** SAT 10-6, \$7  
**supplies limited!** SUN 10-5, \$6  
Kids 12 & under \$1

*Over 120 Artists | Live Music & Food | A/C Party Tent | Kids' Activities*

© Chance Yarbrough

[rockportartcenter.com](http://rockportartcenter.com)  
Rockport Center for the Arts | 902 Navigation Circle | Rockport, TX 78382 | 361.729.5519

 **Helping Here:**  
  
  
  
  
  
  


Texas Commission on the Arts  
Presented in a Creative Form



Fence Lake Frenzy

Chance Yarbrough

## ROCKPORT ART FESTIVAL

Rockport, Texas 2015

**Chance Yarbrough Solo Exhibition~ Continued**  
**2015 Rockport Art Festival Poster Artist- Main Gallery**

Yarbrough's first major solo exhibition was very successful. With a marked combination of press and excellent sales at the Art Center and at his Art Festival booth, he can no longer be considered an emerging artist. Yarbrough's solo exhibition opened Saturday, June 20th and continued through August 1st, 2015. Signed copies of his poster sold out. *Fence Lake Frenzy*, the original work for the poster was auctioned for \$12,000; twice its fair market value.

### Past Poster Artist Exhibition- Garden Gallery Continued

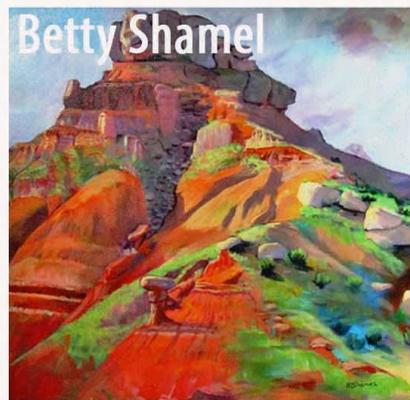
Past Poster Artists are honored each year with a group exhibition of recent work in the Garden Gallery. The first poster artist was selected in 1993. The tradition at the Art Center continues.



Aransas Bay Reflections

Pamela Tubler

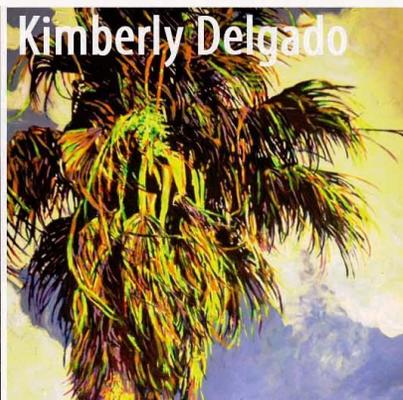
## August 2015 Exhibits in the Art Center's Main Gallery



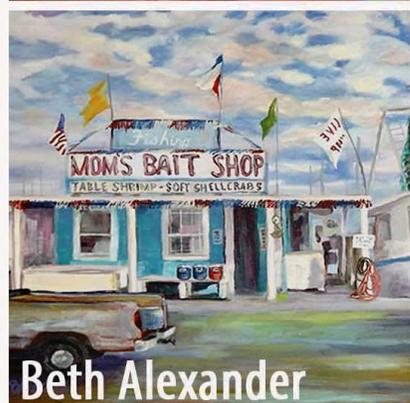
Betty Shamel



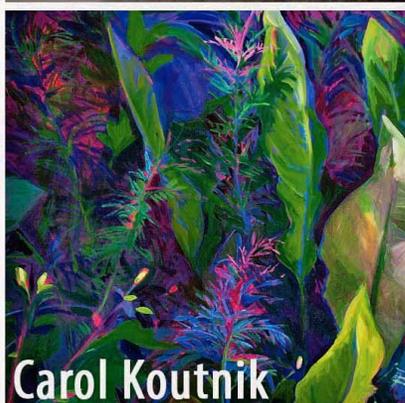
Jorge Alegria



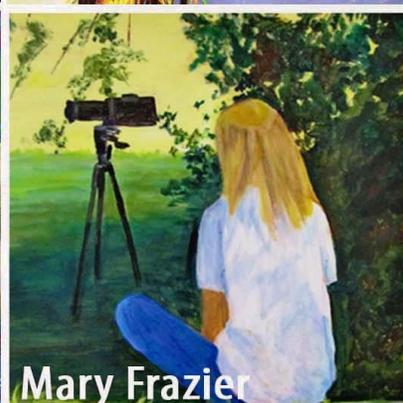
Kimberly Delgado



Beth Alexander



Carol Koutnik



Mary Frazier

**History:** The first Merit Artists show at Rockport Center for the Arts occurred July of 1985. The artists chosen were Evelyn Atkinson, who also possesses the recognition of being the Art Festival Poster Artist in 1998, Gertrude Bryant, Kathy Sayre, Cookie Tillman, and Fred Wright. At that time, Merit artists were selected by popular vote. In 1998 a new tradition was started. Each year, a guest juror was invited to select five artists whose work stood-out, leaving one remaining for what is known as the "Peoples' Choice".

Exhibit ran from August 5<sup>th</sup> – September 5<sup>th</sup>

### STANDING OUT: Merit Artists 2015 Exhibition

Deborah Fullerton, Curator of the Art Museum of South Texas selected two artists from Corpus Christi and three from Rockport for the group exhibit. **STANDING OUT** opened to the public Saturday, August 8<sup>th</sup>.

Opening Reception Attendance: **216**

Closing Reception Attendance: **52**

Admission is always Free of Charge

## August 2015 Exhibits in the Art Center's Garden Gallery

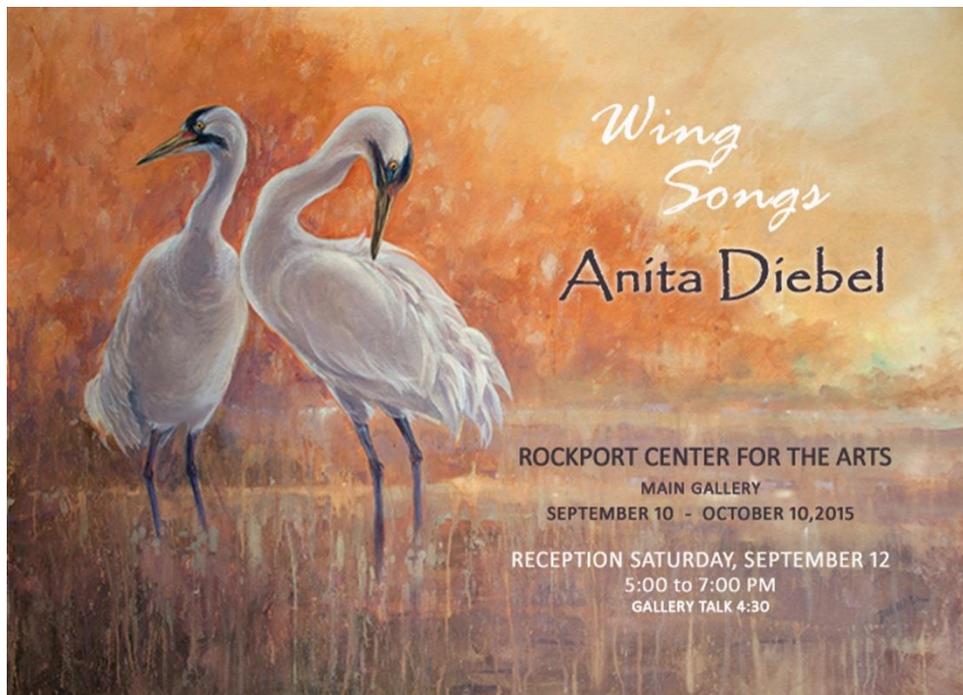


Ed Boyd's unique and colorful display of cut vinyl assemblies on boogie boards, surf boards, and other traditional surfaces.

While working at a sign shop in 2003, Boyd became intrigued by the scraps left over from the sign making process. Initially, Ed cut the scraps into small square tiles as he worked- much like a mosaic. Over time, he advanced to the more complex technique that he now uses to create his meticulously assembled scenes. Sometimes mistaken as paintings from a distance, closer examination reveals Ed's finely detailed method of building the image: layer upon layer; background to foreground.

Exhibit ran from August 5<sup>th</sup> – September 5<sup>th</sup>

## September 2015 Exhibits in the Art Center's Main Gallery and Garden Gallery



A professional artist since 1970 Diebel's paintings hang in private and corporate collections throughout the U.S. and abroad. Her work has been distinguished with local, regional and national awards. Diebel is a sought after instructor and has been juried local, regional and international art exhibitions.

A native Texan, Anita called San Antonio home before moving to Rockport in 1998 to accept the position of Art Director at the Art Center. She returned to painting full time in 2003, the year she was selected as Poster Artist for the Art Festival. Diebel is the founder of Wind Way Gallery, located in downtown Rockport and enjoys sharing her love of painting through watercolor classes, encouraging her students to explore, expand and enjoy.

**Opening Reception Attendance: 213**

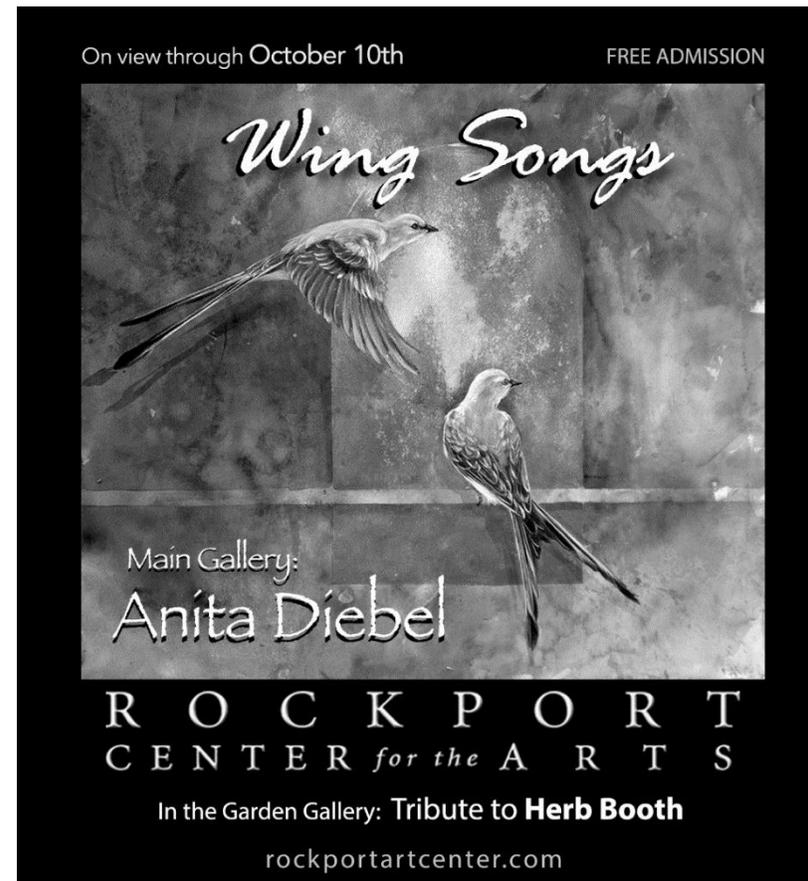
**HummerBird Celebration Reception Attendance: 269**

**Free Admission**

**Gallery Talk with Anita Diebel and Reception held September 12 at 430 PM**

**HummerBird Celebration Reception held September 17 at 630 PM**

**Anita Diebel's *Wing Songs* was the perfect complement exhibit for the 27<sup>th</sup> Annual HummerBird Celebration, a collaboration with the Rockport-Fulton Chamber of Commerce.**



## July 2015 Education Programs at the Art Center

Rockport Center for the Arts concluded the 18th annual free summer program for children and teens- ArtLink.

This camp is free for students who attend school in Aransas County, and \$75 per week for those who attend school outside the county.

All camp sessions lasted one week and were made available to children who entered grades 1st-8th in the Fall of 2015.

The following sessions were held in July 2015, the initial 4 sessions occurred during the month of June:

Session # 5: July 20-24, Mornings, 9:30 am - Noon

Session # 6: July 20-24, Afternoons, 1:30 - 4:00 pm

Session # 7: July 27-31, Mornings, 9:30 am - Noon

Session # 8: July 27-31, Afternoons, 1:30 - 4:00 pm

### ArtLink 2015 Impact:

345 students served

4,300 total contact hours (12.5 hours per student, per week)

To support the program the Art Center employed 13 paid art educators that had a **\$15,000 economic impact** in contract services.

ArtLink for Kids and Teens



Exploring Masters & Masterworks

Rockport Center for the Arts  
 Report for the City of Rockport  
 HOT Request 2014-2015

|                                | <b>Approved Budget</b> | <b>1<sup>st</sup> Quarter<br/>Oct-Dec<br/>2014</b> | <b>2<sup>nd</sup> Quarter<br/>Jan-Mar<br/>2015</b> | <b>3<sup>rd</sup> Quarter<br/>Apr-Jun<br/>2015</b> | <b>4<sup>th</sup> Quarter<br/>Jul-Sep<br/>2015</b> |
|--------------------------------|------------------------|--|--|--|--|
| <b>Advertising</b>             | \$21,000               | \$1,145.00   | \$3,562.50   | \$2,590.75   | \$14,228.66  |
| <b>2015 Tour of Homes</b>      | \$ 7,000               | \$0.00   | \$2,450.00   | \$3,727.55   | \$0.00   |
| <b>2015 Art Festival</b>       | \$22,000               | \$0.00   | \$400.00   | \$539.74   | \$27,663.16  |
| <b>Exhibitions</b>             | \$20,000               | \$6,402.56   | \$3,910.80   | \$1,928.88   | \$0.00   |
| <b>Workshops &amp; Classes</b> | \$8,000                | \$8,992.97   | \$0.00   | \$0.00   | \$0.00   |
| <b>Maintenance</b>             | \$6,000                | \$3,261.50   | \$2,701.13   | \$473.29   | \$0.00   |
| <b>Totals per Quarter</b>      |                        | <b>\$19,802.03</b>                                 | <b>\$13,024.43</b>                                 | <b>\$9,260.21</b>                                  | <b>\$41,891.82</b>                                 |
| <b>Total Approved Budget</b>   | \$84,000               |  |  |  |  |

**CITY COUNCIL AGENDA**  
**Regular Meeting: Tuesday, October 13, 2015**

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**AGENDA ITEM: 7.**

Deliberate and act on 4<sup>th</sup> quarter report from the Texas Maritime Museum for Fiscal Year 2014-2015 marketing expenditures.

**SUBMITTED BY:** City Secretary Teresa Valdez

**APPROVED FOR AGENDA:** PKC

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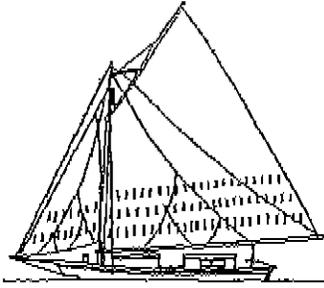
**BACKGROUND:** The Texas Maritime Museum has been allocated \$77,000.00 in FY 2014-2015 Hotel Occupancy Tax (HOT) funds. According to our agreement with the Museum, fiscal quarterly financial reports are required to be submitted to the City Council for approval. See the accompanying 4<sup>th</sup> quarter HOT expenditure report for additional information.

---

**FISCAL ANALYSIS:** Charged to account 6602002. YTD expenses are \$77,000.00.

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**STAFF RECOMMENDATION:** Staff recommends Council approve the Texas Maritime Museum's FY 2014-2015 Hotel Occupancy Tax funds 4<sup>th</sup> quarter expenditures, as presented.



# TEXAS MARITIME MUSEUM

1202 Navigation Circle • Rockport, Texas 78382 • (361) 729-1271 • Fax (361) 729-9938 • E-Mail: tmm@pelicancoast.net

TO: Theresa Valdez City of Rockport

FAX NUMBER: 790-5966

NUMBER OF PAGES INCLUDING COVER SHEET: 2

RE: 4th qtr Hotel Occupancy Budget Report

FROM: Kathy Roberts-Douglas DATE: 10-5-2015

NOTES:  
JH

**TEXAS MARITIME MUSEUM ASSOCIATION, INC.**  
**Hotel Occupancy Fund Budget Report**  
**2014 - 2015 Fiscal Year**

| <b>CATEGORY</b>     | <b>1st Qtr</b> | <b>2nd Qtr</b> | <b>3rd Qtr</b> | <b>4th Qtr</b> | <b>Total</b> |
|---------------------|----------------|----------------|----------------|----------------|--------------|
| Advertising         | \$2,684        | \$1,442        | \$10,972       | \$16,902       | \$32,000     |
| Curatorial          | 1,335          | 2,164          | 501            | -              | \$4,000      |
| Salaries            | 6,500          | 6,500          | 6,500          | 6,500          | \$26,000     |
| Education           | 1,535          | 3,355          | 110            | -              | \$5,000      |
| Office Supplies     | 2,672          | 2,328          | -              | -              | \$5,000      |
| Website Maintenance | 1,250          | 1,250          | 1,250          | 1,250          | \$5,000      |
|                     | \$15,976       | \$17,039       | \$19,333       | \$24,652       | \$77,000     |

**CITY COUNCIL AGENDA**  
**Regular Meeting: Tuesday, October 13, 2015**

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**AGENDA ITEM: 8.**

Deliberate and act on 4<sup>th</sup> quarter report from the Rockport-Fulton Chamber of Commerce Fiscal Year 2014-2015 marketing expenditures.

**SUBMITTED BY:** City Secretary Teresa Valdez

**APPROVED FOR AGENDA:** PKC

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**BACKGROUND:** The Rockport-Fulton Chamber of Commerce has been allocated \$310,000.00 in FY 2014-15 Hotel Occupancy Tax funds. According to our agreement with the Chamber, fiscal quarterly financial reports are required to be submitted to the City Council for approval. See the accompanying 4<sup>th</sup> quarter HOT expenditure report for additional information.

---

**FISCAL ANALYSIS:** Charged to account 6602001. YTD expenses are \$309,324.81.

---

**STAFF RECOMMENDATION:** Staff recommends Council approve the Rockport-Fulton Chamber of Commerce FY 2014-15 Hotel Occupancy Tax funds 4<sup>th</sup> quarter expenditures, as presented.

Rockport-Fulton Area Chamber of Commerce, Inc.  
Hotel Tax Account  
October 1, 2014 through  
September 30, 2015

EXHIBIT "B"

**HOT FUNDING EXPENSE REPORT 2014 - 2015**

| Description of Expense                | Approved Budget   | 1st Quarter Expenses | 2nd Quarter Expenses | 3rd Quarter Expenses | 4th Quarter Expenses | Total             |
|---------------------------------------|-------------------|----------------------|----------------------|----------------------|----------------------|-------------------|
| Accounting Fees                       | 1,050.00          | -                    | 1,400.00             | -                    | -                    | 1,400.00          |
| Administrative services reimbursement | 54,600.00         | 13,500.00            | 13,500.00            | 13,800.00            | 13,800.00            | 54,600.00         |
| Advertising and promotion             | 232,450.00        | 60,600.69            | 51,246.52            | 56,242.78            | 47,635.25            | 215,725.24        |
| Bank & Card Fees                      | 250.00            | 75.49                | 123.98               | 67.55                | 75.28                | 342.30            |
| Conference Fees                       | 1,910.00          | -                    | 1,053.20             | 840.00               | 915.00               | 2,808.20          |
| Contract Services                     | -                 | -                    | -                    | -                    | -                    | -                 |
| Dues and Subscriptions                | 450.00            | 1,025.00             | -                    | 800.00               | 100.00               | 1,925.00          |
| Event funding assistance              | 1,100.00          | -                    | -                    | 689.26               | -                    | 689.26            |
| Food, beverages and meals             | 1,830.00          | 423.60               | 157.62               | 494.46               | 51.45                | 1,127.13          |
| Maintenance and repairs               | 1,410.00          | -                    | -                    | 572.30               | 10,497.50            | 11,069.80         |
| Mileage and travel                    | 675.00            | 151.50               | 432.08               | 1,989.46             | 747.96               | 3,321.00          |
| Postage and freight                   | 1,880.00          | 360.45               | 291.22               | 1,673.42             | 1,918.42             | 4,243.51          |
| Printing and publication              | 8,335.00          | 910.00               | 1,337.00             | 4,232.43             | 681.87               | 7,161.30          |
| Prizes, gifts and awards              | 325.00            | -                    | -                    | -                    | 435.99               | 435.99            |
| Rentals and fees                      | 75.00             | -                    | 780.00               | 395.00               | -                    | 1,175.00          |
| Supplies                              | 700.00            | 71.57                | 393.30               | 1,614.14             | 12.50                | 2,091.51          |
| Telephone                             | 1,650.00          | 283.15               | -                    | 565.29               | 294.13               | 1,142.57          |
| Telephone Internet Service            | 110.00            | -                    | -                    | -                    | -                    | -                 |
| Web site maintenance                  | 1,200.00          | -                    | -                    | 17.00                | 50.00                | 67.00             |
| <b>TOTAL REQUESTED</b>                | <b>310,000.00</b> | <b>77,401.45</b>     | <b>70,714.92</b>     | <b>83,993.09</b>     | <b>77,215.35</b>     | <b>309,324.81</b> |

| Description of Administrative Expenses | Current Fiscal Year Administrative Expenses Projection | Fiscal Year Administrative Actual Expenses | Percentage of Fiscal Year Projections |
|--|--|--|---------------------------------------|
| Administrative services reimbursement  | 54,600.00  | 54,600.00                                  | 100.00%                               |
|  |  |  |                                       |
|  |  |  |                                       |
| <b>Totals</b>                          | <b>54,600.00</b>                                       | <b>54,600.00</b>                           | <b>100.00%</b>                        |

**CITY COUNCIL AGENDA**  
**Regular Meeting: Tuesday, October 13, 2015**

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**AGENDA ITEM: 9**

Deliberate and act on 4<sup>th</sup> quarter reports from the Friends of the Fulton Mansion State Historical Site for Fiscal Year 2014-2015 marketing expenditures.

**SUBMITTED BY:** City Secretary Teresa Valdez

**APPROVED FOR AGENDA:** PKC

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**BACKGROUND:** The Friends of the Fulton Mansion State Historical Site has been allocated \$85,000.00 in FY 2014-2015 Hotel Occupancy Tax (HOT) funds. According to the Agreement with the Friends of the Fulton Mansion State Historical Site, fiscal quarterly financial reports are required to be submitted to the City Council for approval. See the accompanying 4<sup>th</sup> quarter HOT expenditure report for additional information.

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**FISCAL ANALYSIS:** Charged to account 6602009. YTD expenses are \$85,000.00.

---

**STAFF RECOMMENDATION:** Staff recommends Council approve the Friends of the Fulton Mansion State Historical Site FY 2014-2015 Hotel Occupancy Tax funds 4<sup>th</sup> quarter expenditures, as presented.

| <b>CATEGORY</b>            | <b>Grant Amount</b> | <b>1st Qtr</b> | <b>2nd Qtr</b> | <b>3rd Qtr</b> | <b>4th Qtr</b> | <b>Total</b> |
|----------------------------|---------------------|----------------|----------------|----------------|----------------|--------------|
| Fulton Mansion Restoration | \$75,000.00         |                |                | 8,500.00       | 66,500.00      | \$75,000.00  |
| Education & History Center | \$10,000.00         | \$2,500.00     | \$2,500.00     | 2,500.00       | 2,500.00       | \$10,000.00  |
| <b><i>TOTAL</i></b>        | \$85,000.00         | \$2,500.00     | \$2,500.00     | 11,000.00      |                | \$85,000.00  |
|                            |                     |                |                |                |                |              |
|                            |                     |                |                |                |                |              |
| <b>HOT Funds Deposited</b> |                     | \$21,250.00    | \$21,250.00    | \$21,250.00    | \$69,000       | \$85,000.00  |
|                            |                     |                |                |                |                |              |

**CITY COUNCIL AGENDA**  
**Regular Meeting: Tuesday, October 13, 2015**

---

**AGENDA ITEM: 10**

Deliberate and act on report from Aransas County Education Foundation for the 2015 Rockport-Fulton Shopping Tournament marketing expenditures.

**SUBMITTED BY:** City Secretary Teresa Valdez

**APPROVED FOR AGENDA:** PKC

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**BACKGROUND:** At the Special City Council Workshop held on June 2, 2015, Karen Mella, representing Aransas County Education Foundation, presented the Education Foundation's Fiscal Year 2015-2016 budget request to the City Council. Budget deliberations were held through the summer to finalize the City's Fiscal Year 2015-2016 Budget, with formal adoption at the September 22, 2015, City Council Meeting. Upon approval of the Fiscal Year 2015-2016 Budget, the City Council awarded the Aransas County Education Foundation \$2,500.00 in funding.

Attached is documentation submitted by the Aransas County Education Foundation for payment.

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**FISCAL ANALYSIS:** Budget account 6602060.

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**STAFF RECOMMENDATION:** Staff recommends Council approve the report from Aransas County Education Foundation for marketing expenditures made for 2015 Rockport-Fulton Shopping Tournament and authorize disbursement of funds in the amount of \$2,500.00 from the Hotel Occupancy Tax Fund for the event pursuant to the contract Agreement, as presented.



Advancing Educational Excellence

Phone: 361-729-6934

The Education Foundation

P.O. Box 195, Rockport, Texas 78381-0195

October 5, 2015

Paula Dean  
PRESIDENT

Tiffanie Hoover  
Cindy Duck  
VICE PRESIDENTS

Pat Rousseau  
TREASURER

Joseph Patek  
SECRETARY

BOARD OF DIRECTORS

Dominique Bauer  
Liz Campbell  
Jennifer Day  
Karen Ernst  
Connie Garcia  
Sherri Heintschel  
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Jean James  
Gail Johnston  
Shawn Johnston  
Brandi Karl  
Jimmy Kendrick  
Becky Mays  
Karen Mella  
Bobbie Mills  
Sherry Myers  
Nancy Paulson  
Tisha Piwetz  
Eli Ramos  
Jim Remley  
Trish Smallenberger  
J. D. Villa  
Leslie Voigt  
Becky Warren  
Joey Westlake  
Barbara Young

Teresa Valdez  
City Secretary  
City of Rockport, Texas  
622 E. Market Street  
Rockport, TX 78382

Dear Teresa:

The Education Foundation's Fourth Annual Shopping Tournament, held Saturday, October 3, 2015, was a huge success, in large part because of the City of Rockport's HOT funds supporting the event. Over 110 men and women from all over Texas enjoyed participating in the tournament, spending \$115,000 in one day in our local shops, eating in our restaurants, and staying in our hotels and motels.

I have attached a request for payment of the \$2500 in HOT funds the city allocated to The Foundation to help advertise the event, along with the advertising invoices paid for with those funds. If you need any additional information, please contact me.

Sincerely,

Suzanne Ransleben  
Executive Director

Suzanne Ransleben  
EXECUTIVE DIRECTOR

## EXHIBIT "A"

| <b>CATEGORY</b> | <b>GRANT AMOUNT</b> |
|-----------------|---------------------|
| Advertising     | \$2,500.00          |
| <b>TOTAL</b>    | <b>\$2,500.00</b>   |

EXHIBIT "B"

| HOT FUNDING EXPENSE REPORT FY 2015-2016 |                                    |                          |
|---|------------------------------------|--------------------------|
| Description of Expense                  | Approved Budget                    | Amount of Expense        |
| Shopping Journ. Advertising             | 2500.00                            |                          |
| Houston Chronicle                       |                                    | 950 <sup>00</sup>        |
| Texas Now                               |                                    | 1700 <sup>00</sup>       |
|   |                                    | <u>2650<sup>00</sup></u> |
|   |                                    |                          |
|   |                                    |                          |
|   |                                    |                          |
|   |                                    |                          |
|   |                                    |                          |
|   |                                    |                          |
|   |                                    |                          |
|   |                                    |                          |
|   |                                    |                          |
|   |                                    |                          |
|   |                                    |                          |
| <b>TOTAL REIMBURSEMENT REQUEST</b>      | <del>2500</del> 2500 <sup>00</sup> |                          |

FIRST COMMUNITY BANK  
1829 HWY. 35 NORTH  
ROCKPORT, TX 78382

1013

88-1180/1149  
14

ARANSAS COUNTY ISD EDUCATION FOUNDATION INC  
P.O. BOX 195  
ROCKPORT, TX 78381  
(361) 729-6934

8/25/2015

Details on Back

PAY TO THE ORDER OF Houston Chronicle \$ 950.00

Nine hundred fifty and 00/100\*\*\*\*\* DOLLARS

Security Features Included

MEMO



AUTHORIZED SIGNATURE

⑈001013⑈ ⑆114911807⑆ 008 097 7⑈

ARANSAS COUNTY ISD  
EDUCATION FOUNDATION INC

1013

| Houston Chronicle |      |           | Original Amt. | Discount | Payment  |
|-------------------|------|-----------|---------------|----------|----------|
| Date              | Type | Reference |               |          |          |
| 8/24/15           |      |           |               |          | \$950.00 |

Shopping Tournament – advertising

ARANSAS COUNTY ISD  
EDUCATION FOUNDATION INC

1013

| Houston Chronicle |      |           | Original Amt. | Discount | Payment  |
|-------------------|------|-----------|---------------|----------|----------|
| Date              | Type | Reference |               |          |          |
| 8/24/15           |      |           |               |          | \$950.00 |

Shopping Tournament – advertising



FIRST COMMUNITY BANK  
1629 HWY. 35 NORTH  
ROCKPORT, TX 78382

1007

88-1180/1149  
14

ARANSAS COUNTY ISD EDUCATION FOUNDATION INC

P.O. BOX 195  
ROCKPORT, TX 78381  
(361) 729-6934

8/5/2015

PAY TO THE  
ORDER OF

Rockport Web Sites

\$

702.00

Seven hundred two and 00/100\*\*\*\*\* DOLLARS

Details on Back



Security Features Included

MEMO



AUTHORIZED SIGNATURE

MP

⑈001007⑈ ⑆114911807⑆ 008 097 7⑈

ARANSAS COUNTY ISD  
EDUCATION FOUNDATION INC

1007

Rockport Web Sites

| Date   | Type | Reference | Original Amt. | Discount | Payment  |
|--------|------|-----------|---------------|----------|----------|
| 8/5/15 |      | 2989      |               |          | \$702.00 |

Shopping Tournament – website updates for shoprockportfulton.com website

ARANSAS COUNTY ISD  
EDUCATION FOUNDATION INC

1007

Rockport Web Sites

| Date   | Type | Reference | Original Amt. | Discount | Payment  |
|--------|------|-----------|---------------|----------|----------|
| 8/5/15 |      | 2989      |               |          | \$702.00 |

Shopping Tournament – website updates for shoprockportfulton.com website



Rockport Web Sites  
 Attn: Nancy Paulson  
 P.O. Box 2446  
 Rockport, Texas 78381-2446  
 Phone: 361-729-1180

## Pay from this Invoice

| DATE     | INVOICE # |
|----------|-----------|
| 8/3/2015 | 2989      |

| DUE DATE  |
|-----------|
| 8/13/2015 |

| MAIL TO   |
|---|
| The Education Foundation - Exempt<br>P.O. Box 195<br>Rockport, Texas 78381-0195 |

| ITEM                     | DESCRIPTION   | QTY | RATE   | AMOUNT |
|--------------------------|---|-----|--------|--------|
| Domain name registration | Domain name: shoprockportfulton.com<br>Period of coverage: July 5, 2015 until July 4, 2016.                       | 1   | 22.00  | 22.00  |
| Hosting, Annual          | 12 months of hosting. Domain name: shoprockportfulton.com<br>Period of coverage: July 5, 2015 until July 4, 2016. | 1   | 180.00 | 180.00 |
| Maintenance and Updates  | Updates to website for 2015 Tournament, included: Stores sponsors/FAQs, registration, and dates on several pages. | 1   | 500.00 | 500.00 |

This for relative to your Tournament website.

|              |               |
|--------------|---------------|
| Subtotal     | 702.00        |
| 8.25% Tax    |               |
| <b>Total</b> | <b>702.00</b> |

ARANSAS COUNTY ISD EDUCATION FOUNDATION INC  
P.O. BOX 195  
ROCKPORT, TX 78381  
(361) 729-6934

FIRST COMMUNITY BANK  
1629 HWY. 35 NORTH  
ROCKPORT, TX 78382

1004<sup>40</sup>  
88-1180/1149  
14

8/4/2015

PAY TO THE  
ORDER OF

Wonderful Women's Network LLC

\$ 1,125.00

One thousand one hundred twenty-five and 00/100\*\*\*\*\*  
DOLLARS

MEMO



AUTHORIZED SIGNATURE

⑈001004⑈ ⑆114911807⑆ 008 097 7⑈

ARANSAS COUNTY ISD  
EDUCATION FOUNDATION INC

1004

Wonderful Women's Network LLC

| Date   | Type | Reference |
|--------|------|-----------|
| 8/4/15 |      | 1292      |

Original Amt.

Discount

Payment

\$1,125.00

Shopping Tournament advertising

ARANSAS COUNTY ISD  
EDUCATION FOUNDATION INC

1004

Wonderful Women's Network LLC

| Date   | Type | Reference |
|--------|------|-----------|
| 8/4/15 |      | 1292      |

Original Amt.

Discount

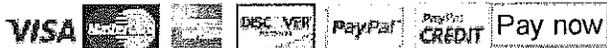
Payment

\$1,125.00

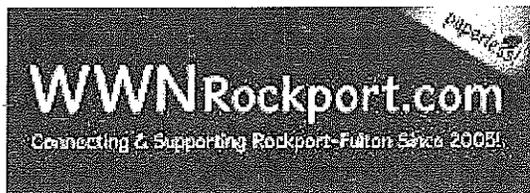
Shopping Tournament advertising

**Invoice Details**

Print



This invoice was edited on May 26, 2015 at 12:15 PM PDT



**Invoice**

**Wonderful Women's Network, LLC**

Phone: 361-205-4055  
 wwwrockport@gmail.com  
 www.wwnrockport.com

|                        |                                 |
|------------------------|---------------------------------|
| <b>Invoice number:</b> | 1292                            |
| <b>Invoice date:</b>   | 7/31/2015                       |
| <b>Due date:</b>       | 8/6/2015                        |
| <b>Reference</b>       | Shopping Tourn. Oct 2 & 3, 2015 |

Amount Due:

**\$1,125.00**

**Bill To:**

karenmellaconsulting@gmail.com

| Date            | Description  | Quantity | Price          | Amount    |
|-----------------|--|----------|----------------|-----------|
| 8/12/2015       | Newsletter Only Banner, Shopping Tournament, 250 x 600 Pixels :: Aug 13, 20, 27, Sept 3, 10,17, 2015 | 7        | \$75.00        | \$525.00  |
|                 | Custom Newsletter Only SetUp/Des.  | 1        | \$50.00        | \$50.00   |
| 9/20/2015       | Top Banner, 144 x 600 Pixels, Shopping Tournament, Goes Up Monday, Sept 21 - October 3, 2015         | 2        | \$300.00       | \$600.00  |
|                 | Custom Top Banner Set/Up Des.  | 1        | \$50.00        | \$50.00   |
|                 | Non-Profit Community Event / COMPED, **NO CHARGE**   | 1        | \$0.00         | \$0.00    |
|                 | **NON-PROFIT DISCOUNT**  | 1        | -\$100.00      | -\$100.00 |
| <b>Subtotal</b> |  |          | \$1,125.00     |           |
| <b>Total</b>    |  |          | \$1,125.00 USD |           |

**Notes**

FIRST COMMUNITY BANK  
1629 HWY. 35 NORTH  
ROCKPORT, TX 78382

1021

88-1180/1149  
14

ARANSAS COUNTY ISD EDUCATION FOUNDATION INC  
P.O. BOX 195  
ROCKPORT, TX 78381  
(361) 729-6934

9/21/2015

PAY TO THE  
ORDER OF

KEDT-FM

\$ 500.00

Five hundred and 00/100\*\*\*\*\*

DOLLARS



MEMO

AUTHORIZED SIGNATURE

⑈001021⑈ ⑆11491180⑆ 008 097 7⑈

ARANSAS COUNTY ISD  
EDUCATION FOUNDATION INC

1021

KEDT-FM

| Date    | Type | Reference | Original Amt. | Discount | Payment  |
|---------|------|-----------|---------------|----------|----------|
| 9/21/15 |      | #2315     |               |          | \$500.00 |

Shopping Tournament - advertising

ARANSAS COUNTY ISD  
EDUCATION FOUNDATION INC

1021

| Date    | Type | Reference | Original Amt. | Discount | Payment  |
|---------|------|-----------|---------------|----------|----------|
| 9/21/15 |      | #2315     |               |          | \$500.00 |

Shopping Tournament - advertising

Details on Back. Security Features Included

SOUTH TEXAS PUBLIC  
 BROADCASTING  
 SYSTEM, INC.





September 18, 2015

Jean James  
 c/o Aransas County Education Foundation  
 P.O. Box 195  
 Rockport, TX 78381-0195

#2315

Dear Jean,

Thank you for including KEDT-FM in the Rockport-Fulton Shopping Tournament's marketing plan. Your support demonstrates ACISD Education Foundation's dedication to public broadcasting and to the enrichment of our community.

Please review the terms and conditions of your underwriting commitment to KEDT:

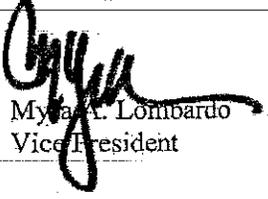
**KEDT- FM**

- Contract Period:** September 21, 2015 through October 2, 2015
- Placement:** 17 spots: 7 during drive-time programming, 10 during classical music
- Underwriting:** \$500
- Payment Terms:** Due upon receipt of invoice

South Texas Public Broadcasting System (KEDT) will provide acknowledgement credits at the times specified above. In accordance with Federal Communications Commission guidelines, STPBS reserves the right to preempt programs to broadcast programs of local and national importance. In the event that programs covered by this agreement are preempted, STPBS will notify the underwriter and extend this contract accordingly.

Jean, if the terms and conditions of this agreement are satisfactory, please sign, date and return this contract. Thank you for your underwriting commitment!

Sincerely,



Myra A. Lombardo  
 Vice President

AGREED:

\_\_\_\_\_  
 Jean James – Aransas County ISD Education Foundation

\_\_\_\_\_  
 Date

ACCEPTED BY:

\_\_\_\_\_  
 Jesenia McQueen – Business Office

\_\_\_\_\_  
 Date

**CITY COUNCIL AGENDA**  
**Regular Meeting: Tuesday, October 13, 2015**

**AGENDA ITEM: 11**

Deliberate and act on Texas Municipal League Intergovernmental Employee Benefits Pool **Retiree** Options.

**SUBMITTED BY:** City Secretary Teresa Valdez

**APPROVED FOR AGENDA:** PKC

**BACKGROUND: *Pre Sixty-Five*** (not eligible for Medicare) **Retirees:** In the past, Council has approved the same medical plan that is offered to our active employees at a cost to the City of 195% of the active employee contribution. In 2012, council voted to equally split any future increases with our retirees. City currently has 11 Pre Sixty-Five Retirees.

***Post Sixty-Five*** (eligible for Medicare) **Retirees:** In 2009, Council adopted Ordinance No. 1458, “freezing” the City contribution to Post Sixty-Five Retirees at \$268.08 for a medical supplement plan. FY 2014-15 our Post Sixty-Five Retirees only had to pay \$22.53 per month for their plan. City currently has 21 Post Sixty-Five Retirees.

The proposed plans represent the same coverage as last year.

**FISCAL ANALYSIS: *Pre Sixty-Five Retirees***- TML is offering the option of continuing with the 195% of active employee contribution plan, or the choice of 4 retiree pool plans.

|            | <u>Platinum</u> | <u>Gold</u> | <u>Silver</u> | <u>Bronze</u> | <u>195% Plan</u> |
|------------|-----------------|-------------|---------------|---------------|------------------|
| Cost       | \$1,261.06      | \$1,217.10  | \$1,176.92    | \$1,131.34    | \$1,031.62       |
| Benefit %  | 90/10%          | 80/20%      | 70/30%        | 60/40%        | 80/20%           |
| Deductible | \$1,000         | \$1,250     | \$1,500       | \$1,750       | \$200            |

***Post Sixty-Five Retirees*** – TML is offering a choice of 2 Medicare supplement plans, 2 stand-alone Medicare Part D plans and 2 Medicare Advantage HMO plans that are available in designated geographic areas - if retirees live in specific county areas (Aransas County not included).

|      | HMO/1    | HMO/2 | Plan F   | Plan K   | RX/1     | RX/2    |
|------|----------|-------|----------|----------|----------|---------|
| Cost | \$295.82 | N/A   | \$225.68 | \$128.95 | \$206.34 | \$78.02 |

Council chose Medical Plan F and Prescription #2 last year for a total of \$290.61. City pays \$268.08 and retiree pays \$22.53. TML is increasing the rates on the Post Sixty-Five plans for 2016 calendar year. The new rate is \$303.70 and the retiree will pay \$35.62.

The FY 2015-2016 Budget includes the 195% pre sixty-five plan and Plan F and prescription option 2.

**STAFF RECOMMENDATION:** Staff recommends Council adopt the TML-IEBP retiree medical plans as follows:

- Pre Sixty-Five Retirees: 195% Plan
- Post Sixty-Five Retirees: Medical Plan F and Prescription Option #2



- **Fund Contact Retiree Webcasts: September 11, 2015 10:00 CST, September 18, 2015 10:00 AM, and September 29, 2015 10:00 AM**
- **Employer Retiree Election Due to IEBP: October 23, 2015**
- **Retiree Enrollee Webcast: September 29, 2015 10:00 CST**
- **Retiree Enrollment Date Deadline: December 4, 2015 (all enrollment materials must be received by December 4, 2015)**

September 25, 2015

RUBY BEAVEN  
CITY OF ROCKPORT  
622 EAST MARKET STREET  
ROCKPORT TX 78382-1059

RECEIVED

OCT 01 2015

ASST. CITY SECRETARY

Dear Ruby Beaven:

The Public Employee Benefits Alliance (PEBA) Board met on September 11, 2015 and the IEBP Board met on September 24, 2015, to review the Pre and Post Sixty-five Retiree Medical Health, Benefit options for Calendar Year 2016. The following benefit education schedule has been developed.

| Function  | IEBP   | UnitedHealthcare  | UnitedHealthcare   |
|---|--|---|--|
|   | Pre Sixty-five Retiree Benefits  | Pre Sixty-five Retiree Benefits   | Post Sixty-five Retiree Benefits   |
| Employer Webcast: PEBA 2016 Pre/Post 65 Options | September 11, 2015<br>September 18, 2015, 10:00 AM<br>September 29, 2015, 10:00 AM | September 11, 2015<br>September 18, 2015, 10:00 AM<br>September 29, 2015, 10:00 AM  | September 11, 2015<br>September 18, 2015, 10:00 AM<br>September 29, 2015, 10:00 AM                                 |
| Call Center Opens                               | Open   | October 19, 2015<br>(Note: This is two weeks before Open enrollment begins on 11.1.15. No rates will be provided until 11.1.15) | November 3, 2015   |
| Submit Roster File                              | N/A  | October 14, 2015  | October 14, 2015   |
| Reminder Postcard #1                            |  | November  | November   |
| Reminder Postcard #2                            |  | December  | December   |
| Online Resources                                | October 1, 2015  | November 1, 2015  | Week of November 9, 2015   |
| Employer Retiree Election Decision              | October 23, 2015   | October 23, 2015  | October 23, 2015   |
| Announcement Letter                             | November 1, 2015   | Week of October 20, 2015  | Week of October 20, 2015   |
| Retiree Enrollment Begins                       | October 26, 2015   | November 1, 2015  | November 16, 2015  |
| Pre 65 Retiree Enrollment Begins                | October 26, 2015   | November 6, 2015  | November 3, 2015   |
| IEBP Retiree Enrollee Webcast (Pool Members)    | September 29, 2015   | September 29, 2015  | September 29, 2015   |
| Retiree Enrollment Date Deadline                | December 4, 2015   | December 15, 2015   | December 4, 2015   |
| Enrollment Kits Mailed                          | November 1, 2015   | November 1, 2015  | November 1, 2015   |
| Welcome Kit to Retirees                         | N/A  | Mailed within a few days of the policy being effectuated. This means the first month that the premium is received.              | Mailed within a few days of the policy being effectuated. This means the first month that the premium is received. |
| ID Cards  | Prior to December 23, 2015   | Mailed within a few days of the policy being effectuated. This means the first month that the premium is received.              | Mailed within a few days of the policy being effectuated. This means the first month that the premium is received. |



**Texas Legal Update**

1. Chapter 175 of the Local Government Code-applies to a person who retires from municipal employment with a population of 25,000 or more
  - a. The level of coverage provided under this chapter at any given time is the same level of coverage provided to current employees of the municipality at that time
  - b. The person may elect to continue coverage at a reduced level, if offered by the municipality
2. Rate may be at the same rate available to active employees or a reasonable or actual utilization rate established for retirees that may be greater than the rate offered to active employee
  - a. Manual Rate with Retirees and Actives
  - b. Manual Rates Active only
  - c. Manual Rates for Retirees only
  - d. Utilization Review/Loss Ratio for Actives and Retirees
  - e. Utilization Review/Loss Ratio for Actives only
  - f. Utilization Review/Loss Ratio for Retirees only
3. THE TEXAS CONSTITUTION, ARTICLE 3. LEGISLATIVE DEPARTMENT
  - a. Sec. 53. COUNTY OR MUNICIPAL AUTHORITIES; EXTRA COMPENSATION; UNAUTHORIZED CLAIMS. The Legislature shall have no power to grant, or to authorize any county or municipal authority to grant, any extra compensation, fee or allowance to a public officer, agent, servant or contractor, after service has been rendered, or a contract has been entered into, and performed in whole or in part; nor pay, nor authorize the payment of, any claim created against any county or municipality of the State, under any agreement or contract, made without authority of law
4. 1625.10/EEOC Costs and benefits under employee benefit plans
  - a. Possible discrimination against the older employee by making compensation in the form of employee and denying that compensation altogether to an older employee unwilling or unable to meet the less favorable terms. Such discrimination is not authorized by Section 4(f)(2).
  - b. Awaiting final written regulations on EEOC costs and benefits

**Employer Plan Guidelines**

| Pre Sixty-five (65) Employer Benefit Plan Options   |  | Post Sixty-five (65) Employer Benefit Plan Options   |  |
|---|--|--|--|
| IEBP Pre Sixty-five (65) Employer Benefit Plan Options  | UnitedHealthcare Pre Sixty-five (65) Employer Benefit Plan Options   | UnitedHealthcare Post Sixty-five (65) Employer Benefit Plan Options  |  |
| Employers may choose to have the pre sixty-five retirees access the active employee benefits at the active employee cost.             | Employers may offer their pre sixty-five retirees the employer’s affordable (less than 9.5% of Box 1 of the employees W-2 form) minimum essential coverage employer plan or the UnitedHealthcare’s Off Exchange Pre Sixty-five Connector Model benefit plans.  | UHC is offering the employers two Medicare Supplement Plans, two stand-alone Medicare Part D Plans and two Medicare Advantage HMO Plans that are available in designated geographic areas.   | The Individual Connector Model is available to employers who have fifty (50) or more retirees. The Post 65 Individual Connector model has Tier 1 generic only prescription coverage in the gap for Part D. |
| Employers may choose to have the pre sixty-five retirees access the active employee benefit plan at 195% of the active employee rate. | Employers may offer their pre sixty-five retirees the employer’s non-affordable (more than 9.5% of Box 1 of the employees W-2 form) minimum essential coverage plan or the UnitedHealthcare’s On or Off Exchange Pre Sixty-five Connector Model benefit plans. | 1. The employer will have the option to choose one HMO Advantage Plan One Supplemental Plan and One Part D Prescription Plan.<br>2. The retiree will have the option to choose one medical plan (if supplemental plan, retiree can choose medical only or Medicare Advantage must be Medical and Prescription benefits). |  |

| Pre Sixty-five (65) Employer Benefit Plan Options  |  | Post Sixty-five (65) Employer Benefit Plan Options   |  |
|--|--|--|--|
| IEBP Pre Sixty-five (65) Employer Benefit Plan Options   | UnitedHealthcare Pre Sixty-five (65) Employer Benefit Plan Options | UnitedHealthcare Post Sixty-five (65) Employer Benefit Plan Options  |  |
| Employers may offer their pre sixty-five retirees the active employee benefit plan or the Pool pre sixty-five metal benefit plan options. Once a pre sixty-five retiree transfers to a Pool metal plan they cannot transition back to the employer plan. |  | <p>The HMO Advantage Plan will only be available to retirees who reside in the county specific area. The HMO Advantage Plans <b>must be</b> bundled with the prescription plan of the employer's choice. If emergency room copay added \$75.00 - <a href="#">the pricing impact of changing the ER Copay from \$50 to \$75 would be \$.50 pmpm. This would apply to each of the current HMO rates. Pool level or independent PEBA employer level.</a></p> <ol style="list-style-type: none"> <li>1. UHC will offer the employer one option of two Medicare Advantage HMO Plans. <ol style="list-style-type: none"> <li>a. Austin Counties: Bell, Travis, Williamson</li> <li>b. Houston Counties: Austin, Brazoria, Fort Bend, Hardin, Harris, Jefferson, Liberty, Montgomery</li> <li>c. Corpus Christi Counties: San Patricio</li> <li>d. Dallas/Fort Worth: Collin, Dallas, Denton, Ellis, Johnson, Kaufman, Rockwall, Tarrant</li> <li>e. San Antonio Counties: Atascosa, Bexar, Comal Guadalupe, Kendall, Wilson</li> </ol> </li> </ol> |  |
|  |  | <ol style="list-style-type: none"> <li>1. Part D Options: Option I is coverage in the gap. The coverage in the gap option requires 35% employer subsidy except for IEBP membership. UHC is offering the employer one option out of two Part D Benefit Plans. <ol style="list-style-type: none"> <li>a. Option I <ol style="list-style-type: none"> <li>i. Formulary H (Full Gap Coverage) - Group Select</li> </ol> </li> <li>b. Option II <ol style="list-style-type: none"> <li>i. Formulary G (Generic in the Gap) - Group Choice</li> </ol> </li> </ol> </li> </ol>  |  |

## IEBP Pre Sixty-five Retiree Medical Options

The Pool member employer may offer their retirees a choice of one of the four plan options. Pool membership not currently accessing the pre sixty-five Pool will require individual underwriting and may not receive the below rates.

| Pre Sixty-five Retire Pool Rates |                   |           | 2014       | Jun'13-May'14 Loss Ratio<br>(126.24% Overall LR) | % Increase | 2015       | % Increase | 2016       |
|----------------------------------|-------------------|-----------|------------|--|------------|------------|------------|------------|
| Platinum                         | PA95-100-50-MAC A | Retiree   | \$840.70   | 104.26%  | 25.00%     | \$1,050.88 | 20%        | \$1,261.06 |
| Platinum                         | PA95-100-50-MAC A | Composite | \$1,002.22 |  | 25.00%     | \$1,252.78 | 20%        | \$1,503.34 |
| Gold                             | PA85-125-50-MAC A | Retiree   | \$811.38   | 37.63%   | 25.00%     | \$1,014.24 | 20%        | \$1,217.10 |
| Gold                             | PA85-125-50-MAC A | Composite | \$967.00   |  | 25.00%     | \$1,208.76 | 20%        | \$1,450.52 |
| Silver                           | PA75-150-50-MAC A | Retiree   | \$784.60   | 132.14%  | 25.00%     | \$980.76   | 20%        | \$1,176.92 |
| Silver                           | PA75-150-50-MAC A | Composite | \$934.84   |  | 25.00%     | \$1,168.56 | 20%        | \$1,402.28 |
| Bronze                           | PA64-175-50-MAC A | Retiree   | \$754.22   | 171.51%  | 25.00%     | \$942.78   | 20%        | \$1,131.34 |
| Bronze                           | PA64-175-50-MAC A | Composite | \$898.38   |  | 25.00%     | \$1,122.98 | 20%        | \$1,347.58 |

| Plan Designs                                    | Platinum Plan  | Gold Plan                   | Silver Plan                 | Bronze Plan                 |
|---|--|-----------------------------|-----------------------------|-----------------------------|
| Benefit Percentage                              | 90% / 50%  | 80% / 50%                   | 70% / 50%                   | 60% / 40%                   |
| Network Deductible:<br>Individual/Family        | \$1,000.00 /<br>\$2,000.00   | \$1,250.00 /<br>\$2,500.00  | \$1,500.00 /<br>\$3,000.00  | \$1,750.00 /<br>\$3,500.00  |
| Non-Network Deductible:<br>Individual/Family    | \$1,250.00 /<br>\$2,500.00   | \$1,500.00 /<br>\$3,000.00  | \$1,750.00 /<br>\$3,500.00  | \$2,000.00 /<br>\$4,000.00  |
| Network Out of Pocket Max:<br>Individual/Family | \$5,000.00 /<br>\$10,000.00  | \$5,000.00 /<br>\$10,000.00 | \$5,000.00 /<br>\$10,000.00 | \$5,000.00 /<br>\$10,000.00 |
| Healthy Initiatives Program                     | <ul style="list-style-type: none"> <li>▪ Biometric Screenings and Health Power Assessment paid 100% for Choice Plus network providers.</li> <li>▪ Completion of Biometric Screenings and Health Power Assessment per Calendar Year = \$150.00 Incentive payment</li> </ul> |                             |                             |                             |

### Medication Therapy Management Program

The Prescription plan offered by IEBP is a Medication Therapy Management Program (MTMP) that promotes Evidence Based Prescription Utilization, Consumer Education, Cost Effective Alternate Prescription Options, and Coverage for prescriptions and biotech prescriptions that are available through the Pharmacy Benefit Manager will be paid per the Medication Therapy Management Guide. Eligible injectable, biotech, and biosimilar prescriptions may be purchased from network providers per the Medication Therapy Management Guide.

For eligible prescriptions purchased outside of the Pharmacy Benefit Manager or the Network Providers, the plan will pay at the out of network benefit percentage and will not, at any time, pay at 100% for any prescription services under the out of pocket provision of the Plan.

This plan requires Prior Authorization and Step Therapy compliance.

**MAC A Plan:** If a brand name drug is dispensed and a generic alternate drug exists, the **Covered Individual pays the difference between the brand name and generic price** in addition to the appropriate copayment for the brand name. The **cost difference between the brand name and generic price does not apply to any individual deductibles or out of pocket amounts**. The MAC differential applies to all prescriptions purchased through this program when a generic alternate is available.

**MAC C Plan:** If a brand name drug is dispensed and a generic alternate drug exists, the Covered Individual pays the appropriate brand copay.

| Covered Individual Out of Pocket (OOP)  |  |   |  |
|---|--|---|--|
| Prescribed (Doctor Ordered)<br>Over the Counter Alternates and Prescription Networks  | Retail:<br>(up to 34 day supply max<br>unless noted otherwise) | Mail/Maintenance:<br>(up to 90 day<br>dispensement) | SpecialtyRx/Biotech/<br>Biosimilar:<br>(up to 34 day dispensement) |
| <ul style="list-style-type: none"> <li>▷ Smoking Cessation (Nicorette Gum), Quantity Limit - 3 months per plan year</li> <li>▷ Aspirin, Folic Acid, Fluoride Chemoprevention Supplements, Iron Deficiency Supplements, and Vitamin D supplementation to prevent falls in community-dwelling adults age 65 years and older who are at an increased risk for falls; per prescription</li> </ul> | \$0.00   | N/A   | N/A  |
| Network Retail: 34 day <u>Non-Cost Share</u> most Generic Dispensement  | \$0.00 (up to 34 day supply)                                   | N/A   | N/A  |
| Network Retail: 90 day <u>Non-Cost Share</u> most Generic Dispensement  | \$9.00 (35 up to 90 day supply)                                | \$25.00   |  |
| OptumRx Network <u>Non-Cost Share</u> Best Brand/Formulary List   | \$38.00  | \$95.00   |  |
| OptumRx Network <u>Non-Cost Share</u> Non-Best Brand/Non-Formulary List   | \$60.00  | \$150.00  |  |
| OptumRx Network Cost Share  | \$120.00   | \$300.00  |  |
| OptumRx Specialty/Biotech Prescriptions   | N/A  | N/A   | \$100.00 (up to 34 day supply)                                     |
| OptumRx Biosimilar Generic Prescriptions  | N/A  | N/A   | \$75.00 (up to 34 day supply)                                      |
| Prescription Refill Control Standards   | 75%  | 70%   |  |

| Women's Preventive Health Services Covered Individual Out of Pocket (OOP)  |                        |                   |                 |
|--|------------------------|-------------------|-----------------|
| Benefit  | Retail Rx Medical Plan | Prescription Plan | Plan Ineligible |
| Oral Contraceptives Generic ( <i>no cost share</i> )   |                        | X                 |                 |
| IUD Device ( <i>no cost share</i> )  | X                      | X                 |                 |
| Implant Device ( <i>no cost share</i> )  | X                      | X                 |                 |
| Permanent Implantable Contraceptive Coil ( <i>subject to the appropriate deductible and benefit percentages</i> )  | X                      |                   |                 |
| Insertion and/or Removal of Contraceptive Devices ( <i>no cost share</i> )   | X                      |                   |                 |
| Urine Pregnancy Test, Urinalysis, Sonogram to Detect Placement of Device ( <i>no cost share</i> )  | X                      |                   |                 |
| Injectable Contraceptives ( <i>no cost share</i> )   | X                      | X                 |                 |
| Injectable Administration Fee ( <i>no cost share</i> )   | X                      |                   |                 |
| Diaphragm (cervical), Hormone Vaginal Ring, Hormone Patch, Cervical Cap, Spermicides, Sponges ( <i>no cost share</i> )   |                        | X                 |                 |
| Diaphragm (cervical) Instruction and Fitting Fee ( <i>no cost share</i> )  | X                      |                   |                 |
| Emergency Contraceptives   |                        | X                 |                 |
| Over-The-Counter (OTC) Contraceptives not otherwise listed as covered  |                        |                   | X               |
| Contraceptive Management ( <i>no cost share</i> )  | X                      |                   |                 |
| Female Condoms ( <i>no cost share</i> )  |                        | X                 |                 |
| Medications for risk reduction of breast cancer in women who are at increased risk for breast cancer and at low risk for adverse medication effects: Tamoxifen or Raloxifene |                        | X                 |                 |

### Value Added Supplement Benefits Pre Sixty-five Dental and Vision Rates

Employers that offer one or more of the IEBP Pre Sixty-five retiree plans will also have the option of making available to their retirees fully funded Dental and Vision plan options.

| 2016 Dental II Plan 50% Increase |            |           | 2016 Dental III Plan 50% Increase |            | 2016 Dental IV Plan 50% Increase |            |           |
|----------------------------------|------------|-----------|-----------------------------------|------------|----------------------------------|------------|-----------|
|                                  | Mandatory* | Voluntary |                                   | Mandatory* |                                  | Mandatory* | Voluntary |
| <u>Pre Sixty-five Retiree</u>    | \$17.86    | \$24.10   | <u>Pre Sixty-five Retiree</u>     | \$62.28    | <u>Pre Sixty-five Retiree</u>    | \$41.82    | \$64.74   |
| <u>Dependent</u>                 |            |           | <u>Dependent</u>                  |            | <u>Dependent</u>                 |            |           |
| Composite                        | \$31.42    | \$42.46   | Composite                         | \$97.72    | Composite                        | \$69.04    | \$106.92  |
| OR                               |            |           | OR                                |            | OR                               |            |           |
| Spouse                           | \$25.02    | \$33.82   | Spouse                            | \$65.58    | Spouse                           | \$56.50    | \$87.48   |
| Child(ren)                       | \$21.48    | \$29.02   | Child(ren)                        | \$72.12    | Child(ren)                       | \$48.12    | \$74.50   |
| Family                           | \$36.78    | \$49.68   | Family                            | \$128.88   | Family                           | \$83.64    | \$129.54  |

\* 100% Employer subsidy required for Pre-65 Retiree participation

| 2016 Vision A Plan 0% Increase |            |           |
|--------------------------------|------------|-----------|
|                                | Mandatory* | Voluntary |
| <u>Pre Sixty-five Retiree</u>  | \$7.68     | \$10.66   |
| <u>Dependent</u>               |            |           |
| Composite                      |            |           |
| Family                         | \$15.32    | \$21.28   |

\* 100% Employer subsidy required for Pre-65 Retiree participation

| 2016 Vision B Plan 0% Increase |            |           |
|--------------------------------|------------|-----------|
|                                | Mandatory* | Voluntary |
| <u>Pre Sixty-five Retiree</u>  | \$10.66    | \$10.66   |
| <u>Dependent</u>               |            |           |
| Composite                      |            |           |
| Family                         | \$21.28    | \$21.28   |

### Retiree Reimbursement Arrangement (RRA) Option

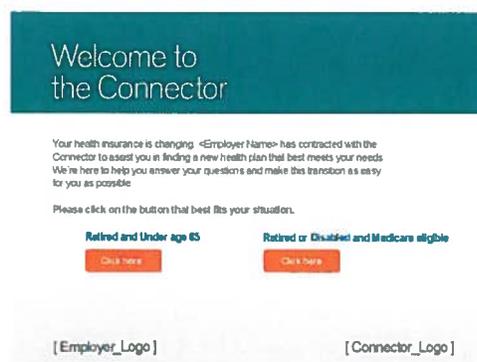
To complement the Pre Sixty-five plans, the employers may also elect to purchase an RRA option for an administrative rate of \$3.70 PRPM (per retiree per month). The Retiree Reimbursement Arrangement (RRA) must be executed annually. IEBP will request confirmation regarding the responsible party (Employer or retiree) for the \$3.70 monthly administrative fee.

### Medical/Rx Plan Rates

The IEBP Pre Sixty-five plans are group plans that provide guarantee issue for current covered individuals. Pre Sixty-five benefit coverage will continue until the end of the month of the covered retiree's 65<sup>th</sup> birthday. Coverage for early retirees under these plans will require that the early retiree enroll in the IEBP plan within 31 days of commencement of their Pre 65 retirement and meet the definition of retiree per the employer's Retiree Policy, Ordinance, or Resolution. In addition for eligibility under the plan, IEBP will require that the early retiree meet the employer's definition of a retiree and that the retiree receive all other applicable benefits provided to retiree population.

## UnitedHealthcare Pre and Post Sixty-five Retiree Benefit Option Overview

- I. Pre Sixty-five Plan Options
  - A. Advocacy Service Center is available for the lifetime of the retiree as long as the members entered into the plan through the connector exchange and chose a carrier that was and is still offered in the connector exchange. Once they transition to one of the carriers on the exchange they have this as a service. If the issue cannot be resolved by the carrier client service center identified on the back of the ID card, they can call to the toll free number for the Connector Exchange for assistance. This is available if the retiree has employer subsidy or not.
  - B. The Connector Exchange offers Product Advisors to assist in access to Multiple Carriers for individual plan options and selection. A sample of the carriers are: BC/BS, Coventry, Humana, Anthem, Empire, UnitedHealthcare, CIGNA, HSCS, Aetna, Kaiser Permanente
  - C. An individual selecting an "On Exchange Plan" may be Eligible for tax subsidies based on House Hold Income. (See definition below.)
    1. Connector Exchange Product Advisor Assistance
      - a. Federal Run Exchanges
      - b. State Run Exchanges
  - D. Internet Enrollment Process
    1. Interactive Tools
      - a. Plan selector (needs assessment)
      - b. Plan results by area
      - c. Drug cost estimator
      - d. Provider search
      - e. Pharmacy locator
      - f. Federal tax credit estimator
    2. URL Employer Co-Branded Site with UnitedHealthcare
    3. Employer Eligibility Transfer
      - a. Pre Sixty-five Connector Model Pre-Populated Fields
        - i. First Name
        - ii. Last Name
        - iii. Social Security Number
    4. Enrollment 10 minutes timeframe
      - a. Privacy



Welcome to the Connector

Your health insurance is changing. <Employer Name> has contracted with the Connector to assist you in finding a new health plan that best meets your needs. We're here to help you answer your questions and make this transition as easy for you as possible.

Please click on the button that best fits your situation.

Retired and Under age 65 [Click here](#)

Retired or Disabled and Medicare eligible [Click here](#)

[ Employer\_Logo ] [ Connector\_Logo ]

- b. Application per Employer Eligibility File
  - c. Health Status ONLY Tobacco Use (Load)
  - d. Guarantee Issue
  - e. Every Page is toll free number 800 local time 7 days a week for access to enrollment advisor
  - f. Open Enrollment January Plan Year
  - g. Qualifying Event
  - h. Loss of Coverage if no other plan to access excluding COBRA
- E. On Exchange/Off Exchange Multi-Carrier Plan Availability. Call center advisors use a “needs dialogue” approach to narrow the product portfolio to one product that On Exchange/Off Exchange Multi-Carrier Plan Availability. Call center advisors use a “needs dialogue” approach to narrow the product portfolio to one product that meets a retiree’s specific need
- 1. Enrollee Questions
    - a. Do you prefer on exchange or off exchange model.
    - b. Do you qualify for on exchange subsidy support because you household income is between 100-400% of Federal Poverty Level
    - c. If yes, the following household income questions will be required:
      - i. Household Income
        - Household Income
          - » **Who/What is defined as “household”?**
          - » Tax filers + tax dependents = household
          - » For the Model, your household generally includes the tax filers plus their tax dependents. If you claim someone as a tax dependent, include them on your application, even if they’re not applying for insurance.
          - » There are exceptions. Sometimes the model includes people you live with who aren’t in your tax household
          - » The Model counts income for each of these people and considers them part of your household depending on things like their age and relationship to you, the type and amount of income they have, and more.
        - Understanding Elements to Qualify for Federal Tax Credit, Individuals to include on the Application
          - » Yourself
          - » Your spouse
          - » Your Children living with you – even if they make enough money to file a tax return themselves
          - » Anyone you include on your tax return as a dependent even if they don’t live with you
          - » Your unmarried partner; only if one or both of these apply:
            - They are your dependent for tax purposes
            - They are the parent of your child
        - Understanding Elements to Qualify for Federal Tax Credit
          - » **What is included as income?**
            - When you fill out a model application, you’ll need to estimate what your household’s income will be **in the next year**—the year you’ll be covered. If you’re not sure, make your best estimate:
            - **COUNTED AS INCOME**
              - ▶ Wages and salaries (W-2)
              - ▶ Tips
              - ▶ Net income from self-employment or business
              - ▶ Unemployment compensation
              - ▶ Social Security payments, including disability payments
              - ▶ Retirement of pension income, including IRA or 401(k) withdrawals
              - ▶ Investment income (dividends/interest)

- ▶ Rental income
- ▶ Other taxable income (prizes, awards, gambling winnings)
- **NOT INCLUDED AS INCOME**
  - ▶ Child Support
  - ▶ Gifts
  - ▶ Supplemental Security Income (SSI)
  - ▶ Veterans' disability payments
  - ▶ Workers' compensation
  - ▶ Proceeds from loans (like student loans, home equity or bank loans)

2. Tax Subsidy 100%-400%

a. **2016 Federal Poverty Level**

Every year, the perimeters of the [Federal Poverty Level \(FPL\)](#) increase based on the cost of living. Families need to understand where they fall on the FPL so they know whether they are eligible for **Medicaid** in their state or whether they are eligible for a federal [Subsidy](#) because they earn between 100 and 400 percent of the FPL, or whether they are eligible for a tax credit because they purchased a Silver plan and earn less than 250 percent of the FPL.

The following rates are updated for the 2016 calendar year. The 2016 Open Enrollment Period begins on **November 1st and closes on January 31, 2016.**

| Family Size | 100%     | 133%     | 138%     | 250%      | 400%      |
|-------------|----------|----------|----------|-----------|-----------|
| 1           | \$11,770 | \$15,654 | \$16,242 | \$29,425  | \$47,080  |
| 2           | \$15,930 | \$21,186 | \$21,983 | \$39,825  | \$63,720  |
| 3           | \$20,090 | \$26,719 | \$27,724 | \$50,225  | \$80,360  |
| 4           | \$24,250 | \$32,252 | \$33,465 | 60,625    | \$97,000  |
| 5           | \$28,410 | \$37,785 | \$39,205 | \$71,025  | \$113,640 |
| 6           | \$32,570 | \$43,318 | \$44,946 | \$81,425  | \$130,280 |
| 7           | \$36,730 | \$48,850 | \$50,687 | \$91,825  | \$146,920 |
| 8           | \$40,890 | \$54,383 | \$56,428 | \$102,225 | \$160,360 |

b. With the above responses the UnitedHealthcare system will ping healthcare.gov for verification.

3. Do you prefer less premium or broader based of coverage

4. How often do you use the benefit plan

5. Which best describes you

- a. One physician coordinating care
- b. More flexibility
- c. Network Status via zip code provider name, specialty
- d. "Help Me" Functionality

6. Do you have ongoing prescriptions

- a. Medication
- b. Dose
- c. The RX coverage depends on the plan the individual selects. Every carrier has levels of plans to review with the participants. Some carriers are stronger in RX than others. The tool has a look up function to identify how the drug is covered by a carrier. There are options with the top rated plans in each. The advisor will guide the retiree through this dialogue.

7. View Best Plan

8. View Runner Up Plan

- a. Metal Plans
  - i. Platinum
  - ii. Gold
  - iii. Silver
  - iv. Bronze

II. "Off Exchange Plans" often broader Networks

A. Bronze Plan

1. Lowest Premiums
  2. 60% Plan Cost Sharing
  3. Catastrophic Coverage
- B. Silver Plan
1. Low Premiums
  2. 70% Plan Cost Share
  3. Baseline plan for federal subsidy
- C. Gold Plan
1. Competitive Premiums
  2. 80% Plan Cost Share
- D. Platinum Plans
1. Highest Premiums
  2. 90% Plan Cost Share

| State            | Geographic Area | Bronze      | Silver      | Gold        | Platinum     |
|------------------|-----------------|-------------|-------------|-------------|--------------|
| Texas Blue Cross | Harris County   | \$406-\$609 | \$531-\$772 | \$645-\$955 | N/A          |
| Texas UHC        | Harris County   | \$477-\$526 | \$560-\$583 | \$624-\$636 | \$698        |
| Texas Humana     | Harris County   | \$530-\$692 | \$624-\$723 | \$750-\$889 | \$951-\$1139 |
| Texas Other?     | Harris County   | \$400-\$627 | \$526-\$809 | \$631-\$899 | N/A          |

| State            | Geographic Area | Bronze      | Silver      | Gold        | Platinum    |
|------------------|-----------------|-------------|-------------|-------------|-------------|
| Texas Blue Cross | Travis County   | \$424-\$623 | \$556-\$790 | \$674-\$977 | N/A         |
| Texas UHC        | Travis County   | \$467-\$515 | \$548-\$671 | \$611-\$623 | \$684       |
| Texas Humana     | Travis County   | \$412-\$573 | \$486-\$599 | \$583-\$736 | \$740-\$943 |
| Texas Other?     | Travis County   | \$429-\$628 | \$511-\$799 | \$635-\$883 | N/A         |

| State            | Geographic Area | Bronze      | Silver      | Gold        | Platinum |
|------------------|-----------------|-------------|-------------|-------------|----------|
| Texas Blue Cross | El Paso County  | \$361-\$518 | \$472-\$657 | \$574-\$812 | N/A      |
| Texas UHC        | El Paso County  | \$571-\$630 | \$670-\$699 | \$748-\$762 | \$837    |
| Texas Humana     | El Paso County  | N/A         | N/A         | N/A         | N/A      |
| Texas Other?     | El Paso County  | \$404-\$483 | \$495-\$590 | \$637-\$696 | N/A      |

- E. Dental United PPO Network
1. Two plans available
    - a. Value
    - b. Premier
  2. Network Benefits
    - a. Preventive covered 100% no deductible, no waiting period
    - b. Annual deductible of \$50 per person for Basic/Major combined
    - c. Basic covered 80/20 after deductible & 6 month waiting period
    - d. Major covered 50/50 after deductible & 12 month waiting period
  3. Annual maximum of \$1,000 per person
  4. Premiums are typically \$30-50 PMPM
- F. Optional Vision Rider (Potential rider to dental coverage)
1. Easy copayments for network basic vision services, including exam and prescription eye wear
  2. Extensive vision care network includes over 31,000 private practice and retail chain providers.
  3. Benefit limitations to once every 12/24 months

## Other

- A. The state of Texas currently does not have a state run health exchange where you can get quotes direct. The Connector Exchange will assist you with Federal Exchange Options and off exchange Options.
- B. For last year's Public Enrollment: Most people who sign up for insurance using the marketplace qualify for assistance. According to the Department of Health and Human Services, about 87 percent of people who used the federal exchange to enroll in 2015 qualified for subsidies. The average subsidy covered 72 percent of the premium price, which left many individuals paying just \$101 per month for coverage this year.

- C. If it's outside of open enrollment but you want to estimate how much of a subsidy you might be eligible for, then check out the [subsidy calculator](#) available from the Kaiser Family Foundation. This will give you some idea of what you might expect once open enrollment starts.
- D. For marketplace and privately purchased plans, there's a set time when you can enroll called the annual open enrollment period. For coverage beginning in 2016, the open enrollment period will run from Nov. 1, 2015 through Jan. 31, 2016. Outside of these dates, you can only sign up for marketplace coverage if you qualify for a special enrollment period.
- E. To qualify for special enrollment: A time outside of the open enrollment period during which you and your family have a right to sign up for health coverage. In the Marketplace, you qualify for a special enrollment period 60 days following certain life events that involve a change in family status (for example, marriage or birth of a child) or loss of other health coverage. Job-based plans must provide a special enrollment period of 30 days.
- F. If you forego health insurance entirely, then you'll pay a [fee for non-compliance](#). When you file your 2016 taxes, you'll be charged the greater of \$695 per adult in your household or 2.5 percent of your taxable household income.
- G. If you decide not to take COBRA coverage, you can enroll in a Marketplace plan instead. Losing job-based coverage qualifies you for a [Special Enrollment Period](#). This means you have 60 days to enroll in a health plan, even if it's outside the annual Open Enrollment Period.

| Can you change from COBRA to a Marketplace plan? |  |   |
|--|--|---|
|  | If your COBRA is running out   | If you're ending COBRA early  |
| During Open Enrollment                           | Yes, you can change.   | Yes, you can change.  |
| Outside Open Enrollment                          | Yes, you can change - you qualify for a <a href="#">Special Enrollment</a> | No, you can't change until the next <a href="#">Open Enrollment Period</a> , your COBRA runs out, or you qualify for a <a href="#">Special Enrollment Period</a> another way. |

- H. Does COBRA count as minimum essential coverage?
- Yes. This means if you have COBRA coverage you don't have to pay the fee that people without coverage must pay
- I. If an employee or family member is covered by a group plan and has a COBRA *event* (which causes a loss of coverage), can he or she qualify for coverage on the insurance exchange as a special enrollment?
- The answer to the question will be "yes," if COBRA is *not* elected.
  - If a former employee is simply offered COBRA coverage but does not elect it, he or she should become exchange coverage eligible, presuming other qualification criteria are satisfied. Moreover, the subsidy could be available. (This is true because the individual will only be treated as "*eligible for employer coverage through COBRA*" -- and disqualified for subsidies -- for months when the person has elected COBRA coverage.) Without a COBRA election, the mere offer of COBRA will not preclude the individual's eligibility for exchange coverage enrollment, or the subsidy.
  - By contrast, if COBRA is elected, the answer to the same question is "no." Moreover, the employee cannot later enroll in exchange coverage if he or she chooses to drop (voluntarily walk-away from) COBRA coverage.
  - Electing COBRA immediately ends any special enrollment right. So, once the person takes COBRA coverage, there will be no special enrollment on the exchange until either COBRA is exhausted, or until the next exchange open enrollment season.
- J. What about the impact of COBRA on eligibility for a federal subsidy which can be used to buy coverage on the exchange?
- Ironically, the subsidy remains available - regardless of whether COBRA is offered and even regardless of whether COBRA is actually elected. Under the technical rules governing how federal subsidies are extended, the mere COBRA offer does not affect an individual's ability to qualify for the subsidy, and neither does actually electing COBRA (since continuation is not technically employer-paid coverage). The seeming inconsistent application of the rule described above, inside the context of possible "subsidy" eligibility requires a closer look.
  - Why is this ironic? Exchange marketplace eligibility immediately closes upon a COBRA *election*. So, even if the individual technically qualifies for a subsidy, that person cannot enter the exchange outside of the special enrollment or open enrollment, *which is the only place where the person can spend the subsidy*. It is as though the person is barefoot and has money, but the only shoe store in town is closed. In other words, unless the individual enrolls via an exchange, there is no way he or she can actually spend the government's subsidy dollars.

- K. Can the former employee drop COBRA?
1. If COBRA is elected and then dropped, the person is precluded from enrolling in exchange coverage at their convenience. This means that "voluntarily dropping" COBRA or, perhaps more commonly, failing to pay for COBRA, will *not* create a new right to enroll on the exchange. Although the subsidy may be available technically, for similar reasons as explained above, the subsidy cannot be used ("spent") without exchange access also being available.
- L. What if the employer paid for COBRA for some period of time, such as for six months following severance from employment, then later for whatever reason that employer stops paying for the continuation coverage? This question has particular implications for employers planning to transition employees out of the workforce - both voluntary and involuntary terminations of employment.
1. Again, once COBRA is elected, the failure of anyone, even a former employer, to pay the premium will not trigger an enrollment right. The insurance carriers on the exchange can require the former employee to wait until the next annual enrollment period, so the result is the same as above: Even if the former employee can qualify for the subsidy, the individual cannot access the exchange policies, so he cannot "spend" the subsidy. In order to have health insurance, the former employee would need to either pay for the COBRA coverage until the earlier of the next open enrollment for the exchange, or wait until COBRA is exhausted. *Due to this Catch-22, it would be preferable for the severance negotiation to be a cash amount, rather than payment for COBRA premiums.* The former employee could then elect exchange coverage, possibly qualifying for a subsidy (a possibility the former employer should never guarantee or promise).
- M. If someone voluntarily drops COBRA during an exchange open enrollment, are they eligible for subsidies in the individual marketplace?
1. Per federal agency guidance issued April 21, 2014, during the exchange open enrollment, a person can voluntarily drop his or her COBRA coverage and obtain an exchange plan instead, even if COBRA has not expired. The individual also may be determined eligible for a subsidy in this case. (This result is possible because the exchange is hosting its enrollment season, and subsidy money that an individual might qualify for is therefore available to use to fund purchases.)
  2. Outside of Marketplace open enrollment, if a person's COBRA expires, he or she would qualify for a special enrollment period (and he or she may be eligible for a subsidy). This interpretation fits with the long-standing HIPAA portability special enrollment rule that allowed an individual access to "other coverage" upon COBRA exhaustion.) By contrast, if the COBRA person is voluntarily dropping coverage outside of open enrollment (the COBRA has not yet expired), he would not qualify for a special enrollment period. During the next open enrollment period or when COBRA expires, he could enroll in a policy and may be eligible for a subsidy.
- N. **Retiree Reimbursement Account Management** - Optional employer subsidy through a Retiree Reimbursement Arrangement (RRA) or members may pay premiums via electronic fund transfer:
1. If there is a Low Benefit PPO and NOT a HDHP that has excess HRA dollars can that be transferred to the RRA?  
**Yes**
  2. The current RRA administrator funds and administration will be transferred to Optum and the fee per participant be **\$3.75** per acct per month. Optum will use the standard industry tool called "Take Over". The balance will appear in the Optum account and be notional dollars. The claims history will not transfer.
  3. Is there any additional transfer fees? **No**, unless there are special file issues required.
- O. **On and Off Exchange Connector Exchange Rules**
1. Can the Employer Subsidize the value of the premium for the individual plan and the retiree still gain access to the Federal Subsidy?
    - a. **No, it's either the Federal Subsidy or the Employer Subsidy the retiree has to take one versus the other.**
  2. If the retiree moves from the HRA to the RRA and the monies are transferred to the RRA and there is no additional employer contribution, can the retiree then access the Federal Subsidy?
    - a. **No**, our general opinion is that if the person is "double dipping" (i.e. getting the tax benefit of using HRA/RRA funds to pay for premiums, they cannot also qualify for a subsidy). In this case, no more money is going in, but if they can use those funds to pay premium, then they are, in essence double dipping.



3. If the plan is unaffordable, they can then go to the exchange and take a federal subsidy. Here are the general rules:
  - a. A eligible retiree will qualify for federal premium tax credits so long as:
    - i. Their income is between 100% and 400% of the FPL for their family size as shown below AND
    - ii. The cost of employer provided retiree only coverage exceeds 9.5% of their MAGI (Modified Adjusted Gross Income – the income used for purposes of this test)

So, for an individual earning \$40,000 per year, as long as the cost of employer coverage exceeds \$316.67 per month (9.5% x \$40000 / 12), they would receive a premium tax credit.

Since any single individual whose income is above \$47,080 will not qualify anyway, we can say that if the employer coverage costs more than \$372.72 per month (9.5% x \$47080/12), any retirees who is single will qualify if their income is below 400% of FPL (\$47,080).

Similarly, we can say anyone with a two person family will qualify if their income is below 400% FPL, if the employer plan costs more than \$504.45 (see below for the corresponding figures for three to eight person families.)

The point of all of this is that there may be some individuals with larger families whose income is below 400% FPL (so they satisfy i. above) but the cost of the TML coverage is less than 9.5% of their income (so they fail ii. and are therefore NOT eligible for federal premium tax credits).

**Affordability Table**

|   | 400% FPL | 9.5% of 400% FPL  |
|---|----------|-------------------|
| 1 | 47080    | \$ 372.72 monthly |
| 2 | 63720    | \$ 504.45         |
| 3 | 80360    | \$ 636.18         |
| 4 | 97000    | \$ 767.92         |
| 5 | 113640   | \$ 899.65         |
| 6 | 130280   | \$ 1,031.38       |
| 7 | 146920   | \$ 1,163.12       |
| 8 | 163560   | \$ 1,294.85       |

**Post Sixty-five Plan Options**

1. Group Medicare Advantage National PPO NPPO
2. Group Medicare Supplemental Program
3. AARP Supplemental Program
4. Connector Model
5. Medicare HMO Advantage Plan

**UnitedHealthcare (UHC) Post Sixty-five (65) Employer Benefit Plan Options**

**UHC Retiree Plan Options to PEBA**

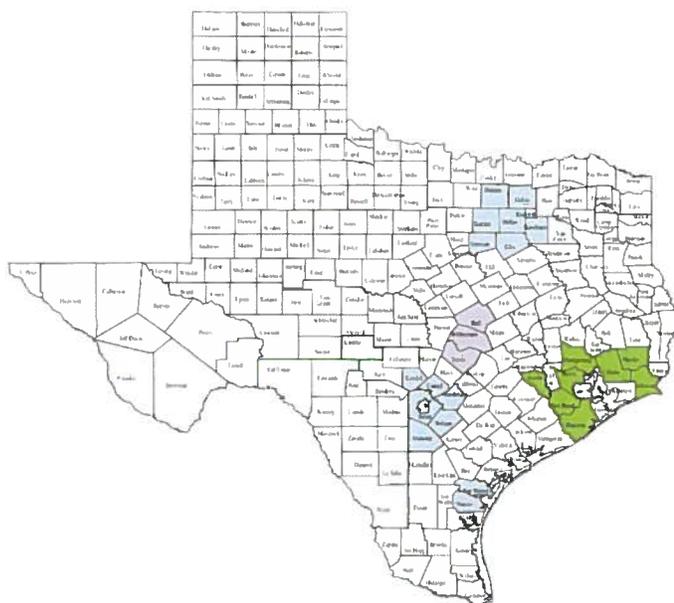
| PEBA                     | 2011     | 2012 Renewal | 2012 Rate Relief | 2012 Final | 2013     | 2014     | 2015     | 2015 % Renewal | 2016     | 2016 % Renewal |
|--------------------------|----------|--------------|------------------|------------|----------|----------|----------|----------------|----------|----------------|
| HMO Austin, full Rx**    | \$320.61 | \$341.45     | \$333.43         | \$320.92   | \$336.97 | \$336.97 | \$368.98 | 9.50%          | \$391.12 | 6.00%          |
| HMO Houston, full Rx**   | \$288.32 | \$307.06     | \$299.85         | \$288.28   | \$302.69 | \$302.69 | \$331.45 | 9.50%          | \$351.33 | 6.00%          |
| HMO Other, full Rx**     | \$245.49 | \$261.45     | \$255.31         | \$242.80   | \$254.94 | \$254.94 | \$279.17 | 9.50%          | \$295.82 | 5.96%          |
| HMO Austin, tier 1 Rx**  | \$220.64 | \$234.98     | \$229.47         | \$229.47   | \$240.94 | \$240.94 | \$263.83 | 9.50%          | \$279.66 | 6.00%          |
| HMO Houston, tier 1 Rx** | \$183.50 | \$195.43     | \$190.84         | \$190.84   | \$200.38 | \$200.38 | \$219.42 | 9.50%          | \$232.58 | 6.00%          |
| HMO Other, tier 1 Rx**   | \$143.30 | \$145.30     | \$141.89         | \$141.89   | N/A      | N/A      | N/A      | N/A            |          |                |
| Supp Plan F              | \$184.00 | \$197.80     | \$191.36         | \$191.36   | \$200.93 | \$200.93 | \$217.00 | 8.00%          | \$225.68 | 4.00%          |
| Supp Plan K              | \$105.13 | \$113.01     | \$109.34         | \$109.34   | \$114.81 | \$114.81 | \$123.99 | 8.00%          | \$128.95 | 4.00%          |
| Rx Plan 1 full Rx        | \$167.40 | \$200.40     | \$187.49         | \$179.99   | \$185.39 | \$185.39 | \$194.66 | 5.00%          | \$206.34 | 6.00%          |
| Rx Plan 2, tier 1 Rx     | \$60.77  | \$75.96      | \$68.06          | \$68.06    | \$70.10  | \$70.10  | \$73.61  | 5.00%          | \$78.02  | 5.99%          |

| PEBA                           | 2011     | 2012 Renewal | 2012 Rate Relief | 2012 Final | 2013     | 2014     | 2015     | 2015 % Renewal | 2016     | 2016 % Renewal |
|--------------------------------|----------|--------------|------------------|------------|----------|----------|----------|----------------|----------|----------------|
| TAC                            |          |              |                  |            |          |          |          |                |          |                |
| Senior Supp Plan F + Admin Fee | \$194.00 | \$207.80     | \$201.36         | \$201.36   | \$210.93 | \$210.93 | \$227.00 | 8.00%          | \$235.68 | 3.82%          |
| Rx Plan 1 full Rx              | \$167.40 | \$200.40     | \$187.49         | \$179.99   | \$185.39 | \$185.39 | \$194.66 | 5.00%          | \$206.34 | 6.00%          |

\*\* If emergency room copay added \$75.00 - the pricing impact of changing the ER Copay from \$50 to \$75 would be \$ .50 pmpm. This would apply to each of the current HMO rates.

## Post Sixty-five Retiree Benefits

### Medicare Advantage HMO With Integrated Medicare Part D Plan Options in Texas



| 2016 HMO SERVICE AREAS AND MONTHLY RATES   |  |
|--|--|
| <b>Option 1</b>  | <b>Option 2</b>                                    |
| <input type="radio"/> Austin, TX: <b>\$391.12</b><br>Counties: Bell, Travis, Williamson  | <input type="radio"/> Austin, TX: <b>\$279.66</b>  |
| <input checked="" type="radio"/> Houston, TX: <b>\$351.33</b><br>Counties: Austin, Brazoria, Fort Bend, Hardin, Harris, Jefferson, Liberty, Montgomery   | <input type="radio"/> Houston, TX: <b>\$232.58</b> |
| <input type="radio"/> Other: <b>\$295.82</b><br>Counties: <b>Corpus Christi:</b> Nueces, San Patricio;<br><b>Dallas/Fort Worth:</b> Collin, Dallas, Denton, Ellis, Johnson, Kaufman, Rockwall, Tarrant counties;<br><b>San Antonio:</b> Atascosa, Bexar, Comal, Guadalupe, Kendall, Wilson | <input type="radio"/> Other: <b>N/A</b>            |

| Medical Plan with Prescription Plan | HMO Option 1 - 3A Custom Plan<br>Full Gap Coverage (requires employer subsidy of 35% excluding IEBP)   | HMO Option 2 - 3A Custom Plan<br>Tier 1 Generic Gap Coverage   |
|-------------------------------------|--|--|
| Service Area:                       | Austin TX: Bell, Travis, Williamson counties   | Austin TX: Bell, Travis, Williamson counties   |
| Monthly Rate*                       | <b>\$391.12</b>  | <b>\$279.66</b>  |
| Service Area:                       | Houston TX: Austin, Brazoria, Fort Bend, Hardin, Harris, Jefferson, Liberty, Montgomery counties   | Houston TX: Austin, Brazoria, Fort Bend, Hardin, Harris, Jefferson, Liberty, Montgomery counties   |
| Monthly Rate*                       | <b>\$351.33</b>  | <b>\$232.58</b>  |
| Service Area:                       | Other: <b>Corpus Christi:</b> Nueces, San Patricio; <b>Dallas/Fort Worth:</b> Collin, Dallas, Denton, Ellis, Johnson, Kaufman, Rockwall, Tarrant counties; <b>San Antonio:</b> Atascosa, Bexar, Comal, Guadalupe, Kendall, Wilson counties | Other: <b>Corpus Christi:</b> Nueces, San Patricio; <b>Dallas/Fort Worth:</b> Collin, Dallas, Denton, Ellis, Johnson, Kaufman, Rockwall, Tarrant counties; <b>San Antonio:</b> Atascosa, Bexar, Comal, Guadalupe, Kendall, Wilson counties |
| Monthly Rate*                       | <b>\$295.82</b>  | <b>N/A</b>   |

\* The monthly rate is per Retiree. The Retiree needs to be entitled to Medicare Parts A & B, and continue to pay the Part B premium.



**Medicare Advantage HMO with Integrated Medicare Part D Plan Options in Oklahoma**  
**Retiree Medicare Advantage Counties**



**Medicare Advantage HMO With Integrated Medicare Part D Plan Options in Oklahoma**

| Medical Plan with Prescription Plan | 2016 HMO Option 1 - 3A Custom Plan<br>Full Gap Coverage (requires employer subsidy of 35% excluding IEBP) | 2016 HMO Option 2 - 3A Custom Plan<br>Tier 1 Generic Gap Coverage |
|-------------------------------------|---|---|
| Service Area:                       | Oklahoma: Canadian, Cleveland, Oklahoma, Pottawatomie   | Oklahoma: Canadian, Cleveland, Oklahoma, Pottawatomie             |
| Monthly Rate*                       | Census Required for Underwriting  | Census Required for Underwriting                                  |

\* The monthly rate is per Retiree. The Retiree needs to be entitled to Medicare Parts A & B, and continue to pay the Part B premium. United will require underwriting approval for new employer membership.

**Medicare Supplement Plan (Texas and Oklahoma Benefit Options)**

| Supplement Plan: Plan F                  | Supplement Plan: Plan K                  |
|--|--|
| Prescription Plan: Not included in price | Prescription Plan: Not included in price |
| Service Area: National                   | Service Area: National                   |
| Rate: Composite                          | Rate: Composite                          |
| Employer Funding Requirement: None       | Employer Funding Requirement: None       |
| 2016 Monthly Rate* \$225.68              | 2016 Monthly Rate* \$128.95              |

TAC Supplemental Plan F + Admin Fee \$235.68

\* The monthly rate is per Retiree. The Retiree needs to be entitled to Medicare Parts A & B, and continue to pay the Part B premium.

| BENEFITS "Plan Pays"  | PLAN F   | PLAN K  |
|---|--|---|
| Part A and Part B CALENDAR YEAR PLAN DEDUCTIBLE   | N/A  | N/A   |
| Part A and Part B MOOP ANNUAL LIMIT (Medicare copayments, coinsurance and deductibles)  | N/A  | \$4,620 per year (2010 amount shown)                  |
| LIFETIME POLICY MAXIMUM   | N/A  | N/A   |
| Part A - Hospital (Part A Deductible) - Days 1-60   | Covered 100% by Plan                                   | Covered 50% by Plan                                   |
| Part B - DURABLE MEDICAL EQUIPMENT  |  |   |
| Part B - Medicare Part B Deductible (Applicable to Part B DME)  | Covered 100% by Plan                                   | Not Covered   |
| Part B - DME Remainder of Medicare Approved Amounts (After Part B Deductible Has Been Met)  | Remainder After Medicare Payment Covered 100% by Plan. | Remainder After Medicare Payment Covered 50% by Plan. |
| Part B - Medicare Part B Deductible (Applicable to Part B Medical Services)   | Covered 100% by Plan                                   | Not Covered   |
| Part B - Medical Services Remainder of Medicare Approved Amounts (After Part B Deductible Has Been Met)   | Remainder After Medicare Payment Covered 100% by Plan. | Remainder After Medicare Payment Covered 50% by Plan. |
| PART B EXCESS CHARGES - (The Difference Between Medicare Allowable Amount and Up to 115% of Medicare Allowable Amount)                              | Covered 100% by Plan                                   | Not Covered   |
| FOREIGN TRAVEL: Medically Necessary Emergency Care Services, applicable only during the first six months of each trip outside of the United States. |  |   |

| PDP Plan Option 1: Full Gap Coverage (requires employer subsidy of 35% excluding IEBP) | PDP Plan Option 2: Generic Gap Coverage |
|--|---|
| Service Area: National   | Service Area: National                  |
| Rate: Composite  | Rate: Composite                         |
| Employer Funding Requirement: None   | Employer Funding Requirement: None      |
| 2016 Monthly Rate* \$206.34  | 2016 Monthly Rate* \$78.02              |

\* The monthly rate is per Retiree. The Retiree needs to be entitled to Medicare Parts A & B, and continue to pay the Part B premium. HMO Advantage requires prescription plan inclusion. Supplemental F or K may be accessed medical only or medical and Rx. Rx Plan option requires employer level decision.

| Prescription Creditable Coverage Part D Plans                              | PDP Option 1             | PDP Option 2                       |
|--|--------------------------|------------------------------------|
| Prescription Drug Plan Type  | Custom                   | Custom                             |
| <b>Part D Gap Coverage</b>   | <b>Full Gap Coverage</b> | <b>Tier 1 Generic Gap Coverage</b> |
| <b>Formulary</b>   | Formulary H              | Formulary G                        |
| <b>Bonus Drug List</b>   | None                     | None                               |
| Rx Deductible  | \$0                      | \$0                                |
| Rx Out-of-Pocket Maximum   | None                     | None                               |
| <b>Part D Retail (Member Cost Share Before Pharma Brand Discounts)</b>     |                          |                                    |
| Tier 1   | \$5                      | \$5                                |
| Tier 2   | \$25                     | \$25                               |
| Tier 3   | \$60                     | \$60                               |
| Tier 4   | 33%                      | 33%                                |
| <b>Part D Mail Order (Member Cost Share Before Pharma Brand Discounts)</b> |                          |                                    |
| Tier 1   | \$10                     | \$10                               |
| Tier 2   | \$50                     | \$50                               |
| Tier 3   | \$120                    | \$120                              |
| Tier 4   | 33%                      | 33%                                |
| Initial Coverage Limit   | \$3,310                  | \$3,310                            |
| TrOOP Threshold  | \$4,850                  | \$4,850                            |
| <b>Catastrophic Coverage over TrOOP (greater amount of)</b>                |                          |                                    |
| Copay for generics   | \$2.95                   | \$2.95                             |
| Copay for all other drugs  | \$7.40                   | \$7.40                             |
| <b>OR</b> Coinsurance  | 5%                       | 5%                                 |

### Preferred Retail Pharmacy Network

1. Applies to Part D individual plans only
2. Provides lower copays at preferred retail pharmacies vs. other network pharmacies
3. Copays are consistent across all participating pharmacies
4. Copays may vary by plan or region
5. Thrifty White to join 1.1.12-15

### Pharmacy Saver Program

1. Applies to MAPD and Group Part D EGWP plans only
2. Drug prices and quantities may vary between participating pharmacies
3. Pharmacy Saver has a list of drugs that are available through the program
4. Drug list, prices, quantities and participating pharmacies are subject to change during the plan year

## UnitedHealthcare Retiree Member Rewards and Incentives

### Advocate4Me Program

UnitedHealthcare Retiree Solutions introduced the Advocate4Me Program last year. This program incorporates claims and other clinical information to enhance the membership experience with the customer care professionals. In 2015 this was expanded to a member rewards program that provided members with gift cards once they completed specific health-related activities. In 2015, the gift card was distributed for the completion of an Annual Wellness visit.

### Treatment Decision Support

Registered nurses with specialized training about targeted conditions and treatment options help retirees make care decisions that are informed, evidence-based and preference-sensitive.

### Disease Manage Programs

- ▶ Congestive Heart Failure (CHF)\*
- ▶ Coronary Artery Disease (CAD)
  - Advanced Illness - Case Management for those with life-limiting illness
- ▶ Diabetes

### Catastrophic and Pre-Catastrophic Case management

Telephonic and face-to-face intervention to help retirees and their families effectively cope with multiple chronic conditions, frailty, disability or den of life issues. Nurses and social workers help individual and their families utilize community resources, understand the most effective ways to cope with their conditions, adhere to their doctor's treatment plan and prevent caregiver burn out

### Transplant Resource Services

Help members identify a preferred provider based on quality and efficiency outcomes – this is not a network.

#### Prevention and Wellness

1. Health Risk Assessment
2. Preventive care reminders
3. Nurse Line: Our newly expanded Nurse Line program empowers retirees to make better health care designs. Nurse Line's registered nurses focus on our four basic value pillars to support retirees in making informed healthcare decisions: Right Care, Right Provider, right Medication, and Right Lifestyle Available 24/7/365
4. Treatment Decision and Access Support
5. Silver Sneakers: Retirees receive a basic health club membership at their choice of participating senior-friendly fitness centers, access to senior-focused fitness classes and social events, and advice from a senior fitness advisor
6. Solutions for Caregivers: Our comprehensive eldercare management program designed to support family caregivers in helping aging family members to stay healthy, to function as independently as possible and to live with dignity
7. Discounted Hearing Aid Program
  - a. Get a hearing test
  - b. Select a hearing aid from the Premium list offered by Health Innovations (HI)

### Case Management for Members at Risk

1. Group Retiree Case Management
2. Disease Management
  - a. Diabetes
  - b. End Stage Renal
  - c. Transplant, Specialized Network
  - d. Congestive Heart Failure (CHF)

### House Calls for Members at Risk (if applicable)

### Post Sixty-five Retiree Value Added Supplemental Benefits

UnitedHealthOne: Dental and Vision Supplemental Benefit Option for Post Sixty-five Supplemental Benefits. Vision is only an option under the Dental Plan. The waiting period is extensive, and retirees were educated to obtain services under the IEBP Benefit Plan prior to the close of December so the transition would not be as difficult.

1. Dental Benefit Options
  - a. The value added benefit options will be available as an individual choice per retiree.
    - i. **Preventive services** have no waiting period and include routine dental exams, routine X-rays, cleaning, fluoride treatment for children, sealants, and space maintainers.
    - ii. **Basic services** have a six-month waiting period and include dental exams, X-rays, routine extractions, treatment for children to ease dental pain, and simple fillings.
    - iii. **Major services** have a 12-month waiting period and include treatment for diseases of the pulp (including root canals), bone and other tissues supporting the teeth, crowns, inlays, onlays, veneers, bridges, dentures (payable once every 5 years), and oral surgery for impactions
  - b. Please contact UnitedHealthOne
  - c. Call: (800) 321.1957 - Ask for "Dental Benefits"
  - d. Online: [www.uhone.com](http://www.uhone.com) "get quote" (pink tab has sample brochures)
2. Vision Benefit Options
  - a. The valued added vision benefit is available at an individual choice per retiree contingent on the retiree's purchase of Dental Benefits
  - b. Please contact UnitedHealthOne

- c. Call: (800) 321.1957 - Ask for "Vision Benefits"  
d. Online: [www.uhone.com](http://www.uhone.com) "get quote" (pink tab has sample brochures)

### Development of the Medicare Plan for 2016

- The Medicare Modernization Act (MMA) requires the Centers for Medicare & Medicaid Services (CMS) to announce each year the Medicare Part D standard defined benefit and Retiree Drug Subsidy (RDS) amounts for the coming year.
- ACMS announced Medicare Part D rates for 2016.

| Benefit Parameter  | 2016   | 2015  | 2014       |
|--|--|---|------------|
| Deductible   | \$360.00 (100% paid by participant)  | \$320.00 (100% paid by participant)   | \$310.00   |
| Initial Coverage Limit                                     | \$3,310.00 (25% paid by participant, 75% paid by plan)   | \$2,960.00 (25% paid by participant 75% paid by plan)   | \$2,850.00 |
| Out of Pocket Threshold                                    | \$4,850.00 (Brands: 50% discount, 45% paid by participant, 5% paid by plan)<br>(Generics: 58% paid by participant, 42% paid by plan) | \$4,700.00 (Brands: 50% discount) 45% paid by participant 5% paid by plan;<br>Generics: 65% paid by Participant 35% paid by plan) | \$4,550.00 |
| Total Covered Part D Spending before Catastrophic Coverage | \$7,062.50 + 5% paid by plan, 80% paid by Medicare   | \$6,680.00 (15% paid by plan 80% paid by Medicare)  | \$6,455.00 |
| Generic Preferred Multi-Source Drug                        | \$2.95   | \$2.65  | \$2.55     |
| Other Drug   | \$7.40   | \$6.60  | \$6.35     |

- Medicare Announced Premiums & Deductibles

| Benefit   | 2016                      | 2015         | 2014         | 2013         | 2012         | 2011                | 2010         |
|---|---------------------------|--------------|--------------|--------------|--------------|---------------------|--------------|
| <b>Part A Premium</b>   |                           |              |              |              |              |                     |              |
| >40 quarters of Medicare covered employment   | awaiting Medicare release | \$0.00       | \$0.00       | \$0.00       | \$0.00       | \$0.00              | \$0.00       |
| 30-39 quarters  |                           | \$224.00     | \$426.00     | \$441.00     | \$248.00     | \$248.00            | \$244.00     |
| <39 quarters  |                           | \$407.00     | \$426.00     | \$441.00     | \$451.00     | \$450.00            | \$443.00     |
| <b>Part A (1-60 day Deductible)</b><br>(Inpatient hospital, skilled nursing, hospice, certain HHC services) | awaiting Medicare release | \$1,260.00   | \$1,216.00   | \$1,184.00   | \$1,156.00   | \$1,132.00          | \$1,068.00   |
| <b>Inpatient Charges</b>  |                           |              |              |              |              |                     |              |
| 61-90 days  | awaiting Medicare release | \$315.00/day | \$304.00/day | \$296.00/day | \$289.00/day | \$283.00/day        | \$267.00/day |
| >90 days  |                           | \$630.00/day | \$608.00/day | \$592.00/day | \$578.00/day | \$566.00/day        | \$534.00/day |
| <b>Skilled Nursing</b><br>21-100 days   | awaiting Medicare release | \$157.50/day | \$152.00/day | \$148.00/day | \$144.50/day | \$141.50/day        | \$133.50/day |
| <b>Part B Premium</b><br>(Physician, outpatient, certain HHC, DME and other services)                       | awaiting Medicare release | \$104.90     | \$104.90     | \$104.90     | \$99.00      | \$96.40 or \$110.50 | \$96.40      |
| <b>Part B Deductible</b>  | awaiting Medicare release | \$147.00     | \$147.00     | \$147.00     | \$140.00     | \$162.00            | \$135.00     |
| <b>Part D Beneficiary Premium</b>   | awaiting Medicare release | \$33.13      | \$32.42      | \$31.17      | \$31.08      | \$32.34             | \$31.94      |

*CMS allows 14 days for Carriers to process enrollments - receipt of following items is dependent on clean enrollments without necessity of additional information for processing (i.e. correct Medicare Claim Numbers).*

- Medicare Supplement Plans

| Plan  | A | B | C | D | F | F+1 | G | K(2) | L(3) | M   | N                          |
|---|---|---|---|---|---|-----|---|------|------|-----|----------------------------|
| Part A Deductible   |   | X | X | X | X | X   | X | 50%  | 75%  | 50% | X                          |
| Part A Coinsurance (plus coverage for 365 addtl days after Medicare benefits end) | X | X | X | X | X | X   | X | X    | X    | X   | X                          |
| Blood: First three pints of blood each  | X | X | X | X | X | X   | X | 50%  | 75%  | X   | X                          |
| Skilled Nursing Co-insurance  |   |   | X | X | X | X   | X | 50%  | 75%  | X   | X                          |
| Hospice   | X | X | X | X | X | X   | X | 50%  | 75%  | X   | X                          |
| Part B Deductible   |   |   | X |   | X | X   |   |      |      |     |                            |
| Medical Expenses: Part B Coinsurance  | X | X | X | X | X | X   | X | 50%  | 75%  | X   | Copay max: \$20 OV \$50 ER |
| Part B Preventive Care Coinsurance  | X | X | X | X | X | X   | X | X    | X    | X   | X                          |

| Plan   | A | B | C | D | F | F+1 | G | K(2) | L(3) | M | N |
|--|---|---|---|---|---|-----|---|------|------|---|---|
| Part B Excess Charges  |   |   |   |   | X | X   | X |      |      |   |   |
| Foreign Travel Emergency   |   |   | X | X | X | X   | X |      |      | X | X |
| *Plan includes a \$2,110 annual deductible   |   |   |   |   |   |     |   |      |      |   |   |
| * \$2,400 maximum out of pocket, indexed to Medicare costs   |   |   |   |   |   |     |   |      |      |   |   |
| * \$4,800 maximum out of pocket, indexed to Medicare costs   |   |   |   |   |   |     |   |      |      |   |   |
| *Not approved for sale to groups in Florida, Louisiana, Minnesota, Montana, New Hampshire, Vermont, Washington State |   |   |   |   |   |     |   |      |      |   |   |

## Medicare Part D Overview

| Benefit   | 2016   | 2015  | 2014   | 2013   | 2012   |
|---|--|---|--|--|--|
| Deductible  | \$360.00<br>(100% paid by participant)   | \$320.00<br>(100% paid by participant)  | \$310  | \$325  | \$320  |
| Copay   | see UHC Group Prescription Plan  | see UHC Group Prescription Plan   |  |  | See UHC Group Prescription Solutions Plan                    |
| Retail Mail Service   | see UHC Group Prescription Plan  | see UHC Group Prescription Plan   |  |  | See UHC Group Prescription Solutions Plan                    |
| Drug Spend  | \$3,310.00 (25% paid by participant, 75% paid by plan)   | \$2,960 (25% paid by participant, 75% paid by plan)   | \$2,850.00   | \$2,970.00   | \$2,930.00   |
| Individual Spend  | \$4,850.00 (Brands: 50% discount, 45% paid by participant, 5% paid by plan)<br>(Generics: 58% paid by participant, 42% paid by plan) | \$4,700 (Brands: 50% discount -45% paid by participant, 5% paid by plan)<br>(Generics: 65% paid by participant, 35% paid by plan) | \$4,550.00   | \$4,750.00; Total Covered Part D Drug Spending before Catastrophic Coverage \$6,733.75 | \$4,700.00   |
| Total Covered Part D Drug Spending before Catastrophic Coverage | Catastrophic Care \$7,062.50 + 5% paid by plan, 80% paid by Medicare   | \$6,680.00  | \$6,455.00   |  |  |
| Catastrophic Copay Cost   | Greater amount of 5% or \$2.95, any other drugs \$7.40 or 5%   | Greater amount of 5% or \$2.65, Any other drugs \$6.60 or 5%  | Greater amount of 5% or \$2.55, Any other drugs \$6.35 or 5% | Greater amount of 5% or \$2.65, Any other drugs \$6.60 or 5%                           | Greater amount of 5% or \$2.60, Any other drugs \$6.50 or 5% |

| Benefit                 | 2011  | 2010  | 2009  | 2008  |
|-------------------------|---|---|---|---|
| Deductible              | No deductible   | \$310.00  | \$295.00  | \$275.00  |
| Copay                   | See UHC Group Prescription Solutions Plan   | See Aetna and CVS/Caremark SilverScript Plans   | See Aetna and CVS/Caremark SilverScript Plans                 | See Aetna and CVS/Caremark SilverScript Plans                 |
| Retail Mail Service     | See UHC Group Prescription Solutions Plan   | See Aetna and CVS/Caremark SilverScript Plans   | See Aetna and CVS/Caremark SilverScript Plans                 | See Aetna and CVS/Caremark SilverScript Plans                 |
| Drug Spend              | \$2,930.00  | \$2,830.00  | \$2,700.00  | \$2,510.00  |
| Individual Spend        | \$4,700.00<br>Total Covered Part D Drug Spending before Catastrophic Coverage \$6,657.50    | \$4,550.00  | \$4,350.00  | \$4,050.00 - Some plans have generic access in the gap        |
| Catastrophic Copay Cost | Greater amount of 5% or \$2.60, Any other drugs \$6.50 or 5% after drug spend of \$6,657.50 | Maximum amount of 5% or \$2.50; Any other drugs \$6.30 or 5% after drug spend of \$6,440.00 | Maximum amount of 5% or \$2.40; Any other drugs \$6.00 or 5%. | Maximum amount of 5% or \$2.25; Any other drugs \$5.60 or 5%. |

### The "Donut Hole"/"Gap" continues to be an area of concern in Healthcare Reform discussions.

The Affordable Care Act made significant changes to the Medicare program, including for Medicare beneficiaries enrolled in a Part D plan. In 2013, seniors who hit the "donut hole" received improved coverage on their brand name drugs. Manufacturers began to cover 50% of the cost of the brand-name drugs and in 2013 and 2014, the plan paid another 2.5%, providing seniors with total coverage of 52.5% in the donut hole. Therefore, seniors pay 47.5% of the costs for brand-name drugs in the donut hole.

In 2015 manufacturers will continue to cover 50% of the cost of the brand-name drugs and the plan will pay another 5%, providing seniors with total coverage of 55% in the donut hole. Therefore, seniors will pay 45% of the costs for brand-name drugs in the donut hole.

Coverage of generic drugs in the gap will increase annually until it reaches 75% in 2020. By 2020, the cost sharing for both brand and generic prescription drugs will be the same during the "donut hole" as during the initial coverage period. Consequently, in 2020, individuals will pay 25% of drug costs, and the Part D plan will pay 75%. In 2015, Part D plans will pay 35% of the cost of generic drugs in the donut hole leaving seniors responsible for 65%.

## Medicare Part D Cost Sharing in 2016

Generic/Preferred Multi-Source Drug\* \$2.95, Other Drug \$7.40 [For Part D plans that charge copayments in the catastrophic portion of the benefit (instead of 5% coinsurance), the amount of the copayments for a generic drug or for a preferred multiple source drug (i.e., generally on for which there are two or more products that are therapeutically and pharmaceutically equivalent) is a set at a lower amount than the amount for any other drug].

- **Copayments in Catastrophic Coverage**

- ✓ 15% Paid by Plan
- ✓ 80% Paid by Medicare
- ✓ 5% Paid by Participant

- **Catastrophic Coverage \$7,062.50**

- **Brands**

- ✓ 50% Discount
- ✓ 45% Paid by Participant
- ✓ 5% Paid by Plan

- **Generics**

- ✓ 58% Paid by Participant
- ✓ 42% Paid by Plan

- **Initial Coverage Limit \$3,310.00**

- ✓ 25% Paid by Participant
- ✓ 75% Paid by Plan

- **Deductible \$360.00**

- ✓ 100% Paid by Participant

If the retiree has limited income and resources the retiree may request extra help for payment of the Medicare prescription drug coverage. For information about this extra help, visit Social Security on the web at [www.socialsecurity.gov](http://www.socialsecurity.gov) or call them at (800) 772-1213 (TTY (800) 325-0778).

For more information about Medicare prescription drug coverage:

- Visit [www.medicare.gov](http://www.medicare.gov)
- Call your State Health Insurance Assistance Program
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-0778

## Taking Action to Manage Post Employment Benefit Options

1. GASB Liability
  - a. GASB 45
    - i. Governmental Accounting Standards Board
      - » Determine and recognize an actuarial value of promised (defined benefit) retiree medical and other benefits on an employer's balance sheet
      - » Other Post Employment Benefits (OPEB) must be accounted for just like pension benefits
    - ii. OPEB requires the cost be realized while the employee is active, not at the time of retirement
    - iii. Could Impact Bond Rating
2. Timeline of GASB 45 Requirement
  - a. Implementation in three phases:
    - i. 1st - \$100M or more in annual revenue for periods after 12/15/06
    - ii. 2nd - \$10M or more, but less than \$100M, for periods after 12/15/07
    - iii. 3rd - \$10M or less for periods after 12/15/08

3. What is the Concern?
  - a. Employers who provide post-employment medical benefits are realizing that they can no longer afford to provide a "defined benefit" solution.
    - i. With the Baby Boomer population entering retirement age, Political Subdivisions are faced with the liability of "defined benefit"
    - ii. Due to the financial requirements, the Political Subdivisions are transitioning from Defined Benefits to Defined Contribution.
4. Definition of Eligibility for Post Employment Benefits
  - a. GASB 45
    - i. Retiree Definition/Employer Decisions
      - » Definition of Retiree
      - » Age
      - » Years of Service
      - » Accordance with Existing Retirement Program (TMRS)
      - » Available Benefits
      - » Sample Policy/Ordinance/Resolution
      - » Dependent Coverage Eligibility
      - » Survivor Coverage Eligibility
    - ii. Disclaimer of Benefit Effective Date and Review Date
5. Funding Option for Public Safety
  - a. TMRS Annuity Fund Healthcare Premium Payment Access
    - i. Annuity Benefit access for Public Safety Retirees
    - ii. Annuity Benefit may apply to Premium payment for Health, Part D, Vision, Dental and/or Long Term Care
    - iii. No Survivor Annuity Benefit
    - iv. IRS Tax Return Requirement/Reduction of Pension 1099 Tax Return Completion
6. Defined Contribution Management Options
  - a. Taking Action to Managing your OPEB Obligation
    - i. Manage cost of current benefit offering, eligibility and caps on future promises
    - ii. Migrate from a defined benefits to defined contribution approach
    - iii. A Health Reimbursement Arrangement (HRA)/Retiree Reimbursement Arrangement (RRA) is an employer pre-taxed fund account for eligible medical expenses including premiums for eligible medical plans under the IRS Notice 2002-24.

Your time in this matter is appreciated. Your employer election decision is to be received by IEBP before close of business October 23, 2015.

Respectfully,



Susan Smith  
Executive Director

## CITY COUNCIL AGENDA

### Regular Meeting: Tuesday, October 13, 2015

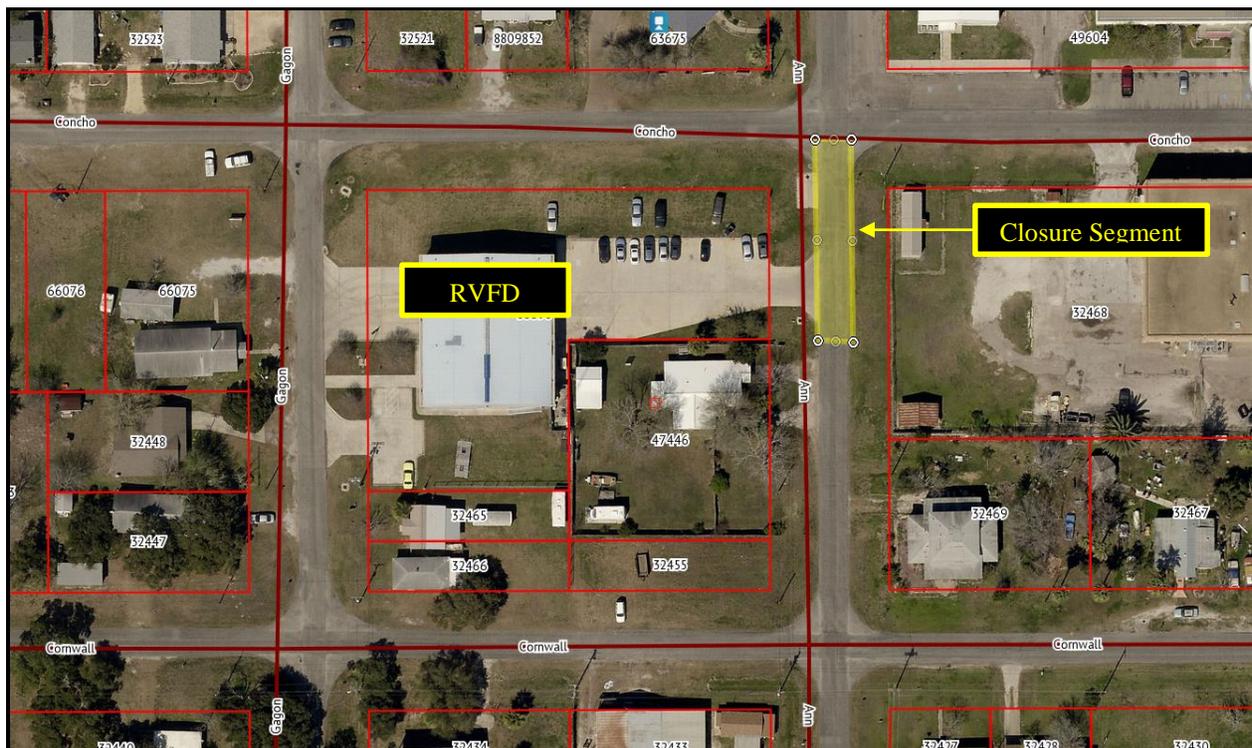
#### AGENDA ITEM: 12

Deliberate and act on request from Rockport Volunteer Fire Department for approval to close the north half of Ann Street between Cornwall and Concho Streets from 10:00 a.m. to noon on Saturday, October 17, 2015, for the dedication of the Rockport Volunteer Fire Department historical marker dedication.

**SUBMITTED BY:** City Manager Kevin Carruth

**APPROVED FOR AGENDA:** PKC

**BACKGROUND:** The Aransas County Historical Commission will dedicate a historical marker concerning the Rockport Volunteer Fire Department (RVFD) at 11:00 a.m. Saturday, October 17, 2015. RVFD is requesting that the ½ block section of Ann Street adjacent to the RVFD property (see aerial phot below) be closed off to better protect the larger than normal number of attendees that are expected. There are two driveway entrances south of the requested closure that will continue to have access off of Cornwall.



See the accompanying invitation to the marker dedication for additional details on the event.

**FISCAL ANALYSIS:** N/A

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**RECOMMENDATION:** Staff recommends Council approve the request from the Rockport Volunteer Fire Department to close the north half of Ann Street between Cornwall and Concho Streets from 10:00 a.m. to noon on Saturday, October 17, 2015, for the dedication of the Rockport Volunteer Fire Department historical marker dedication, as presented.

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**ARANSAS COUNTY HISTORICAL COMMISSION**

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Collin Jackson – Chair  
Sally Reynolds – Vice-Chair  
Linda Garcia – Secretary  
Letha Kieffer – Treasurer  
Kitty Angell – Marker Chair

Geoff Bywater  
Veronika Camehl  
Kathie Gribble  
Gail Johnston

Betty Stiles  
Pam Stranahan  
Carol Thompson  
Kam Wagert

The purpose of the Commission is to serve as a governing and coordination body of Aransas County's historic cultural resources consistent with the statewide preservation plan of the Texas Historical Commission, including the protection, recording, interpretation and acquisition of prehistoric and historic structures/sites. The Aransas County Historical Commission will also promote to the public an appreciation of local and state history.

**ARANSAS COUNTY HISTORICAL COMMISSION**

Cordially Invite you to the Dedication of the

**ROCKPORT VOLUNTEER FIRE DEPARTMENT**

As a Recorded Texas Historic Subject

Saturday, October 17, 2015

11:00 A.M.

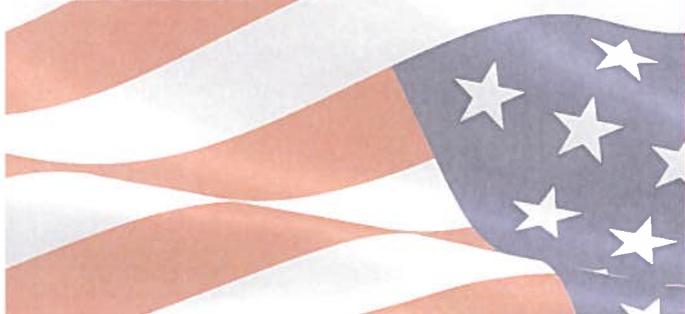
212 N. Gagon Street  
Rockport, Texas

Please join us for a celebration of our 130th Anniversary  
After the Ceremony

VOLUNTEER



DEDICATION



## ROCKPORT VOLUNTEER FIRE DEPARTMENT

AS ROCKPORT GREW AS A CENTER OF COMMERCE AND A TOURISM DESTINATION IN THE 1800s, BUSINESSMAN SAM SMITH, WHO OWNED SEVERAL HOMES AND BUSINESSES, DONATED THE CITY'S FIRST FIREFIGHTING EQUIPMENT. THE UNIT COST ABOUT \$1400 AND CONSISTED OF A HORSE-DRAWN WAGON WITH CHEMICAL TANKS. WITH W. S. DOUGHTY THE FIRST TO DRIVE THE WAGON TO A FIRE AND FRED HOOPES NAMED AS THE FIRST FIRE CHIEF, THE ROCKPORT VOLUNTEER FIRE DEPARTMENT ORGANIZED IN 1885.

IN 1913, A MODEL T FORD WAS PURCHASED FOR \$300, REMAINING IN USE EVEN AFTER LARGER TRUCKS WERE ACQUIRED. INTEREST IN THE VOLUNTEER FIRE DEPARTMENT WANED IN THE 1920s BUT WAS REVIVED IN JUNE 1938, FOLLOWING A NIGHTTIME BLAZE WHICH SUMMED THE NATALIE APARTMENT HOUSE (THE OLD GREWE PLACE). A FORTUNATE CHANGE IN DIRECTION AND THE HELP OF THE ARANSAS PASS FIRE DEPARTMENT HELPED MINIMIZE DAMAGE TO SURROUNDING PROPERTIES. IN RESPONSE, THE FOLLOWING WEEK DR. ALBERT COLLIER ORGANIZED THE ARANSAS COUNTY EMERGENCY CORPS (ACEC), WHOSE FIRST UNIT WAS THE ROCKPORT VOLUNTEER FIRE DEPARTMENT WITH COLLIER AS FIRE CHIEF. THE MISSION OF THE ACEC WAS TO PROVIDE FIRE PROTECTION, PATROL THE BEACHES, AND RUN AMBULANCE SERVICE. WITHIN SIX MONTHS, A CITY BOND ELECTION PASSED, WATER MAINS WERE INSTALLED AND THE CITY PURCHASED A 600-GALLON-PER-MINUTE PUMPER.

THE FIRST PERMANENT FIRE STATION WAS COMPLETED ON ST. MARY'S STREET IN JULY 1939. HURRICANE CELIA DAMAGED THAT FACILITY IN 1970, AND A NEW MAIN STATION WAS BUILT ON CONCHO STREET IN 1972. SATELLITE STATIONS HAVE BEEN BUILT AS THE CITY HAS GROWN, BEGINNING WITH A SITE ON HENDERSON STREET IN 1983. WHILE THE DEPARTMENT HAS RECEIVED CITY AND COUNTY FUNDING PLUS DONATIONS AND GRANTS FOR EQUIPMENT, VOLUNTEERS, SOME REPRESENTING MULTIPLE GENERATIONS, REMAIN THE HEART OF THE DEPARTMENT TRAINED TO SAVE LIVES AND PROPERTY.

**CITY COUNCIL AGENDA**  
**Regular Meeting: Tuesday, October 13, 2015**

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**AGENDA ITEM: 13**

Deliberate and act on a water supply agreement with Copano Cove Water Company, Inc.

**SUBMITTED BY:** Public Works Director, Michael S. Donoho, Jr.

**APPROVED FOR INCLUSION ON AGENDA:** PKC

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**BACKGROUND:** The water supply agreement with Copano Cove Water Company, Inc., expired in 2014 and they have requested to renew the agreement. Please see the accompanying agreement for detailed information.

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**FISCAL ANALYSIS:** Rates are determined by the annual rate study.

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**STAFF RECOMMENDATION:** Staff recommends Council renew the water supply Contract Agreement with Copano Cove Water Company, Inc., as presented.

**Copano Cove Water Company, Inc.**  
**2602 Hwy. 35 N.**  
**Rockport, TX 78382**

September 3, 2015

City of Rockport  
P.O. Box 1059  
Rockport, TX 78381

Re: Water Supply Agreement between The City of Rockport and Copano Cove Water Company, Inc. dated May 12, 2009.

Paragraph III of the above referenced agreement requires Copano Cove Water Company, Inc. to advise The City of Rockport of its intention to exercise its option for an additional five years.

This letter is written to advise you that Copano Cove Water Company, Inc. does hereby exercise its option to renew the above referenced contract for an additional five year term commencing October 9, 2015.

We acknowledge that this letter should have been presented 90 days prior to expiration and apologize for any inconvenience caused.

Sincerely,



Richard Kent  
President

Receipt Acknowledgement:

Date: \_\_\_\_\_



44 sales of water taps resulting from the conversion of an individual well or other individual  
45 system to the Copano Water System.

46

47 **Article 3 – Delivery Points, Volumes and Title**

48 **Sec. 3.01** - The points of delivery shall be the existing meter locations:

- 49 A. Copano Parkway and Copano Ridge Road, for service to Copano customers;
- 50 B. Rattlesnake Point Road approximately 150' west of its intersection with FM 1781, for
- 51 service to Copano customers;
- 52 C. Approximately 3200 West FM 1781 on Copano Ridge Road.

53

54 **Sec. 3.02** - The City will deliver water to Copano at the delivery points listed in Section 3.01.  
55 All responsibility of the City for the use and distribution of water shall cease and title to the  
56 water shall pass to Copano when it flows through the meters at the points of delivery.

57

58 **Sec. 3.03** - The City agrees to deliver the following maximum gallons per minute:

- 59 A. Location 2.01(A) - 160 GPM
- 60 B. Location 2.01(B) - 1,000 GPM
- 61 C. Location 2.01(C) - 600 GPM

62

63 **Sec. 3.04** - In the event Copano should require additional delivery points or volumes,  
64 improvements to upgrade the system will be at the sole expense of Copano.

65

66 **Article 4 - Term**

67 The term of this agreement shall be for a period of five (5) years beginning October 13, 2015 and  
68 ending October 12, 2020. Copano shall have one option to renew this agreement for an  
69 additional five (5) years, which option must be exercised by Copano giving the City at least  
70 ninety (90) days' written notice before the end of this contract term. Said option to renew this  
71 agreement shall become effective only after Rockport City Council has received the above 90  
72 day written notice and has had the opportunity to review, modify and/or approve the terms stated  
73 herein.

74

75 **Article 5 - Rates**

76 **Sec. 5.01** - The rate to be charged by the City to Copano shall be set in accordance with Chapter  
77 102 of Code of Ordinances, City of Rockport. The rate charged shall include any applicable fire  
78 fund fee(s) and capital recovery impact fee(s)

79

80 **Sec. 5.02** - It is expressly agreed that should the rates presently being charged to the City by San  
81 Patricio Municipal Water District and/or its suppliers be increased for whatever reason, then such  
82 increase in rate shall be passed on to and be payable by Copano to the City.

83

84 **Sec. 5.03** - Should a new bond issue be passed by City or the San Patricio Municipal Water  
85 District, resulting in increased rates, then the increased rates will be passed on to Copano on a  
86 pro rata basis based on consumption.

87

88 **Article 7 – Billing and Payment**

89 **Sec. 7.01** – The City shall read all of the delivery point meters monthly and will promptly render  
 90 monthly bills to Copano based on such readings. Such bills shall be due and payable by the 15<sup>th</sup>  
 91 of each month.

92  
 93 **Sec. 7.02** – In the event Copano shall fail to make payment to the City by the due date, Copano  
 94 shall be assessed a penalty equal to ten percent (10%) of the bill amount. In the event payment is  
 95 not made within 15 days of the due date, the City may, at its option, discontinue the delivery of  
 96 water to Copano until the amount then due to the City is paid in full, including any penalties.

97  
 98 **Article 8 – Special Conditions**

99 **Sec. 7.01** – In case of the bursting, damage to or destruction of any of the water mains or pipes in  
 100 either the City or Copano, or in case it may become necessary to repair any part of the  
 101 waterworks system of either of said parties hereto, whereby it becomes necessary to shut off such  
 102 water supply temporarily, the City is hereby authorized to close any valve or valves in any of the  
 103 mains at the point of delivery between the said parties as may be necessary for the protection of  
 104 said waterworks system, or to meet the exigencies of the case. And it is expressly covenanted,  
 105 understood and agreed that the said City shall in no way be held liable or responsible for any  
 106 damage, loss of profits, water waste or water loss that may result from such bursting, breakage,  
 107 shut off or accident of any kind that may occur to said waterworks system or water mains,  
 108 hydrants, valves or other connections within the areas served by the City or by Copano or for any  
 109 water taken for Copano in connection with the furnishing of said water as herein provided by the  
 110 City, and the said Copano hereby covenants and agrees to indemnify, save and hold harmless  
 111 said City from any and all loss, damage or expense, that it or its customers may in any way incur  
 112 or suffer by reason of the above, or by reason of the execution or performance of this Agreement.

113  
 114 **Sec. 7.02** – It is mutually covenanted and agreed that the said City shall not be held responsible  
 115 or liable, nor shall it be held or considered as a breach of this contract for failure on its part to  
 116 supply water to said Copano growing out of any actions of third parties not parties hereto, nor for  
 117 breakage, unavoidable accident or injury of any kind occurring to the waterworks system,  
 118 filtration plant, water mains or any part thereof, or on account of any suit, proceeding, judgment  
 119 or decree in any court of record, restraining or interfering with the City in carrying out this  
 120 contract on its part, nor shall it be held liable or responsible under this Agreement for any failure  
 121 to supply water growing out of any lack of fuel or power to operate its pumping works  
 122 occasioned by any accident, act of God beyond its control, the act of the elements, strikes, riots  
 123 or public enemy, but the City expressly covenants and agrees to use due diligence and care to  
 124 perform its contract upon its part and use all due diligence to repair or replace any and all  
 125 breakages.

126  
 127 **Sec. 7.03** – It is further covenanted and agreed by Copano that in event Copano shall, at any  
 128 time, fail to perform or otherwise default in the performance of any of the duties, covenants,  
 129 conditions, and agreements to which it has committed to herein or make default in any of the  
 130 payments provided for herein, and if any such default shall continue for a period of thirty days,  
 131 then and in that event this contract may be forthwith terminated at the option of the City upon  
 132 giving ten (10) days' previous notice in writing of its intention to do so, and thereupon the water  
 133 supply may be discontinued; provided, that the exercise of said option, the giving of said notice  
 134 and declaration of the said termination of said contract shall be effective only after and upon a

135 resolution to that effect, adopted by the City Council of the City of Rockport first authorizing the  
136 same. In the event Copano’s failure to perform, or otherwise default, in the performance of any  
137 of the duties, covenants, conditions or agreements creates a potential risk, or risk, to the health  
138 and safety of the public, then in that event, the City after and upon a resolution to that effect, may  
139 discontinue the water supply until such time as said potential risk or risk has been eliminated.

140  
141 **Sec. 7.04** - Copano shall develop and enforce a drought contingency plan that is in compliance  
142 with the requirements of the City of Rockport drought contingency plan. Copano shall provide  
143 the City with a copy of its plan.

144  
145 **Article 8 - Warranty of Merchantability**

146 **Sec. 8.01** – The parties also expressly agree that the parties hereto disclaim any warranty of  
147 merchantability with respect to the water being sold, and Copano agrees to accept the water  
148 without any warranty of merchantability.

149  
150 **Sec. 8.02** – The parties hereto, expressly agree that the City has made no affirmation of fact or  
151 promise relating to the water or quality of water being sold to Copano that has become the basis  
152 of this contract. Further, the City has made no affirmation of fact or promise relating to the water  
153 or the quality of water being sold that has created or amounted to an express warranty that the  
154 water would conform to any such affirmation or promise.

155  
156 **Sec. 8.03** – The City also expressly disclaims any warranty of fitness for any particular purpose  
157 or purposes whatsoever with respect to the water being sold under the terms of this Agreement,  
158 and Copano accepts the water on an "AS IS" with all faults basis, and the City disclaims any  
159 implied warranties with respect to the water to be sold.

160  
161 **Article 9 - Notices**

162 Notice to either party may be completed by hand-delivery or by depositing a written instrument  
163 into the U.S. mail by certified mail, return receipt requested to the following addresses:

|     |                         |  |
|-----|-------------------------|--|
| 164 |                         |  |
| 165 | <b><i>For City:</i></b> | <b><i>For Copano:</i></b>                    |
| 166 | City of Rockport        | Copano Cove Water Company, Inc.              |
| 167 | Attn: City Manager      | Attn: Michael Johnson, Secretary / Treasurer |
| 168 | 622 E. Market St        | 2602 Hwy 35 North                            |
| 169 | Rockport, TX 7838 2     | Rockport, TX 78382                           |
| 170 |                         |  |

171 Should either party or any successor of either party change its address, then that party shall  
172 notify the other party within fifteen days of such change; otherwise, delivery of said notice shall  
173 be considered completed by sending it to the address listed herein or the last known address of  
174 either party hereto.

175  
176 **Article 10 -**

177 This Agreement shall be binding and inure to the benefit of the parties hereto and their respective  
178 successors and assigns. Copano Cove Water Company, Inc., may not assign all or any part of  
179 this agreement without the express written consent of the City.

180

181 **Article 11 -**

182 This instrument contains the entire agreement of the parties. It supersedes all prior agreements,  
183 understanding or representations, written or oral. It may not be changed orally but only by an  
184 agreement in writing signed by the party against whom enforcement of any waiver, change,  
185 modification, extensions or discharge is sought.

186  
187 **Article 16 -**

188 Should any provision of this Agreement be declared invalid or unenforceable, it is the intent of  
189 the parties hereto that the remainder of this Agreement be enforceable as provided herein.

190  
191  
192 Approved by the Rockport City Council meeting in Regular Session on this the 13<sup>th</sup> day  
193 of October 2015.

194  
195 **CITY OF ROCKPORT, TEXAS**

196  
197  
198  
199 \_\_\_\_\_  
Patrick (Pat) Rios, Mayor Pro-Tem

200  
201 **ATTEST:**

202  
203  
204 \_\_\_\_\_  
205 Teresa Valdez, City Secretary

206  
207 Executed this 13<sup>th</sup> day of October 2015

208  
209 **COPANO COVE WATER COMPANY, INC.**

210  
211  
212 \_\_\_\_\_  
213 Michael Johnson, Secretary/Treasurer

214  
215  
216  
217  
218 **ACKNOWLEDGEMENT**

219  
220 **THE STATE OF TEXAS** §  
221 **COUNTY OF ARANSAS** §

222  
223 This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_ 2015  
224 by Michael Johnson, Copano Cove Water Company, Inc.

227  
228  
229

\_\_\_\_\_  
Notary Public, State of Texas  
Commission expires: \_\_\_\_\_

DRAFT 10/09/15

**CITY COUNCIL AGENDA**  
**Regular Meeting: Tuesday, October 13, 2015**

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**AGENDA ITEM: 14**

Hear and deliberate on presentation of Rockport-Fulton Area Chamber of Commerce Compass Report: Guidance, Promotion and Support.

**SUBMITTED BY:** City Secretary Teresa Valdez

**APPROVED FOR AGENDA:** PKC

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**BACKGROUND:** Tiffanie Hoover will present the Chamber's accompanying quarterly report.

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**FISCAL ANALYSIS:** N/A

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**RECOMMENDATION:** Not an action item.

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Compass Report by Tiffanie Hoover October 2015

# Visitor Center Snapshot (September) (HummerBird Week)

- 1,748 walk-in visitors in September - Over 1,000 visitors Sept. 17-21
- 994 visitor email inquiries for September
- Mailed 24 relocation packets
- Distributed 81 goodie bags, 2,368 bulk mail pieces
- 18,113 user sessions engaged on the website for September, a 7.86% increase over last year.

# Chamber Academy

Helping small businesses one step at a time

- Business Breakfasts
- Social Media Simply Socials
- Lunch & Learns for Small Business
- Tech Tuesdays
- Self-development Series

... Full Catalog is now available



# HummerBird & Seafair

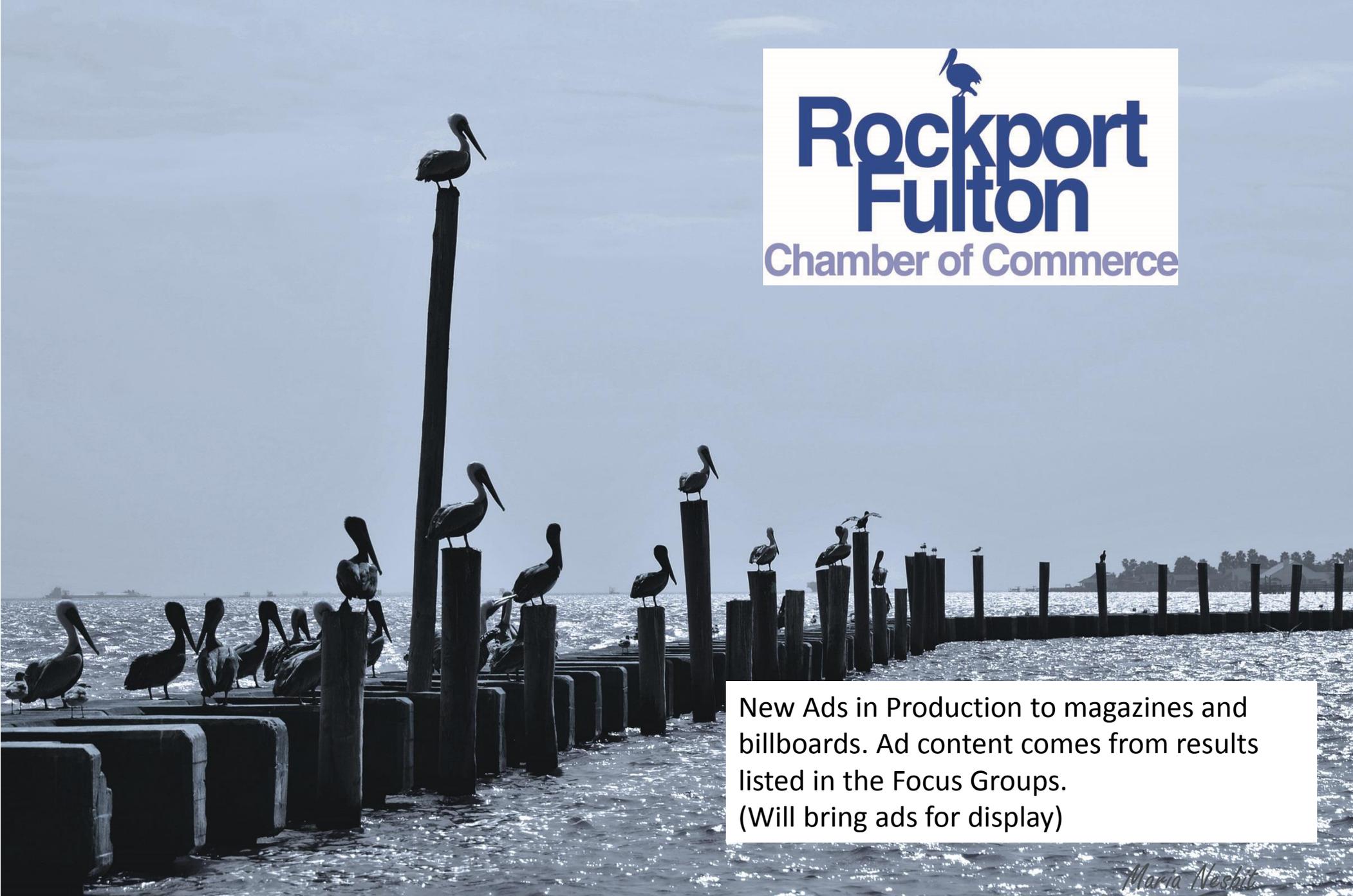
- HummerBird – Visitors from 180 cities in Texas, 37 states and 6 countries. 1,952 seats taken in programs, 374 went on Hummer Home Tours, 1,000 plus went to the public banding site, 280 went on the boat ride, 101 went on field trips, 22 kids were part of Camp HummerBird and 107 went through photography classes.
- Rockport-Fulton Seafair Report to follow





# Rockport Fulton

Chamber of Commerce



New Ads in Production to magazines and billboards. Ad content comes from results listed in the Focus Groups.  
(Will bring ads for display)

*Maria Nesbit*

# Questions & Discussion



**CITY COUNCIL AGENDA**  
**Regular Meeting: Tuesday, October 13, 2015**

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**AGENDA ITEM: 15**

Deliberate and act on a Final Plat submitted by Rebecca Allen Niven, Estate of Phoebe Allen Olcott, and Estate of Deborah Allen Hammett for a minor subdivision, 1024 Water Street; also known as Lots 1, 2, and 3, Block 1, Hugo Allen Subdivision, City of Rockport, Aransas County, Texas.

**SUBMITTED BY:** Public Works Director Michael S. Donoho, Jr.

**APPROVED FOR AGENDA:** PKC

---

**BACKGROUND:** The Final Plat is for a minor subdivision of 1.188 acres into 3 platted lots at 1024 Water Street.

The Planning & Zoning Commission voted on October 5, 2015, to accept the final plat contingent upon the final plat being held by the City and not filed for recording until the sewer has been extended to all three (3) lots and has been accepted by the City.

Please see the accompanying application for additional information.

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**FISCAL ANALYSIS:** N/A

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**STAFF RECOMMENDATION:** Staff recommends Council approve the Final Plat for Lots 1, 2, and 3, Block 1, Hugo Allen Subdivision, contingent upon the final plat being held by the City and not filed for recording until the sewer has been extended to all three lots and has been accepted by the City.

## Memo

**To:** Mayor C.J. Wax and City Council  
**From:** Planning & Zoning Commission  
**CC:** City Manager Kevin Carruth  
**Date:** 10/06/2015  
**Re:** Final Plat for property located at; 1024 Water Street

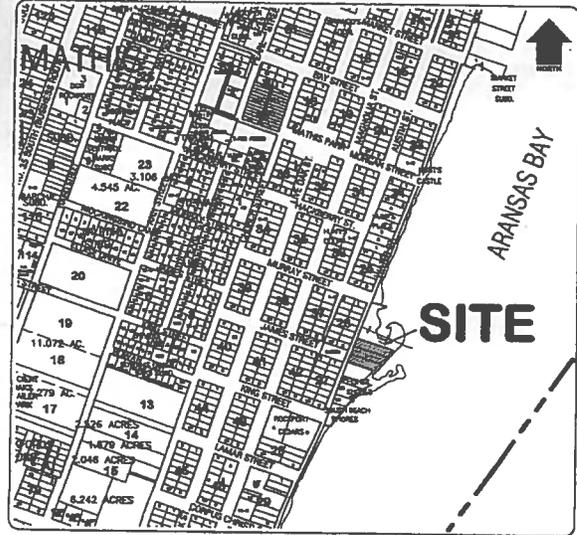
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At our meeting held October 5, 2015, the Planning & Zoning Commission discussed the request for a Final Plat for property located at; 1024 Water Street, Rockport, Texas. The Commission voted to accept the final plat contingent upon the final plat being held by the City and not filed for recording until the sewer has been extended to all three (3) lots and has been accepted by the City.

Respectfully submitted,

Ruth Davis, Vice Chairman

LOCATOR MAP



Plat of:

# LOTS 1, 2 & 3, BLOCK 1

## HUGO ALLEN SUBDIVISION

City of Rockport  
Aransas County, Texas

Being a replat of 1.188 acres of land embracing the Water Front East (WFE) of the South 15 feet of Lot 6, Block 26, the Water Front East of Lots 7 and 8, Block 26, and the Water Front East of the North 85 feet of James Street, all in the Doughty and Mathis Division, City of Rockport, Aransas County, Texas, according to the plat recorded in Volume "E", Pages 272-273, Deed Records of Aransas County, Texas.

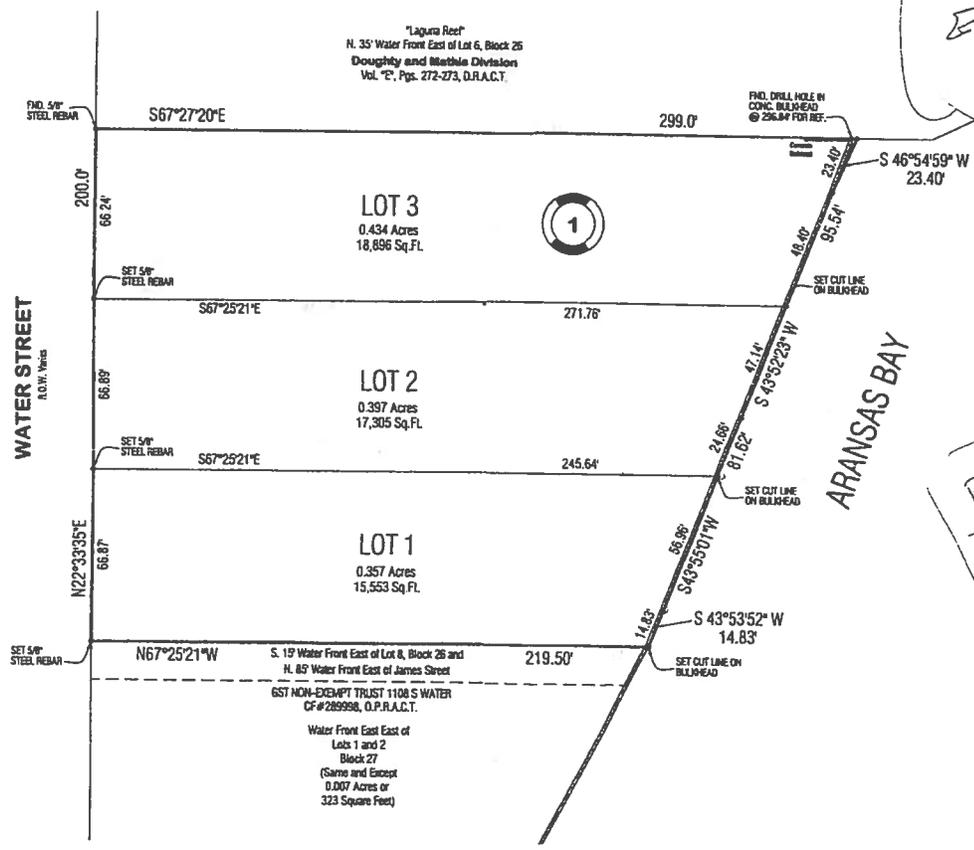
SCALE 1" = 40'      OCTOBER 18, 2012



*Request  
Extinction of  
SEWER  
at owners expense.*

*Water OK*

*P:2 Required  
-20' curb 8/21/15  
Aut hnt*



"Laguna Reef"  
N. 35' Water Front East of Lot 6, Block 26  
Doughty and Mathis Division  
Vol. "E", Pgs. 272-273, D.R.A.C.T.

FIND, DRILL HOLE IN  
CONC. BULLHEAD  
@ 256.04' FOR REF.

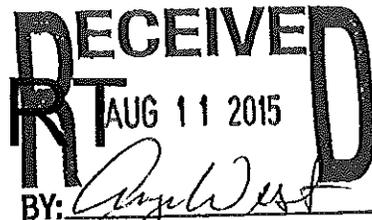
S. 15' Water Front East of Lot 8, Block 26 and  
N. 85' Water Front East of James Street  
6ST NON-EXEMPT TRUST 1108 S WATER  
CF #289998, D.P.R.A.C.T.

Water Front East of  
Lots 1 and 2  
Block 27  
(Same and Except  
0.007 Acres or  
323 Square Feet)

# 1024 Water Street



# CITY OF ROCKPORT



## PLAT APPLICATION AND CHECKLIST

INSTRUCTIONS:

PLEASE FILL OUT COMPLETELY. IF MORE SPACE IS NEEDED, ATTACH ADDITIONAL PAGES.

A. REQUESTING:      CONCEPT PLAN      FINAL PLAT      REPLAT

B. NAME OF PROPOSED SUBDIVISION:

LOTS 1, 2 & 3, BLOCK 1, HUGO ALLEN SUBDIVISION, CITY OF ROCKPORT,  
ARANSAS COUNTY, TEXAS

C. LOCATION AND ADDRESS OF PROPERTY:

1024 WATER STREET

D. PROPERTY OWNER OF RECORD:

REBECCA ALLEN NIVEN, ESTATE OF PHOEBE ALLEN OLCOTT AND ESTATE  
OF DEBORAH ALLEN HAMMETT

E. NAME OF DEVELOPER (IF NOT PROPERTY OWNER):

SAME AS ABOVE

F. NAME OF ENGINEER, PLANNER, SURVEYOR:

GRIFFITH & BRUNDRETT  
Surveying and Engineering, Inc.  
P.O. BOX 2322  
ROCKPORT, TX 78381  
OFFICE: 361-729-6479  
FAX: 361-729-7933

What is the present Zoning District: R-6  
Are you requesting a Zoning Change: NO  
If Yes, Zoning District Requested:

Please list by Volume and Page the most recent plat on the subject property (if requesting a replat):

BEING A REPLAT OF 1.188 ACRES OF LAND EMBRACING THE WATER FRONT EAST OF THE SOUTH 15 FEET OF LOT 6, BLOCK 26, THE WATER FRONT EAST OF LOT 7 AND 8, BLOCK 26, AND THE WATER FRONT EAST OF THE NORTH 85 FEET OF JAMES STREET, ALL IN THE DOUGHTY AND MATHIS DIVISION, CITY OF ROCKPORT, ARANSAS COUNTY, TEXAS

G. PROPOSED SUBDIVISION CONTAINS (PLEASE BE SPECIFIC):

| LAND USE                                    | # OF LOTS | ACRES        | SQUARE FEET   |
|---|-----------|--------------|---------------|
| Single Family                               | 3         | 1.188        | 51,754        |
| Garden/Patio/Zero Lot Line Duplex           |           |              |               |
| Townhouses                                  |           |              |               |
| Multi-Family                                |           |              |               |
| Manufactured Housing                        |           |              |               |
| Office                                      |           |              |               |
| Restaurant                                  |           |              |               |
| Commercial/Retail                           |           |              |               |
| Warehouse/Showroom                          |           |              |               |
| Industrial                                  |           |              |               |
| Public/Private Street R.O.W.                |           |              |               |
| Park/Open Spaces                            |           |              |               |
| Public Facilities (Schools, Churches, etc.) |           |              |               |
| Planned Unit Development District           |           |              |               |
| Other Land Uses:                            |           |              |               |
| <b>TOTAL</b>                                | <b>3</b>  | <b>1.188</b> | <b>51,754</b> |

LAND USE AS ALLOWED BY CURRENT ZONING

H. SUBMIT REQUIRED PLAT COPIES FOR THE FOLLOWING:

CONCEPT PLAN: Two (2) copies of the Preliminary Plat drawn to a scale of not less than 1" = 100', plus ten (10) reduced copies (No smaller than 11"x17").

FINAL PLAT: One (1) original "Vellum", plus three (3) full size copies, and one (1) 11"X17" Reduced copy.

ADMINISTRATIVE PLATS/REPLATS:

Only a Final Plat required. Submit in accordance with No. 2 above.

- I. AFTER OFFICAL APPROVAL, THE APPLICANT IS RESPONSIBLE FOR RECORDING ALL FINAL PLATS AND REPLATS AT THE ARANSAS COUNTY COURTHOUSE AND MUST THEN SUBMIT ONE (1) SIGNED FULL SCALE MYLAR FOR THE CITY FILES.
  
- J. PURSUANT TO THE CITY OF ROCKPORT PLATTING AND SUBDIVISION ORDINANCE, THE FOLLOWING ITEMS ARE REQUIRED TO BE SHOWN ON THE PLAT OR SUBMITTED WITH THE PLAT FOR CONSIDERATION. PLEASE USE THE BOXES AT THE LEFT TO VERIFY THE COMPLETENESS OF THE INFORMATION SUBMITTED:

## PLAT CHECK LIST

INDICATE IF:

FOR CITY USE ONLY

ON    N/A  
PLAT

ON    N/A  
PLAT

### 1. BASIC INFORMATION

|     |    |  |     |     |
|-----|----|--|-----|-----|
| Yes | A. | Subdivision Name   | ___ | ___ |
| Yes | B. | City   | ___ | ___ |
| Yes | C. | County   | ___ | ___ |
| Yes | D. | State  | ___ | ___ |
| Yes | E. | Name & Address of Owner  | ___ | ___ |
| Yes | F. | Title: Preliminary, Final Plat or Replat                                   | ___ | ___ |
| Yes | G. | Name & Address of Engineer Planner, and/or Surveyor responsible for design | ___ | ___ |

### 2. IDENTIFICATION

|     |    |                                |     |     |
|-----|----|--------------------------------|-----|-----|
| Yes | A. | Names of adjacent subdivisions | ___ | ___ |
| Yes | B. | Names of Streets (New/Old)     | ___ | ___ |
| Yes | C. | Lot and Block Nos.             | ___ | ___ |

### 3. SURVEYING

|     |    |  |     |     |
|-----|----|--|-----|-----|
| Yes | A. | Boundary Survey of plat (bearing and distances)      | ___ | ___ |
| Yes | B. | Reference to original survey or previous subdivision | ___ | ___ |

|     |    |  |     |     |
|-----|----|--|-----|-----|
| Yes | C. | Location, Names, Widths of Street, Alleys, Easements | ___ | ___ |
| Yes | D. | Field Notes or Metes and Bounds description on Plat  | ___ | ___ |

#### 4. INTERIOR DETAILS

|              |    |   |     |     |
|--------------|----|---|-----|-----|
| Yes          | A. | Dimension and location of all lots, streets, easements, parks, etc. | ___ | ___ |
| N/A          | B. | Detail curve information  | ___ | ___ |
| Note on Plat | C. | Building Lines, exterior/interior                                   | ___ | ___ |
| N/A          | D. | Fire Lanes  | ___ | ___ |
| N/A          | E. | Existing natural and other Physical features of property            | ___ | ___ |
| Yes          | F. | Zoning District Designation   | ___ | ___ |
| N/A          | G. | Tree Plot Plan (Ordinance #773)                                     | ___ | ___ |

#### 5. COMPLETE CONSTRUCTION PLANS (SUBMIT 2 SETS)

|     |    |   |     |     |
|-----|----|---|-----|-----|
| N/A | A. | Water Distribution System (off-on- site)    | ___ | ___ |
| N/A | B. | Sewage Collection System (off-site/on-site) | ___ | ___ |
| N/A | C. | Streets, sidewalks and drive approaches     | ___ | ___ |
| N/A | D. | Drainage Facilities (off-site)              | ___ | ___ |
| N/A | E. | Topographic Map (Contours--2'               | ___ | ___ |

#### 6. DEDICATION

|     |    |                   |     |     |
|-----|----|-------------------|-----|-----|
| Yes | A. | Signed by Owners  | ___ | ___ |
| Yes | B. | Accompanying plat | ___ | ___ |
| Yes | C. | Notarized         | ___ | ___ |

#### 7. TAXES (FINAL AND REPLATS ONLY)

|     |    |   |     |     |
|-----|----|---|-----|-----|
| Yes | A. | Certificates of past and current taxes paid on property being platted | ___ | ___ |
|-----|----|---|-----|-----|

#### 8. LEGAL STIPULATIONS

|     |    |                               |     |     |
|-----|----|-------------------------------|-----|-----|
| N/A | A. | Copy of all Deed Restrictions | ___ | ___ |
| N/A | B. | Copy of Condominium Regime    | ___ | ___ |
| Yes | C. | Copy of Warranty Deeds        | ___ | ___ |



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# FOR CITY USE

Received by: Clangie West by M Bellenger

Date: 8-11-15

Fees Paid \$ \_\_\_\_\_

SUBMITTED INFORMATION:  Accepted  
 Rejected

By: \_\_\_\_\_

If Rejection, reason why: needs to be connected public sewer. Will need P&Z recommendations.

Receipt No: \_\_\_\_\_

## Kimberly Clark

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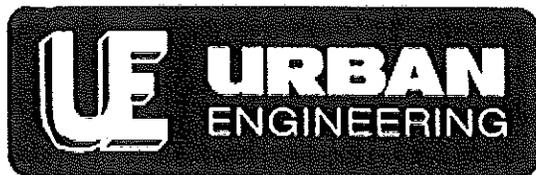
**From:** Brandi Karl <[brandik@urbaneng.com](mailto:brandik@urbaneng.com)>  
**Sent:** Friday, August 28, 2015 4:41 PM  
**To:** Kimberly Clark  
**Subject:** Hugo Allen Subdivision

Kimber:

This email is to confirm that we met on 8/28/15 to discuss the above referenced plat creating three lots on Water Street. This plat was reviewed by the Public Works Department and it was determined that the owners need to extend public sewer to serve the lots. My recommendation is that the sewer be extended across the entire frontage of the property, so that it may be extended again in the future without affecting improvements installed on this property.

Additionally, since this plat requires the extension of public utilities, it would need to be approved by the P&Z Commission. Upon approval of the P&Z, the applicant should then install the sewer line in accordance with City of Rockport standards. Upon completion of the sewer extension and acceptance by the City, the plat may then be recorded.

Should you have any additional questions, please feel free to call.



**Brandi B. Karl, P.E.**      [brandib@urbaneng.com](mailto:brandib@urbaneng.com)  
*Project Engineer*      [www.urbaneng.com](http://www.urbaneng.com)

**Urban Engineering**      work: 361-790-7225  
411 S. Pearl St.      mobile: 361-774-4534  
Rockport, TX 78382      fax: 361-729-7933

**CITY COUNCIL AGENDA**  
**Regular Meeting: Tuesday, October 13, 2015**

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**AGENDA ITEM:** 24

Deliberate and act on re-appointment of Court Administrator for Rockport Municipal Court.

**SUBMITTED BY:** City Manager Kevin Carruth

**APPROVED FOR AGENDA:** PKC

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**BACKGROUND:** In October 2013, Presiding Municipal Court Judge Diana McGinnis was appointed as Municipal Court Administrator with a two year term. See the accompanying letter of appointment dated October 30, 2013.

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**FISCAL ANALYSIS:** The FY 2015-2016 includes a monthly salary of \$1,300.00

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**RECOMMENDATION:** Staff recommends re-appointing Presiding Municipal Court Judge Diana McGinnis as Municipal Court Administrator for a two-year term, effective October 1, 2015, and with a monthly salary of \$1,300.00 and other terms similar to her current appointment.



[www.cityofrockport.com](http://www.cityofrockport.com)

**CITY HALL**  
622 E. Market Street  
Rockport, TX 78382  
**Mayor & City Council**  
**City Manager**  
**City Secretary**  
**Finance Office**  
**Municipal Court**  
**Utility Customer Service**  
Phone: 361-729-2213  
Fax: 361-790-5966 &  
361-790-1165

**SERVICE CENTER**  
2751 SH 35 Bypass  
Rockport, TX 78382  
**Building Department**  
Building, Inspections,  
Permits & Code Enforcement  
Phone: 361-790-1125  
Fax: 361-729-6476  
Inspection Request Line:  
361-790-1177  
**Public Works Department**  
Building Maintenance  
Environmental  
Fleet Maintenance  
Natural Gas  
Streets & Drainage  
Water & Wastewater Utility  
Fax: 361-729-7672

**BAY EDUCATION CENTER**  
**Parks Department**  
Administration  
121 Seabreeze  
Rockport, TX 78382  
Phone: 361-727-2158  
or  
361-790-1136  
Fax: 361-727-9393  
**Community Aquatic Park  
and Skate Park**  
2001 Stadium Drive  
Rockport, TX 78382  
Phone: 361-727-9989

**PUBLIC SAFETY CENTER**  
**Police Department**  
714 E. Concho Street  
Rockport, TX 78382  
Administration  
Communications  
**Criminal Investigation Division**  
Patrol Division  
Phone: 361-729-1111  
Fax: 361-790-3461

October 30, 2013

Ms. Diana McGinnis  
218 Olympic Drive  
Rockport, TX 78382

Re: Appointment as Municipal Court Administrator

Dear Ms. McGinnis:

The following constitutes a letter-agreement by and between the City of Rockport and you to document your appointment and compensation as Municipal Court Administrator by the Rockport City Council.

The City of Rockport ("City") and Diana McGinnis ("Administrator") hereby agree upon the following:

1. Administrator shall provide supervision, guidance and direction required to complete all matters related to administration of the Municipal Court of the City, in accordance with the City's personnel policies and procedures.
2. Administrator shall provide timely updates on progress, issues and incidents to the City Manager.
3. Administrator shall provide a written monthly report for distribution to the City Council and City Manager. The format of such report is to be developed jointly by Administrator and the City Manager.
4. City shall pay to Administrator One Thousand Three Hundred Dollars (\$1,300.00) per month for services rendered as the Municipal Court Administrator.
5. This agreement may be cancelled for any reason by either party hereto by providing at least thirty (30) days' written notice to the other party of such intention, such notice to be hand-delivered or sent by certified mail using the addresses provided below:

City Manager  
622 E. Market St.  
Rockport, TX 78382

Diana McGinnis  
218 Olympic Dr.  
Rockport, TX 78382

The Honorable Diana McGinnis  
October 30, 2013 – Page 2

- 6. This agreement is contingent upon Administrator serving as Municipal Court Judge. Should Administrator resign as Municipal Court Judge, be removed as the Municipal Court Judge by the City, fail to be reappointed as Municipal Court Judge for the City, or otherwise is unable to fulfill the duties of Municipal Court Judge, this Agreement shall immediately terminate.
- 7. Administrator shall act as an independent contractor, free from City control except for the above obligations, and shall not be entitled to or otherwise receive any benefits usually afforded an employee of City.
- 8. Any amendment to this agreement must be in writing and signed by both City and Administrator.
- 9. This agreement shall be effective for two years, beginning October 1, 2013.

If the above meets your approval, please sign below and return an original for placement in the appropriate file.

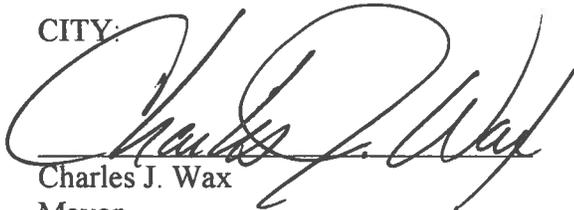
Thank you.

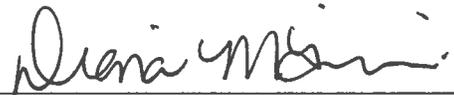
Sincerely,

Agreed to:

CITY:

ADMINISTRATOR:

  
 Charles J. Wax  
 Mayor

  
 Diana McGinnis  
 Oct 30, 2013  
 Date