

**THE MINUTES OF THE REGULAR MEETING OF THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ HELD ON THIS 18<sup>th</sup> DAY OF JUNE, 2015**

**CALL TO ORDER** - Mayor Bob Irvin called the meeting to order at 6:30 p.m.

**ROLL CALL** - Finance Director Crystal Hadfield called the roll.

**PRESENT**

Mayor Robert A. Irvin  
Vice Mayor Earl Goolsby  
Councilman Elwood A. Johnson  
Councilman Gerald W. Lindsey  
Councilman William "Bill" Nigh  
Councilman Timothy A. Bowlby  
Councilman Michael J. Laws

**STAFF**

City Manager Ted Soltis  
City Clerk Virginia Mefford  
City Attorney Ann P. Roberts  
Police Chief Glenn Childers  
Finance Director Crystal Hadfield  
Library Director Tom Miner  
Public Works Director Kevin Hagerich  
Development Services Jeff Stoddard

**ABSENT**

Councilman Elwood A. Johnson  
Councilman William "Bill" Nigh

**PLEDGE OF ALLEGIANCE TO THE FLAG** - Led by Mayor Irvin

**CALL TO THE PUBLIC**

John Cropper gave a fire department update presentation.  
Rob Jones introduced Mark Hopkins and passed out the book U Turn by George Barna and David Barton about restoring America. He told Council that "change begins with you."

**DECLARATION OF CONFLICT OF INTEREST** - None

**ADOPTION OF AGENDA**

**MOTION:** Councilman Lindsey made a motion to adopt the agenda.  
**SECONDED:** Councilman Bowlby seconded the motion.  
**MOTION CARRIED**

**APPROVE THE JUNE 4, 2015 COUNCIL MEETING MINUTES**

**MOTION:** Councilman Bowlby made a motion to adopt the minutes.  
**SECONDED:** Vice Mayor Goolsby seconded the motion.  
**MOTION CARRIED**

**APPROVE THE JUNE 11, 2015 COUNCIL WORK SESSION MEETING MINUTES**

**MOTION:** Councilman Laws made a motion to adopt the minutes.  
**SECONDED:** Councilman Bowlby seconded the motion.  
**MOTION CARRIED**

**RESOLUTION 2015-17 - A RESOLUTION ADOPTING THE TENTATIVE BUDGET OF THE CITY OF WILLCOX FOR FISCAL YEAR 2015-2016; AUTHORIZING AND DIRECTING PUBLICATION OF STATEMENTS AND SCHEDULES OF THE TENTATIVE BUDGET; AND SETTING THE DATES FOR PUBLIC HEARINGS ON THE BUDGET AND THE PROPERTY TAX LEVY BEFORE ADOPTION**

**MOTION:** Councilman Bowlby made a motion to approve Resolution 2015-17.  
**SECONDED:** Councilman Lindsey seconded the motion.  
**MOTION CARRIED**

**RESOLUTION 2015-18 - A RESOLUTION APPROVING AND ADOPTING THE INTERGOVERNMENTAL AGREEMENT (IGA) WITH ARIZONA DEPARTMENT OF REVENUE (ADOR) FOR THE COLLECTION AND ADMINISTRATION OF ANY TRANSACTION PRIVILEGE**

**THE MINUTES OF THE REGULAR MEETING OF THE MAYOR AND  
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ  
HELD ON THIS 18<sup>th</sup> DAY OF JUNE, 2015**

**TAX AND AFFILIATED EXCISE TAXES**

**MOTION:** Councilman Lindsey made a motion to approve Resolution 2015-18.

**SECONDED:** Councilman Bowlby seconded the motion.

**MOTION CARRIED**

**RESOLUTION 2015-19 - A RESOLUTION DESIGNATING AN APPLICANT FOR THE ARIZONA  
DIVISION OF EMERGENCY MANAGEMENT RELATED TO STORM ODILE PROPERTY DAMAGE**

**MOTION:** Councilman Bowlby made a motion to approve Resolution 2015-19.

**SECONDED:** Councilman Lindsey seconded the motion.

**MOTION CARRIED**

**CITY MANAGER'S REPORT**

- He and staff are working on completing the Community Development Block Grant (CDBG) paperwork.
- He and staff are working on completing the Wastewater Treatment Plant (WWTP) amended application paperwork.

**COMMENTS NOT FOR DISCUSSION FROM MAYOR AND COUNCIL MEMBERS**

- Mayor Irvin offered condolences to Councilman Tim Bowlby whose grandfather recently passed away. He noted that Harry Myers was a good man.
- Councilman Lindsey noted that it was good to be back from his vacation.
- Councilman Bowlby thanked the many community members for their support during this time of loss.

**ADJOURN**

With no further business before the Mayor and Council, the meeting was adjourned at 6:58 p.m. by Mayor Irvin.

**CERTIFICATION**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the City Council of the City of Willcox held on the 18<sup>th</sup> day of June, 2015. I further certify that the meeting was duly called and held, and that a quorum was present.

**Dated this 16<sup>th</sup> day of July 2015**

\_\_\_\_\_  
City Manager Tedmond J. Soltis

**PASSED, APPROVED AND ADOPTED** this 16<sup>th</sup> day of July, 2015.

\_\_\_\_\_  
Mayor Robert A. Irvin

**ATTEST:**

\_\_\_\_\_  
City Clerk Virginia A. Mefford

**CITY OF WILLCOX, COCHISE COUNTY, ARIZONA**

**RESOLUTION 2015-20**

**A RESOLUTION OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, FINDING, PURSUANT TO THE REQUIREMENTS OF A.R.S. §36-1473, THAT A REDEVELOPMENT AREA EXISTS IN THE MUNICIPALITY**

**WHEREAS**, the City of Willcox desires to apply for State Community Development Block Grant funds for an activity that will aid in the prevention or elimination of slum or blight; and

**WHEREAS**, the State Community Development Block Grant Program provides assistance for eligible activities which aid in the prevention or elimination of slum or blight in designated areas.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, AS FOLLOWS:**

**SECTION 1:** The Mayor and City Council finds that there is one or more slum or blighted areas in the City of Willcox as described:

Sections of Haskell Avenue:

- West side from Wood Street to Jessie Street (Area A - Desert Breeze Motel)
- East side from Jessie Street to Freemont Street (Area B - Wee Blu Inn)
- East from Soto Street to Downen Street (Area C - Gas station and two accessory buildings)
- West side from Downen Street to Arizona Street (Area D - Hacienda Motel)
- West side from Arizona to Lewis Street (Area E - Dessert Inn)

**SECTION 2:** The redevelopment of the above described area is necessary in the interest of the public, health, safety morals or welfare of the residents of the City of Willcox.

**SECTION 3:** The attached map, presented herein as Exhibit "A", further identifies the area in need of redevelopment.

**PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, ARIZONA, this 16<sup>th</sup> day of July, 2015.**

**APPROVED/EXECUTED:**

\_\_\_\_\_  
**ROBERT A. IRVIN, Mayor**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**ANN P. ROBERTS, City Attorney**

**ATTEST:**

\_\_\_\_\_  
**VIRGINIA A. MEFFORD, City Clerk**

Exhibit "A"

WILCOX, AZ



**CITY OF WILLCOX, COCHISE COUNTY, ARIZONA**

**RESOLUTION 2015-21**

**A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, ADOPTING THE FINAL BUDGET OF THE CITY OF WILLCOX FOR FISCAL YEAR 2015-2016**

**WHEREAS**, by Resolution 2015-17, the Mayor and City Council, passed and adopted the Tentative Budget for the City of Willcox, Fiscal Year 2015-2016; and,

**WHEREAS**, following due public notice, the Mayor and City Council held a public hearing on July 16, 2015 at which meetings, any taxpayer was privileged to appear and be heard in favor or against any of the proposed expenditures and expenses or tax levies and, it appears that the sums to be raised by taxation do not, as specified therein, in the aggregate exceed that amount as computed in A.R.S. §42-17051; and,

**WHEREAS**, the City estimated public expenses and estimated revenues in the amount of \$14,633,188, net of inter-fund transfers of \$577,640, as the Final Budget of the City of Willcox, Cochise County, Arizona for the Fiscal Year 2015-2016 and said amount is within the spending limitation set forth in Article IX, Section 20 of the Arizona State Constitution.

**NOW, THEREFORE, BE IT RESOLVED**, that the estimates of revenues and public expenditures and expenses as shown on the accompanying schedules, are hereby adopted as the Final Budget of the City of Willcox, Cochise County, Arizona for the Fiscal Year 2015-2016.

**PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, ARIZONA**, this 16<sup>th</sup> day of July, 2015.

**APPROVED/EXECUTED:**

\_\_\_\_\_  
**ROBERT A. IRVIN**, Mayor

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**ANN P. ROBERTS**, City Attorney

**ATTEST:**

\_\_\_\_\_  
**VIRGINIA A. MEFFORD**, City Clerk



CITY OF WILLCOX  
Request for Council Action

Agenda Item: 13

Tab Number: 4

**Meeting Date:**

July 16, 2015

**Action:**

Resolution

Ordinance

Other

**Subject:**

A.M.R.R.P 2015-2016  
Workers' Compensation  
Renewal

**To:** Mayor and City Council

**From:** Crystal Hadfield, Finance Director

**Discussion:** The Arizona Municipal Risk Retention Pool (Pool) was started in 1986 to address the specialized insurance needs of municipalities. The City joined the Pool in 1987, and has continued to carry its liability and workers' compensation coverage with the Pool. The Board of Directors is made up of representatives from Arizona cities and towns.

The workers' compensation policy is on a fiscal year basis. The current FY16 policy will run from July 1, 2015 to June 30, 2016. The FY16 projected cost of worker's compensation coverage for the City will be \$156,840.

The City's premiums are affected by an e-mod (experience modification) rate that is adjusted annually. For FY15 our e-mod rate was 2.04. For FY16 the e-mod is 2.01.

Included for your information please find the Mod Snapshot, the City's Workers' Compensation Coverage Declarations for FY16.

Mr. Ed Bantel, from Southwest Risk, the insurance agency that represents the Pool, will attend the meeting on July 16th to make a presentation to the Mayor and Council about the workers' compensation coverage and to answer questions.

**Recommendation:** Continue using Arizona Municipal Risk Retention Pool for the provision of Workers' Compensation Insurance.

**Fiscal Impact:** Projected FY16 Workers' Compensation Insurance cost of \$156,840.

**Submitted by:** \_\_\_\_\_

**Approved by:**  \_\_\_\_\_



**ARIZONA MUNICIPAL RISK RETENTION POOL**  
**SCOTTSDALE, AZ 85260**

AZWCP301

AZWC012218  
 Renewal of Number

**Policy No. AZWC012219**

FEDERAL ID# 866000270  
 INTER/INTRASTATE ID# 020172711

1. The Insured/Mailing Address:  
 CITY OF WILLCOX  
 C/O MANAGER  
 101 S RAILROAD AVENUE  
 SUITE B  
 WILLCOX

**WORKERS' COMPENSATION COVERAGE DECLARATION**

AZ 85643

Individual     Partnership     Corporation or MUNICIPALITY  
 Other workplaces not shown above:    (SEE EXTENSION)

2. Policy Period: The policy period is from 7/01/15 To 7/01/16 12:01 A.M. Standard Time,  
 at the insured's mailing address.

3. Coverage:

A. Workers' Compensation Insurance: Part One of the policy applies to the Workers' Compensation Law of the  
 states listed here:

AZ

B. Employer's Liability Insurance: Part Two of the policy applies to work in each state listed in item 3.A. The limits  
 of our liability under Part Two are:

Bodily Injury by Accident	\$ 1,000,000	each accident
Bodily Injury by Disease	\$ 1,000,000	each employee
Bodily Injury by Disease	\$ 1,000,000	policy limit

C. Other States Insurance: Part Three of the policy applies to the states, if any, listed here: All states except Nevada,  
 North Dakota, Ohio, Washington, West Virginia, Wyoming, States designated in Item 3 of the declarations and +  
 + Absence of an entry means there are no other state exceptions.

D. This policy includes these endorsements and schedules:

AZWCP301    AZWCP303    AZWCP301A    AZWCP301B    AZWCP301C    AZWCP301P

4. Premium: The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating  
 Plans. All information required below is subject to verification and change by audit.

Classifications	Code No.	Premium Basis Total Estimated Annual Remuneration	Rate Per \$100 of Remuneration	Estimated Annual Premium
(SEE EXTENSION)				

Experience Rating Modification Factor	Schedule Rating Factor	Premium Discount	Expense Constant	Other	Other	Total Estimated Annual Premium	Installment Premium	Minimum Premium
(SEE AZWCP301B)						\$ 156,840.00	\$ 39,210.00	\$ 1,000.00

Premium Adjustment Period:     Annual;     Semi-Annual;     Quarterly;     Monthly;     Other

Issued at:    Scottsdale, AZ    Date of issue    6/26/15

Producer/Agent:    SOUTHWEST RISK SERVICES  
 Address:    14902 NORTH 73RD STREET  
                   SCOTTSDALE    AZ 85260

**WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE POLICY  
INFORMATION PAGE EXTENSION**

Policy Number: AZWC012219  
 Insured: CITY OF WILLCOX  
 Policy Period From: 7/01/15 To 7/01/16

<b>ITEM 4.</b>			<b>Premium Basis</b>	<b>Rate Per</b>	<b>Estimated</b>
<b>Code</b>	<b>Loc</b>	<b>Classifications</b>	<b>Total Estimated Annual Renumeration</b>	<b>\$100 of Remuneration</b>	<b>Annual Premium</b>
<b>State: 02 ARIZONA</b>					
5506	001	STREET/ROAD CONST-PAV.REPAV	138,104	8.8300	12,195.00
7502	001	GAS DIST.-LPG-LOCAL DRIVERS	49,106	2.9700	1,458.00
7520	001	WATERWORKS OPERATIONS	171,018	3.4700	5,934.00
7580	001	SEWAGE DISPOSAL/PLANT OPER.	69,272	3.4400	2,383.00
7720	001	POLICE OFFICERS	504,394	4.3800	22,092.00
8380	001	AUTO SERVICE/REPAIR	71,114	2.7900	1,984.00
8411	001	VOLUNTEER POLICE/FIRE/OTHER	386,680	8.8900	3,441.00
8810	001	CLERICAL OFFICE/LIBRARY/MUSE	824,740	2.2400	1,979.00
8820	001	ATTORNEY-ALL EE & CLERICAL-M	88,254	.2200	194.00
8831	001	DOG POUNDS	41,470	2.2500	933.00
9015	001	BUILDINGS-NOC OPER BY OWNER/	74,328	3.6200	2,691.00
9060	001	GOLF PRO INCLUDE SHOP/CLERIC	64,842	2.0000	1,297.00
9102	001	PARKS-NOC ALL EMPLOYEES	101,126	3.1000	3,135.00
9220	001	CEMETERY OPERATIONS	15,580	4.8700	759.00
9410	001	MUNICIPAL/TOWN/COUN/STATE EE	111,346	1.7500	1,949.00
9898		EXPERIENCE MODIFICATION	2.0100 62,424	1.0100	63,048.00
9889		SCHEDULE MODIFICATION-DEBIT	1.2500 125,472	.2500	31,368.00
<b>Total This Page \$</b>					<b>156,840.00</b>

CITY OF WILLCOX  
Request for Council Action

Agenda Item: 14  
Tab Number: 5

**Meeting Date:**

July 16, 2015

**Action:**

Resolution  
 Ordinance  
 Other

**Subject:** United Health Care  
medical insurance approval

**To:** Mayor and City Council

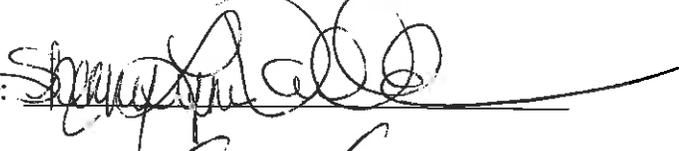
**From:** Sherry Lynn Van Allen, Human Resources

**Discussion:** The City has been using United Health Care (UHC) as a provider for our voluntary dental program since 2007. Blue Cross Blue Shield (BCBS) has been the City's medical insurance carrier since July 1, 2013. The initial FY16 renewal rate quoted by BCBS reflected an 18% increase in premium costs over the FY15 rates. Our benefit brokers Employee Solutions Group (ESG) researched alternatives and negotiated a final rate decrease of 1.21% by switching over to UHC. The proposed UHC policy and Health Reimbursement Arrangements that staff is recommending will allow the City employees to have continued coverage without additional out of pocket expense. The plan will continue to provide a good range of benefits as well as an extended network of participating physicians and hospitals. The City will have no additional exposure for the costs of the Health Reimbursement Arrangement (HRA) due to their being no additional changes. Overall, the City will keep our employees at the same contribution rate with the proposed UHC plan.

**Recommendation:** To approve acceptance of employee medical insurance coverage from United Health Care for Fiscal Year 2016.

**Fiscal Impact:** Approximately \$352,188.

**Submitted by:**



**Approved by:**





**UnitedHealthcare**  
Medical Proposed Rates and Alternate Plan Designs

**Customer Name:** City of Wilcox  
**Effective Date:** July 1, 2015

\* The numbers below are on an illustrative basis. Rates are subject to Underwriting approval.

	Option 1 Z31 (SB C+ INS) Rx Plan: KQ	Option 2 3B3 (SB C+ INS HSA) Rx Plan: KQ-HSA
<b>Plan Name</b>	Choice + Insurance *	Choice + Insurance *
<b>Product</b>	OPTION 1	OPTION 2
<b>Option</b>	Single Option	Single Option
<b>Plan Offering</b>	Option(s) N/A	Option(s) N/A
<b>Multiple Option with:</b>	No	HSA
<b>HRA or HSA</b>		
<b>Benefits*</b>	<i>Network Single/Family</i>	<i>Network Single/Family</i>
<b>Office Copay (PCP/SPC)</b>	PCP \$20, SPC \$40	PCP N/A, SPC N/A
<b>Hospital Copays</b>	OP N/A, IP N/A	OP N/A, IP N/A
<b>UC/ER/Major Diag Copay</b>	UC \$75, ER \$300, Maj Diag N/A	UC N/A, ER N/A, Maj Diag N/A
<b>Other</b>	ENRP	ENRP
<b>Deductible</b>	\$5000/\$10000 (Emb)	\$1300/\$2600 (NonEmb)
<b>Coinsurance</b>	100%	90%
<b>Out-of-Pocket</b>	\$6000/\$12000	\$3000/\$6000
<b>Pharmacy</b>	\$15/\$35/\$70/\$250; 2.5x for M.O.	\$15/\$35/\$70/\$250; 2.5x for M.O.
	<i>Out of Network Single/Family</i>	<i>Out of Network Single/Family</i>
<b>Deductible</b>	\$10000/\$20000 (Emb)	\$2500/\$5000 (NonEmb)
<b>Coinsurance</b>	50%	50%
<b>Out of Pocket</b>	\$30000/\$60000	\$5000/\$10000
<b>Enrollment</b>		
<b>Employee</b>	20	20
<b>Employee + Spouse</b>	8	8
<b>Employee + Child(ren)</b>	24	24
<b>Employee + Family</b>	1	1
<b>Total</b>	53	53
	<i>Rates (Billable)</i>	<i>Rates (Billable)</i>
<b>Rates</b>		
<b>Employee</b>	\$348.37	\$377.89
<b>Employee + Spouse</b>	\$766.41	\$831.35
<b>Employee + Child(ren)</b>	\$661.90	\$717.99
<b>Employee + Family</b>	\$1,114.78	\$1,209.24
<b>Monthly Cost</b>	\$30,099	\$32,650
<b>Annual Cost</b>	\$361,189	\$391,795

\*High level benefit summary. Please see your plan summary for more detailed benefit description.

The numbers above are on an illustrative basis. Rates are subject to Underwriting approval.

For markets moving to service fees, current rates (applicable for renewals only) include commission expenses. Proposed rates, for your convenience, include any applicable producer service fees. Producer service fees are not a contingency of obtaining insurance coverage but are fees agreed to between you (client) and your producer/service provider for service rendered on behalf of client.

For markets continuing to pay commissions, both the current (applicable for renewals only) and proposed rates include commissions.

PLAN CHANGE COST SUMMARY FOR  
 CITY OF WILLCOX  
 ROGERS BENEFIT GROUP, INC. -TUCSON  
 PROPOSED EFFECTIVE DATE: 07/01/15  
 SIC CD: 9111 LOC ID: 85643 AZ EMP CHOICE: 0

PROPOSED BENEFITS:

LIFE COVERAGE NONE  
 MEDICAL PLAN CATEGORY Balanced 100  
 MEDICAL PLAN Z3-1 20/5000/100%  
 METALLIC LEVEL  
 ER CNTRB RANGE  
 GROUP PLAN PRIMARY Y  
 PRESCRIPTION DRUG KQ 15/35/70/250  
 DENTAL1 P3304 \$50,100/80/50VOL  
 DENTAL2 NOT QUOTED  
 VISION NOT QUOTED  
 OPTIONAL RIDERS NOT QUOTED  
 SUPPLEMENTAL LIFE NOT QUOTED  
 SHORT TERM DISABILITY NOT QUOTED  
 LONG TERM DISABILITY NOT QUOTED  
 CALENDAR/POLICY C  
 BP ATNE 052  
 ACR IND N

COVERAGES	EMPLOYEE ONLY	EMPLOYEE & SPOUSE	EMPLOYEE & CHILD (REN)	EMPLOYEE & FAMILY
MEDICAL	\$ 348.37	\$ 766.41	\$ 661.90	\$ 1114.78
DENTAL	\$ 25.25	\$ 50.53	\$ 69.54	\$ 99.02
MEDICARE	MALE/FEMALE EMPLOYEE	\$ 348.37		
	MALE/FEMALE SPOUSE	\$ 418.04		
	CHILD	\$ 313.53		

TO BE BILLED MEDICARE RATES MEDICARE MUST BE PRIMARY AND PROOF OF ENROLLMENT IN  
 TOTAL MONTHLY MEDICAL PAYMENT FOR FAMILY UNITS (ABOVE) \$ 30,412.59  
 TOTAL MONTHLY DENTAL PAYMENT \$ 440.16  
 -----  
 TOTAL MONTHLY PAYMENT \$ 30,852.75\*\*

This premium includes state and federal taxes and fees, including the Insurer Fee (about 3% of premium) and the Reinsurance Fee (about \$4 per member per month) under the Affordable Care Act. These estimates will vary based on renewal date and state reinsurance fees.

\*\* THE TERMS AND CONDITIONS OF QUOTE PAGE CONTAINS IMPORTANT INFORMATION REGARDING THIS PROPOSAL.

CONTRACT NUM: 0737958 PROD: RUN DATE: 06/25/15  
 RATING TYPE: F VERSION NUM: 01