

A Meeting of the Meridian City Council was called to order at 6:01 p.m. Tuesday, June 3, 2025, by Mayor Robert Simison.

Members Present: Robert Simison, Luke Cavener, Liz Strader, John Overton, Doug Taylor, Anne Little Roberts and Brian Whitlock.

Other Present: Tina Lomeli, Bill Nary, Dave Miles, Bill Parsons, Linda Ritter, Crystal Campbell, Shawn Harper, Steve Taulbee and Dean Willis.

ROLL-CALL ATTENDANCE

<input checked="" type="checkbox"/> Liz Strader	<input checked="" type="checkbox"/> Brian Whitlock
<input checked="" type="checkbox"/> Anne Little Roberts	<input checked="" type="checkbox"/> John Overton
<input checked="" type="checkbox"/> Doug Taylor	<input checked="" type="checkbox"/> Luke Cavener
<input checked="" type="checkbox"/> Mayor Robert E. Simison	

Simison: Council, we will call the meeting to order. For the record it is June 3rd, 2025, at 6:01 p.m. We will begin this evening's regular City Council meeting with roll call attendance.

PLEDGE OF ALLEGIANCE

Simison: Next item up is the Pledge of Allegiance. If you could all, please, rise and join us in the pledge.

(Pledge of Allegiance recited.)

COMMUNITY INVOCATION

Simison: Is Mr. Zachman present?

ADOPTION OF AGENDA

Simison: Then we will move on to the adoption of the agenda.

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: In an effort to give Council a quick minute to grab a bite of dinner, we did not complete Item 21, which was a budget amendment. So, I move that we are going to amend the agenda and add that after the conclusion of Item 4, our public hearings for the evening. And with that, Mr. Mayor, I move we approve the agenda as amended.

Strader: Second.

Simison: Have a motion and a second to approve the agenda as amended. Is there any discussion? If not all in favor signify by saying aye. Opposed nay? The ayes have it and the agenda is agreed to as amended.

MOTION CARRIED: ALL AYES.

PROCLAMATIONS [Action Item]

1. Elder Abuse Awareness Month Proclamation

Simison: First item up we have two proclamations. The first one we are going to do is Elder Abuse Awareness Month and if we could have Trina join us from The Ada County Victim Service Center at the podium. So, Council, we will first read this proclamation on Elder Abuse and, then, turn it over to Trina for any words that she has that would like to say and make sure we get good pictures for you in that context. So, whereas ageism and social isolation are major causes of elder abuse in the United States and whereas after a lifetime of contribution to their families, their communities and our state, every Idahoan deserves to live out their -- his or her days in health and security, yet every year millions of older Americans are denied the opportunity due to abuse, neglect and exploitation and whereas preventing the abuse, neglect and exploitation of older adults through maintaining and improving social supports will allow everyone to continue to live independently as possible and contribute to the life and vibrancy of our communities. And whereas 2025 marks the 19th annual World Elder Abuse Awareness Day. Its recognition will promote a better understanding of abuse, neglect and exploitation of older adults. And whereas organizations like the Ada County Victim Service Center recognize the importance of taking action to raise awareness of abuse, neglect and exploitation of older adults. Therefore, I, Mayor Robert E. Simison, hereby proclaim June 2025 as Elder Abuse Awareness Month in the City of Meridian and call upon the citizens, government agencies and public and private institutions in Meridian to recommit to our community to increasing awareness and understanding of elder abuse and the steps our system could take to protect our elders. Dated this 3rd day of June 2025. So, on behalf of the City of Meridian please accept this proclamation and I invite you to say a few words and, then, Shawn will get us a good picture.

Allen: Thank you very much, Mayor. This is a very important day and month recognizing our elder and our vulnerable community. I would like everybody to know about the Ada County Victim Services Center. It's located down at 417 South 6th Street in Boise. We are open 24/7 and we have a variety of services for our elder community, as well as those who have been victims of sexual assault, child abuse, domestic violence, stalking and human trafficking. So, thank you very much. This is very meaningful.

2. Owyhee High School Softball State Champions Day Proclamation

Simison: Well, Council, I will just say if you haven't been down there to do a tour I encourage you get down there and tour the new facilities. Quite impressive. With that we will move on to our second proclamation of the evening. If I could have the Owyhee State Champion softball team join me at the podium, along with their coaches. You know, it's always great. We do tend to see some legacy returners these last couple years amongst many of our state champions, whether -- you know, from multiple schools. So, we are excited to be here this evening and we are going to read this proclamation and while we do have -- we have another proclamation that goes in the record which has everyone's names, but we are going to ask you to say it, so those that are watching on -- at home will know who you are. But after I read the proclamation, Coach, turn it over to you guys for any comments and, then, ask the players come up and say their name, position and year in school and if you are going to come back next year or not, so -- to be a state champion. That's what we want to hear. So, whereas being an Owyhee High School softball player is more than making pitching, fielding, hitting and achieving state titles, it is training to build leadership, character, confidence, teamwork and resilience, all traits needed to succeed on the field, in the classroom and in the real world and whereas the Storm was the team to beat all season with a 28 in one overall record and an 11-0 conference record, winning the southern Idaho title and advancing to the state championship tournament. Whereas top tier Owyhee Storm won their first three games of the state tournament by an average of 7.6 runs and whereas Owyhee rallied for a three to two win to cap off an unbeaten run through the state double elimination tournament and captured a second title in the past three years and whereas the leadership, training, discipline of their coaches helped all team members to focus their talents and passion to become a winning team with each player making valuable contributions to their victory. Therefore, I, Mayor Robert E. Simison, hereby proclaim June 3rd, 2025, as Owyhee High School Softball State Champions Day in the City of Meridian and call upon the community to join me in congratulating The Storm on their remarkable athletic achievement and for representing Meridian so proudly in the state tournament, dated this 3rd day of June 2025. On behalf of the City of Meridian congratulations, ladies and coaches, on your successful year and I will turn it over to your coaches for any comments.

Carpenter: Nobody ever wants to speak. Well, first of all, thank you very much to the Council. I will say this. Softball is so much more than a game. We are excited about the season we have. We did dominate. I mean it was pretty emphatic beating Eagle and Meridian and everybody. But I digress. I do want you to know this. I think things like tonight are really cool that we can honor these young ladies for so much more than a game, because it's really not a game, it's teaching life on a piece of dirt and grass in the middle of Meridian, Idaho, and I think this is a special place. I think this is really cool that we do this as a community and it is about community. It's about our 11 seniors that will leave. We are super proud of them. But we are also proud of what Owyhee has done over the years in our first four years, but also what we are going to do and we are really going to try to set the standard for how we live our lives, not just play the game and, hopefully, that's a reflection in the outcome on a scoreboard, but the reality is life isn't played on a scoreboard, it's played in between the beginning and the end and it's what you do during that time that really matters and that's the expectation at Owyhee. I

think it's the expectation in our city and our community and we are thrilled to be here. So, thank you all very much.

Brooks: My name is Grace Brooks. I am one of the pitchers and I'm also one of the graduating seniors.

Mahaffey: My name is Maddie Mahaffey. I'm a first baseman and I'm a sophomore.

Gaytan: Hi. My name is Elysa Gaytan. I played first base at Owhyee and I'm one of the graduating seniors.

Malliarodakis: My name is Sobella Malliarodakis and I'm a senior and I play shortstop.

Schab: My name is McKenna Schab. I'm a graduated senior and I'm a catcher-outfield.

Addis: My name is Alana Addis and I'm a graduated senior and an outfielder.

Bryant: My name is Alaina Bryant. I'm a graduated senior and I played corners and catcher.

McNulty: My name is Maddilynn McNulty and I play middles. And I'm a graduated senior.

Shoemaker: I'm Saylor Shoemaker. I'm a junior and I play outfield.

Garrett: I'm Kenadi Garrett. I was a designated hitter and I was a freshman.

Bock: I'm Hailey Bock. I was a pitcher and I was a freshman.

File: My name is Charlotte File and I was a right and left fielder. I'm also a 10th grader.

Fazzio: Everybody wants me to speak. I'm Cal Fazzio, the assistant coach and the program hitting instructor. This is not going to be our first year here, so we are going to be back and that's all I got to say.

Simison: And for those that didn't know, The Storm were the winners of the Watertower Award, so their banner should be up -- hopefully by the end of the week. If not it will be early next week through the summer, so --

PUBLIC FORUM – Future Meeting Topics

Simison: So, with that we will move on to the next item on our agenda -- wherever it went. Anyone signed up under future -- public forum?

Lomeli: Mr. Mayor, no one has signed up.

ACTION ITEMS

3. Public Hearing for Program Year 2025 Community Development Block Grant Action Plan

Simison: Okay. Then we will move on to our Action Items and next item up is Item 3, which is public hearing for program year 2025 Community Development Block Grant action plan. We will open this public hearing with staff comments from Crystal.

Campbell: Thank you, Mr. Mayor, Members of the Council. If you will give me just one second to share. I apologize. Sorry for that wait. So, this is for our plan that runs from October of this year through September 2026 and this is our recommended projects for this upcoming year. So, a quick overview of the CDBG program. We do receive the federal funds from the Department of Housing and Urban Development or HUD. We do provide a five year consolidated plan. During that plan we go out to the public and stakeholders to identify the goals for the upcoming five years and, then, each year we submit an action plan that says how we are going to meet those goals. We received a letter from HUD saying that this year we are anticipated to receive 523,218 dollars and that is for year four of our five year action plan. The goals that we have for this action plan -- or I'm sorry -- for this consolidated plan are public improvements, permanent housing, public services and program administration. This is a breakdown of the recommended projects based on the goals. So, right now it's looking like about 11 percent for admin, 15 percent for public services and, then, public improvements and housing are both right around 37 percent of the overall. Two of those goals are city led projects. The first one is program administration and this just supports planning, management and compliance with the program and we also have the second one, public improvements, and this one is based on the goals that -- or, I'm sorry, the needs that were identified in the five year plan. We conducted a CDBG walkability study and all of these funds go toward those projects. So, the specific amounts for each of these goals. Under program administration we are asking to set aside 57,000 dollars. There is a 20 percent of the overall grant that is allowed for admin, but we are not needing to use all of that for admin this year. We will be able to use the rest of it towards the other projects. So, this will be for general administration, planning for our upcoming consolidated plan and any fair housing activities, which is usually a fair housing campaign. For public improvements we are looking at our better walkways, which is an improvement to sidewalks and lighting in areas that were identified in that study. We are asking to put 193,867 dollars toward that. The primary project is one that we began funding in for the first phase this current year and it's Northwest 7th from West Carlton to Cherry Lane and the additional funding would go toward completing the additional phases. If we have any remaining funds, if it's under spent or reallocated or anything, it would go towards our alternative projects which are listed here. We have East Badley Avenue near Northeast 2 ½ Street and East 3rd Street and, then, there is another one in the same area at East Washington and, then, there is a potential project for a pathway across the Jackson drain that would connect the Fairview Terraces Estates to the Chief Joseph Elementary School. We also have some partner projects. These ones are selected through a competitive application process and there is two separate

applications, so they are not competing for the same funding. The first one is permanent housing and this one supports long-term housing solutions and the other is public services, which is more immediate short-term needs. To be a viable project they must show that there is a connection to housing stability. They have to show how they are going to require the participants to be income eligible and for the CDBG program that's no more than 80 percent of the area median income -- income and for Meridian a four person household could make up to 85,600 dollars and still qualify for this program. So, these are like working families that are just not quite able to make ends meet and they also have to be a Meridian resident living within city limits. The two recommended projects here -- there is a 15 percent cap on public services, so this is the maximum amount that we would be able to -- the two projects that were selected by our scoring committee are Jesse Tree's emergency rental assistance program for 43,483 dollars. This one provides temporary rental assistance for people who are at risk of losing their housing and, then, the second one is for the Boys and Girls Club scholarship program for 35,000 dollars and this gives access to childcare with extended care and summer programs. For housing there is one program, the Neighbor Works Boise homeowner repair program for 193 dollars 868 and this is for weatherization, accessibility and emergency repair for owner occupied homes and it -- so, it can't be for any rentals or anything, it has to be owner occupied and this allows them to stay stably housed in housing that they can afford. So, we have a couple of next steps listed here. On July 8 I will be back for a public hearing that -- where I can give you any updates for the outreach that I have received any feedback and the public comment period will also close. And, then, on July 22 I will have completed the final report with any feedback that I have received and have that, along with the resolution, on the Consent Agenda for you to approve and, then, by the end of July, then, I plan to have it submitted to HUD. So, my ask for tonight is that we get some community feedback. We really want to hear that this is the direction that the community wants us to go. There is multiple ways that you can provide feedback. We are going to have a couple of virtual open houses where people can sign in and ask questions. I'm going to try and get some of the people who are recommended for funding to be there to be able to answer questions, too. The first one is scheduled for June 18th at 10:00 a.m. and the second is July 30 at 3:00 p.m. The links to those will be on our website. There is also an online survey so that people can -- if they are not comfortable just giving open ended feedback, then, they can just answer some specific questions on how useful they think these programs are. Then people can also provide some feedback at the public hearing on July 8 and I'm also trying to get some more in-person events scheduled, which will also be on the website. And if anybody wants to talk about any of it they can contact me Crystal Campbell. My e-mail address is ccampbell@meridiancity.org. My phone number is 208-489-0575 or you can look on our website at meridiancity.org/cdbg and with that I will stand for questions.

Simison: Thank you, Crystal. Council, any questions?

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: More of a curiosity, but just -- I have been wondering like are you anticipating changes in future years, you know, based on changes in federal funding? Have you received any communication from HUD regarding that? I'm just more curious what we could expect going forward.

Campbell: So, we are mostly guaranteed funding for this upcoming year, but after that it -- it's really -- right now it's not looking so great. It was one of the items that were zeroed out on the skinny budget. So, we are waiting to see how -- how that goes. But I'm not sure if we are going to. So, anybody who wants to reach out to their legislators and advocate for the program are more than welcome to.

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: I more was thinking -- I mean along the lines of -- I think not for this conversation, but in the future I think it would be important to prepare the -- especially the providers that we work with at Jesse Tree and, you know, certainly with the child care as well, just to have that discussion at some point, so that they are not completely caught flat footed. I'm sure they are aware of these changes and certainly there is no doubt that the United States government at a federal level is looking at a pretty dicey fiscal situation. So, I just appreciate you kind of providing some context, because I think the last thing we want is for someone to get here next year and just be completely blindsided. So, that's why I asked that question. Thank you.

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: Crystal, because of the engagement you are doing is the request, then, just to keep the public hearing open and, then, we will close it at the conclusion in July?

Campbell: Yes.

Cavener: Thank you. Appreciate your presentation.

Simison: Crystal, just had one question. It is July -- excuse me -- July 30th for the other one, so it would be after the public hearing is closed is -- on your virtual -- your virtual open house, one June 18th and another says July -- is that supposed to be June?

Campbell: Yes. You are correct. Thank you for catching that.

Simison: Okay.

Campbell: Should be June.

Simison: Okay. So, June 30 at 3:00 p.m. for the other virtual open public house. Okay.

Campbell: Thank you.

Simison: Any other questions for staff at this time? Okay. This is a public hearing. Madam Clerk, did anyone sign up to provide testimony on this item?

Lomeli: Thank you, Mr. Mayor. No one has signed up.

Simison: Okay. Is there anybody present, either in the room or online, who would like to provide testimony on this item? Seeing no one coming forward or raising their hand online, Council, do I have a motion to continue this public hearing?

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: I move that we continue this item to our July 1st City Council meeting.

Simison: July 8th.

Cavener: July 8th. Thank you. Appreciate it. July 8th City Council.

Strader: Second.

Simison: Have a motion and a second to continue this item until July 8th and is there any discussion? If not, all in favor signify by saying aye. Opposed nay? The ayes have it and this item is continued. Thank you, Crystal.

MOTION CARRIED: ALL AYES.

4. Public Hearing (Continued from May 13, 2025) for CentrepoinTE Apartments (H-2025-0009) by Mike Maffia, MGM Meridian 2, located at 3100 CentrepoinTE Way and 3030 N. Cajun Ln.

- A. Request: Modified Development Agreement to modify the existing Development Agreement (H-2022-0035, Instrument # 2022-079000) for the existing 11.17 acres and create two (2) new agreements which will allow each property to be developed independently.

Simison: Okay. Next item up is Item 4, which is public hearing that was continued from May 13, 2025, for CentrepoinTE Apartments, H-2025-0009. We will continue this public hearing with staff comments.

Ritter: Good evening, Mayor and Council Members. So, we are here tonight because the applicant is proposing to move forward with the project approval that was received in 2022 under H-2022-0072. That was for CentrepoinTE Apartments. And the -- with the modification to the existing development agreement. This modification would create two new agreements, which will allow the property to be -- the property to be developed independently. So, this is a site plan for the approved CentrepoinTE Apartments. It had approximately 213 units and this is the commercial portion of that project that was approved through a CUP for the -- for a drive through there. So, on December 3, 2024, the Council approved findings for H-2024-0019 and that was for the modification of the development agreement and the conditional use permit to facilitate the construction of a 239 unit multi-family affordable apartments project. The proposal strictly pertained to the residential component of that approved development plan. The applicant also requested alternative compliance to the open space and parking lot, but in January of 2025 the applicant terminated the entitlements and withdrew their application for that project due to complications at the state level with project financing. So, then, we did an administrative time extension for the project before you. Prior to the expiration date of April 1st, 2025, the applicant submitted -- he submitted an application for an additional two years. So, doing this process for review of the previous one for the affordable housing ITD had required the applicant to dedicate 12 feet of right of way on Eagle Road to reconstruct the right turn lane to Seville -- to Seville Lane. So, they wanted it to extend it down to turn in here. The current DA that we have requires the applicant to place the street buffers, pathways, as well as a 20 foot landscape buffer along the west and south boundaries to develop with the residential parcel and what the applicant is asking now is to -- in order to separate these he wants to do all this with Parcel E for the residential portion and, then, for the Parcel F, which is the commercial portion, he wants to do the landscape buffer, the pathway along Eagle Road and the right of way dedication and the proposed improvements by ITD with the commercial portion. The applicant has no objection to these conditions. He has worked closely with ITD on these conditions. That was part of the continuance because the applicant was still in -- working with ITD to work these out, because before all of this was with the residential portion, but ITD has agreed to allow them to do the right of way dedication and the improvements along Eagle Road with the commercial portion, because they will be doing improvements along Eagle Road for that. So, he wanted to do two different DAs, one for the commercial portion and one for the residential, so these properties can develop independently and not be tied to the same DA and staff has worked with him to -- on the conditions of this DA that is in the staff report and in working with the applicant he has no objection to that, but he will tell you that himself. We have been working really hard to get this to where it works for the applicant and for the city. So, basically, that's the gist of this development modification -- the modification for this and so at this time, as you can see, nothing has been developed yet, but staff take any comments or questions that you may have on this application. It's pretty straightforward from what staff had to deal with.

Simison: Thank you, Linda. Council, any questions for staff? Appreciate it. Would the applicant like to come forward and make any comments? Good evening. State your name and address for the record.

Maffia: Mike Maffia. 3030 North CentrePointe Lane. I'm the owner of the property and applicant. Good evening, Mayor Simison. Council Members. I'm just here to answer any questions.

Simison: Council, any questions?

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: I was just curious. You know, have you had any further meetings with the neighbors? Have you had any discussions? What kind of feedback have you heard about this kind of -- I guess return to the old version of -- of a project here.

Maffia: I have -- I have not since Devco removed -- removed their application, because that was the 239 units -- an increase in units. But spent a lot of time on the original entitlements working with the neighbors, the landscape screening, items we talked through in 2021 I believe and have stayed in contact and prepared notices for these various applications, for the CUP extension and for the -- also this MDA modification. So, we did have neighborhood meetings that I held for both, so -- yes.

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: Yeah. More to this point. I mean because certainly with the previous project the affordable housing development that was contemplated here, we had a lot of interest from neighbors and I saw that there weren't any comments, which is usually a good sign, but maybe just a reason to double check that this was noticed, but, you know, you went through the meeting that you were supposed to have, et cetera.

Maffia: Yeah. It came up during some of the public neighborhood meetings and clarified that this was going back to the existing entitlement and that we are just separating the DA, one being a residential development, the other being commercial. There is a bank -- originally the plan was to develop a Starbucks on that drive through. They since passed on the site. This is many years ago in the history and there is now a regional bank interested, but they don't lease, they buy and require a separation of the DA to proceed. And that all was explained to the neighborhood, so --

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: Yeah. Mayor, thank you. That -- that makes sense to me. And, then, I do want to I think compliment you for -- while I did not appreciate your last continuance, I do appreciate that you worked with ITD and have gotten on the same page with them.

So, I assume at this point you are in complete agreement and you will follow all the conditions that they outlined in their letter.

Maffia: Correct. It was a new requirement to construct a deceleration lane. So, there was a lot of time and energy spent understanding the specific dimensions. Budgeting. It's a pretty significant cost increase, but we were able to reduce the stacking and the -- the taper length to the frontage of the property. So, yeah.

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: Just one more for me just to say I appreciate you doing that, because I think I would have had a hard time if you were not able to meet that requirement and I mean this -- from what I understand this is like one of, if not the busiest intersection on Eagle Road. So, is it really in the whole state? Yeah. Well, there you go. So, I mean there is -- there is an acute need here. I drive by this every day and the traffic is a disaster. Part of it's the whole network of private roads and stuff back in this neighborhood. I don't know how we are going to solve that one day, but that's not your problem to fix at this moment. So, I just wanted to say thanks for working with ITD. I realize the economic cost of building that is significant, but I do think it will help our community.

Maffia: Thank you.

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: I just want to echo what Council Member Strader just said. Appreciate you and certainly Linda working in collaboration. One that gets pretty persnickety about continuances, but when it results in a better project it's easy to be in agreement on, so appreciate you working with our staff, listening to their feedback and Linda working with the applicant. Really good partnership.

Taylor: Mr. Mayor?

Simison: Councilman Taylor.

Taylor: Mike, just a quick question and it's reasonable -- makes sense why you need to separate the -- the parcels for the different developments. Is there a sense of timing with the development of them? Are -- is one going to develop before the other? Can you speak to that? Are you planning to hopefully have them relatively under construction at the same time? I'm -- more of a curiosity how you intend to do that.

Maffia: Yeah. Ideally they would. The regional tenant has been waiting for the CUP extension. That was phase one, which was granted, and, then, this MDA separation.

You know, I can't speak for them, because it is a sale to them, but I have worked ad nauseam with them on easement agreements, cost sharing agreements, to accommodate that. So, my hope is that it does proceed. In the meantime I'm back here working with consultants today trying to move the project forward. You know, it's no secret, multi-family development has come to a screeching halt nationally, but I'm hoping to start this project next year -- early next year, so -- yeah.

Simison: All right. Thank you very much. Madam Clerk, anyone signed up to provide testimony on this item?

Lomeli: Thank you, Mr. Mayor. No one has signed up.

Simison: Okay. Is there anybody present who would like to provide testimony or anybody online who would like to provide testimony? If you are online use the raise your hand function. We do have someone online who would like to provide testimony.

Vrba: Hello, Mr. Mayor and Honorable Councilmen. This is Jeff Vrba. The address is 3005 North LeBlanc Way, Meridian, Idaho. 83646. And I just want to let you know the applicant did have a meeting with us earlier this year to discuss this and I personally am for the split of the two parcels, so at least one could get fully developed up front with new landscaping and items like that. So, just want to let you know that that's what was going on. Thank you.

Simison: All right. Thank you. Council, any questions?

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: Not a question, but just a comment. Thank you very much for chiming in. We appreciate hearing from you, since we have heard from all the neighbors on all of the previous applications, it's just nice to know that a meeting occurred. You all have seen this. We do appreciate that follow up. Thank you.

Vrba: No problem. Thank you.

Simison: Is there anybody else who would like to provide testimony on this item? Will the applicant like to make any final comments? Or are we good? Applicant waives for final comments. Council, what's your direction?

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: I am happy to kick us off. I move that we close the public hearing on this item.

Little Roberts: Second.

Simison: Have a motion and a second to close the public hearing. Is there any discussion? If not all in favor signify by saying aye. Opposed nay? The ayes have it and the public hearing is closed.

MOTION CARRIED: ALL AYES.

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: I think there are a number of reasons that this project makes sense. I think, obviously, from the neighbors' perspective it appears there is a decent level of support as evidenced by the individual who testified, but also by the lack of public testimony, which we have seen a lot of opposition of previous projects. It feels like this is landing in a comfortable place in terms of the unit count and kind of going back to where we were at. I'm very appreciative of the construction of the lane required by ITD. I think that will hopefully help a lot. But, again, you know, we do have constraints in the neighborhood behind here that are just really challenging. I think this is a decent outcome to move this forward. So, after considering all staff, applicant and public testimony I move to approve file number H-2025-0009 as presented in the staff report for today's hearing date and I don't believe we need any modifications to that. Thank you.

Little Roberts: Second.

Simison: Have a motion and a second to approve Item H-2025-0009. Is there discussion on the motion? If not Clerk call the roll.

Roll Call: Cavener, yea; Strader, yea; Overton, yea; Little Roberts, yea; Taylor, yea; Whitlock, yea.

Simison: All ayes. Motion carries and the item is agreed to. Best of luck.

MOTION CARRIED: ALL AYES.

DEPARTMENT / COMMISSION REPORTS [Action Item]

5. [Added to Agenda] Fiscal Year 2025 Budget Amendment in the Amount of \$80,020 for consulting services for new Department of Justice ADA Web Content Accessibility Rule

Simison: Okay. With that we will move on to Department/Commission Reports and at least the way I thought I heard the motion we were going to go to the budget amendment first.

Cavener: Yes. That's correct, Mr. Mayor.

Simison: Okay. Then, with that we will invite Mr. Miles up for a fiscal year 2025 budget amendment in the amount of 80,020 dollars for consulting services and I will turn this over to Mr. Miles.

Miles: Good evening, Mayor and Council. Nice to see you. Thanks for the flexibility to move me up. I appreciate it. I think I will start with -- this is a federal mandate, which never feels good. I think if you do take the intent into consideration I believe it's -- it's well intended. You know, if you look at transparency in government, state and local levels, this is really about ensuring that we continue to be transparent, allowing our customers, all of them across the board, to access our services. It doesn't feel good to have a federal mandate, but in that regard I think it's the right thing to do. So, I am here for a budget amendment in the amount of 80,020 dollars for consulting services to have consultants look at our websites, web content, mobile device content, as it relates to ADA standards that the Department of Justice just implemented, a new rule last April of 2024. For some background on that rule we have spent the last kind of summer, fall, winter looking at the rule, talking with experts, talking with other agencies, working really with our team and I do want to thank Emily and Ally in legal, Bri and Trevor in the communications team, the IT team, Dan and Dave and Mike, they have been great at looking at this rule and kind of implementing things over time. If you read through the memo we have implemented what's called a widget. It's a tool that basically works off of AI. It's looked at our website. It's a little blue dot with a person in at the top right. That's basically AI working in the background finding some of these errors and notice noticing and automatically making the improvements. It can't do everything, though, and we know that. So, that's -- as we progress through this effort we looked at that type of tool and what else do we need to do, knowing that we don't have an in-house ADA expert, there is sort of a suite of people that have some experience in some areas of it. That's where we landed on the fact that we do need consulting services to ensure that the city's in the right position come April of 2026, that we are in compliance with the rule. So, that's what we are here tonight is asking for that budget amendment to ensure that we can bring a consultant in. Just some of the things we want them to look at. Again mobile device apps, web content for review and recommendations on how to improve those, along with making some of those improvements. Lot of our files -- PDF files, Word documents, the widget tool can't examine, so we need somebody with the expertise to at least look at a suite of those to say in general the first ten percent we look at here is how many errors those find, so that we know the rest of those documents probably need to look -- be looked at as well. We also want somebody to be able to give us a diagnostic tool that says, hey, here is a -- here is a suite of your issues. Now you have got a list, go tackle those -- those items and, then, to provide some training opportunities for all the staff that are involved in websites, whether that's -- it gets into terms like alt text, so when you see a picture on a web page, somebody that can't see that picture sees the words, can read the words, can hear the words audibly behind the scenes. Color contrast, things of that nature, we learned that on our website when you were three clicks into the website, yellow on white doesn't do really well for people that are seeing impaired. So, those are the types of things we are asking of that consultant

service. So, maybe I will stop there. Let you guys ask any questions you have and happy to address them.

Simison: Thank you. Council, questions?

Cavener: Mr. Mayor, just a --

Simison: Councilman Cavener.

Cavener: -- comment. Dave, again, I appreciate these memos. It helps to really outline things. I think the only question that I had had -- that probably Council may have had -- is, you know, why now versus going into budget season and you can kind of see it referenced in the memo, but in order for us to complete the work by the deadline staff felt that it was more appropriate to bring the budget amendment to you. I know we would all prefer to go through the budget amendment. I think staff would prefer to do that as well, but in light of the timeliness issue felt that this budget amendment was necessary. So, I appreciate the education on this.

Simison: Any further questions?

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: With that I move that we approve the budget amendment in the amount of 80,020 dollars for consulting services.

Little Roberts: Second.

Simison: Have a motion and a second to approve the budget amendment for 80,020 dollars. Is there a discussion? If not, Clerk call the roll.

Roll Call: Cavener, yea; Strader, yea; Overton, yea; Little Roberts, yea; Taylor, yea; Whitlock, yea.

Simison: All ayes. Motion carries and the item is agreed to. Thank you.

MOTION CARRIED: ALL AYES.

6. Employee Health Benefits Trust Update

Simison: With that we will move on to our next Department/Commission Report, which is the employee health benefits trust update continued and turn this over to Mr. Nary.

Nary: Thank you, Mr. Mayor, Members of the Council. Here we have an update again just to hopefully answer some of the questions that have come up in the last couple of

presentations. Hopefully answer a few more questions and some explanation as we prepare to bring a budget amendment forward over the next week or two based on the timing for finance. The -- I would also like to thank the folks that are in the room. We have some of our board members that are here present, some of our HR support staff that provide support to the -- to the trust, as well as our partners with Gallagher, as well as Blue Cross, both in the room and online. Tina, do you have the -- great. Thank you. I listed any -- a little bit of recap for any of the folks online or have been watching some of these. We have tried to bring over the last couple of presentations just kind of where we are as a trust, kind of where the state of it is currently, both financially as well as some of the programming and so I did list all the trustees on there for folks, so they would know who were part of this group from -- they are all employees. Kevin West is our outside counsel that represents the trust. Again trust is a separate entity. It's a partner with the city on this -- on this program, but they do have to operate and function somewhat independently as well. So, I want to follow up on some of the questions that have been asked and hopefully we can answer some of those for everyone. One of the questions that was brought up was about GLP drugs and whether or not those have been driving some costs for the program and for those that don't know what that is, they are -- comments that you hear about publicly are things like Ozempic and Manjaro and a few others and the answer to that is generally no, they are not driving up the large -- they are not the largest part of the cost. They are not driving up the large claims. I looked on our list of the top 30 drugs that we are prescribed of members in our plan only four are GLP drugs and approximately less than ten percent of those drugs are related to the costs of the prescription claims. So, from a cost standpoint they are not significant in relation to some of the other things that are out there in the marketplace, but that was a question that was asked we probably should answer it. When was the last time the plan was marketed? Or did pulse check? We discussed pulse checks the last time and kind of the difference between a pulse check and RFP and one of the questions about that was when did we do it last. So, as you see here basically 2017 for plan year 2018. We were marketing some done by Mercer. Mercer was our -- was our marketing and HR consultant at the time. We are no longer with them. Gallagher is our consultants now. In 2020, in anticipation for us moving into the -- as we were moving into the trust we did do that then. We did that in conjunction with the benefits committee. We decided not to market with that transition at that particular point. We had already done that in front of that. So, we entered into a three year rate guarantee. So, we have been in a rate guarantee with Blue Cross for two cycles now, 2021 through '23 and now '24 through '26. So, this current term we are in expires at the end of December of 2026. We are -- we do have provisions in the contract that we could pull out of that if we needed to, but unless there was a compelling reason to there is a financial penalty to doing that. So, we have done that to try to maintain some consistency, both in the services as well as the cost, because that does help keep our costs down and does give us a rate lock for the services that we are receiving from Blue Cross for administration on this. So, that was a -- hopefully answers that question. There was no increase last year and now a potential 17 percent increase this year and I don't think it's been very clear and I apologize, because I think I'm the person that has not made it clear enough to folks. The 17 percent that we are talking about is the cost for the program. Not the administration of the program, but the costs that are incurred

by the members and the members are our employees or their dependents and those are for the medical services they receive. That's for hospital visits, doctor visits, prescriptions, surgeries, whatever they may be receiving. That's where the potential costs and expense has really grown significantly. So, it's not the administration that's being done by our service provider, but by the actual cost of the services that are received out there and the 17 percent as we put it in the slide is trying to keep the trust and trying to anticipate what those costs are going to be. And as I put in here, again, we had looked at a potential increase of four percent a year ago that was suggested by our consultant Gallagher, as well as our actuarial, but because we were trying to right size the trust and keep within a budgetary that was reason -- reasonable, the determination was with the -- surplus that we had at the time, we thought we could absorb that type of increase. Well, as you can see the increase has been significantly more than that. There has been a higher cost for those services than that four percent and that's where the gap is. So, now our estimates are running higher. So, based on those needs, based on those trends, that we are seeing, our actuarials and Gallagher are suggesting -- we don't have final numbers, but suggesting that we need to be anticipating potentially higher costs of those medical needs going forward. So, again, those are anticipating what the medical costs are going to be. That has nothing to do with the services for our administration through our provider with Blue Cross. So, direction was also asked about looking -- using the trust -- or can the trust use the city's procurement process, whether it be for a pulse check or whether it be through a RFP and our trust attorney is advised not to do that, that there should be some separation between how the trust functions and the city. He also felt that the trust -- that the city procurement -- again an RFP, which when you are looking for a -- when you are looking for actually a program like when we did the initial RFP for going out to a trust, is a more functional reason to do that. The rationale in the industry in using the other method, which is what they term a pulse check, is, again, you are looking at the service provider, because when you get a service provider you are paying service fees for administration and for stop loss, but you are also getting all those accesses that go with that. So, when you use that service provider that also gives you those accesses to the networks. That's really how most of those are all driven is predominantly on what network they have access to and what discounts that may be available through those networks, what services are provided through those networks. So, here our trust attorney is recommending we don't do that. We use Gallagher because that's the functions they perform. They are an industry expert. That would be the more likely or logical way to do it in his opinion. I asked Mr. Watts, our procurement manager, the same question and he also came to the same conclusion that it -- from a best practice standpoint in his opinion it made more sense to use a service like Gallagher. Again they are the industry experts. They know the programs that we have. They know the needs that our -- our particular work group has. They know the types of programs that are really more functional and usable for our employees and so they would be more able to help us evaluate the services that are available in the marketplace to match up with our needs. So, their recommendation would also be -- or his recommendation also would be to use them rather than through the procurement process. Again, the recommendation from the trust remain with Blue Cross currently for the duration of our contract. Gallagher would then market the services next year. So, the anticipation of 2027. We would go

and do a pulse check and to see what the services in the industry would be, what those would be to match up with the needs of our -- our customer base, our employees and make sure that we can maintain the level of services that they have been accustomed to, that meet the needs of their particular dependents and employees, so that we can continue to maintain a seamless service as we move forward into '27. The trust would then after we do that process would then come back again next year during the budget process to show the Council what we have done, what conclusion we reach, what evaluation we have done and what we recommend going forward for the next few years and likely -- well, hopefully, again, I don't know if the market changes slightly, but we would like to enter it in similar contracts where they have some price guarantees and some -- some -- at least some clarity and, then, for budgeting purpose for the future on the administrative side that we can maintain a fairly consistent rate of increase for those costs and keep them within kind of a reasonable market. You know, again, the other side, the medical piece is the one that's the hardest to predict and this is a table I had sent out to all the Council members and really it's just a -- kind of a benchmark that is used that was provided by our consultant as to kind of how you look at these two different types of methods and how you would look at from here where you are -- now you have a self-funded program, you already have that established, you have a program that's established and now you are going to be looking at this type of services that you are providing to your employees and their dependents and evaluating the services you are receiving for administering those, as well as the cost for those and what access and availability of that network can be for those different services and how that would, then, relate to the cost of the program. So, again, their recommendation is that in the industry the norm is to use that pulse check and evaluate the service providers, that way -- and not just do an RFP like you would do in a fully funded plan and that's the difference between them. With a self-funded plan like we have that's more of the standard. If you are doing a fully funded as we did in the past before we moved to this, that's what you did. That's -- you marketed the entire plan, because you aren't administering any of it. Here many -- most of the management of the programs, what we allow, what we don't allow, what's -- what's covered or when it's not covered is managed by the trust, not by the provider and that's the difference. There is also a higher cost normally with that as well. These are some of the costs in the past, just to give you kind of a snapshot. The one I wanted to draw your attention to primarily are the costs that you are seeing on the net cost for the coverage, as well as the net claims. I mean you get the significant in claims that you are seeing in 2024. The claims were eight million dollars and with fees 9.2 million dollars. I mean that's where the jump has been is in those net claims. That's where the big numbers are coming from and that's what they are looking at and trying to give us some estimate on the future costs on what it could be and what we are trying to anticipate in front of that. So, just a little -- a little table on what we have talked about, 2018, '19, fully insured. We had lesser employees than we do today. A larger amount paid in net costs and administrative fees. They were higher. That debt cost includes fees for administration, as well as stop loss and there is some premiums for that. Self-funded again less the net costs. So, you see the costs have come down in 2020 and gone down. The costs have come down some for those, because, again, some of the fees or administration is done differently under that. So again -- but there were more claims because of COVID and we had a lot of claims and

things that were being paid for that we -- were new, we had not anticipated. A lot of -- a lot of employers in that particular time period had costs, as well as Blue Cross did as well for things that, again, were new and unknown and things that we just had not anticipated at all. Again rebounding from COVID in '22 you see surplus in the trust in '23. That helped offset the proposed four percent increase. 2024 a larger spike in claims, far greater than the four percent. 2025 large claims again are driving the cost have impacted the surplus and reserves. That's where we are anticipating a budget amendment that we should be bringing forward here in the next couple of weeks to help make up that gap and to maintain what Department of Insurance is requiring that we keep as a reserve to maintain the trust and maintain that going forward. Carrier rates, again, proposed rates for medical and prescription claims are based on experience. They don't set the rates for those the carries through however sets administrative fees, which are shown here as net costs, which, again, includes the stop loss. I could talk a little about that in a sec and there was no increase to member cost share for their current plan, though claims costs that have been continued to increase. This is -- this is an issue that people need to keep in the forefront and I think we have talked about this a couple times. All of our employees do not pay any cost themselves for their coverage. That has not changed. That has been that way since I have been here. That's always been the same. So, you think you have a plan that's costing more money and there is no contribution from the employees for that, so that's going to have a higher cost. That's not going to -- that's -- that's a -- that's a decision -- a business decision the city has made and we have continued to make. Doesn't mean it can't ever change, but that's -- that's a business choice we have made. Also we have a contribution towards dependence and we changed that. It was 20 percent for a number of years. We -- it moved up to 25 percent for employees back during the recession in about '9 or '10 it moved up to 25 percent. We moved back to 20 percent in about 2017 or '18 and it's remained -- it's maintained that. Again, the plan has cost more. The costs have gone more. The contribution on the employee side has maintained the same. So, again, there is going to be a higher cost of those things. Again specifically the claims costs have gone up 30 percent and trend up and, again, the claims account for about 90 percent of the total cost of the self-funded plan. So, again, the cost of it has gone up significantly. In utilization year over year you can see there was a two million dollar increase in claims. Overall claims in '23 were 7.3 million. In '19 -- in 2024 9.3 million. Top drivers in those were cancer, gastrointestinal disorder, muscular -- muscular -- musculoskeletal disorder. In 2023 there were five members with more than a hundred thousand in claims. In '24 11. So, we have employees that -- employees or dependents that have increased in cost. Lots of reasons for that. Again one of our biggest drivers that we do tend to focus on is early detection. We want people to go out and find these issues early. They are more treatable early. They are less -- generally less expensive early. But they also are a longer time period of treating them as well. So, you are going to have those things. But, again, it's related to the plan and the cost for coverage. Stop loss again is the second -- is part of the administrative cost. We have evaluated our stop loss at 225,000 dollars we have had that evaluated -- two years ago? Yeah. Two years ago we had that evaluated to see if that was the right amount. Basically for those online that means the plan pays all of the costs for an individual up to that stop loss and after that we have reinsurance above that, so it's covered beyond that. That number is

one that we have evaluated a number of times. Do we make it lower? Do we make it higher? You know, lower it obviously -- there is a potential that you will pay higher fees and we have tried to evaluate and find that sweet spot and worked with our consultants with Gallagher to figure out where the majority of the claims land and I am not an actuarial and I am not an expert, we certainly have experts in the room if you want more specifics on that, but, ultimately, the decision was made is that seemed like the sweet spot for our program, that the number of claims below 225,000 dollars was of a right size, for lack of a better way of saying it, to make it practical and fundable to keep it at that number. To raise it higher you could certainly have lesser costs for reinsurance above that number, but that means you are going to pay again for every injury or every claim up to whatever the higher number is. So, we try to find that spot and that -- and that's probably -- probably one of the key components as we continue to evaluate how the trust functions or whether the number should move. So, I'm not going to say it's going to be 225,000 forever, but it could certainly go down or up depending on the marketplace and depending on the usage.

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: I'm curious about how our contract works. Is it itemized in a way that makes it easy to understand how much the reinsurance component is specifically -- and that's okay if that's a follow up.

Nary: Sure. Yes, I believe so. But I could not quote that to you off the top of my head.

Strader: I mean no different than like I'm totally peeved that my homeowner's insurance is going up and so have commenced discussions with my homeowner insurance provider why is this justified? Should we look at increasing our deductible. I feel like this is a similar exercise. You know, I would be curious -- I would just be curious to have more information about the contract and I think if -- try to put this in a diplomatic way. I think if the information about the contract itself was explained in our last meeting I think we would have had a little bit of a better discussion just because I didn't realize -- I think others did not realize that we actually had a fixed contract that would have a cost associated with it if we were to change directions; right? I don't actually think that a market pulse check is a real thing. I think it's something that we are doing. It's probably a great practice that we should do, but I fully support a market pulse checking regularly, I think that's awesome. But I really view this as more of a just -- this is a pretty straightforward conversation. It's like should we be going out to an RFP right now? Clearly the answer is no. If -- if our contract, you know, kind of keeps us from doing so it doesn't make economic sense. There are disruptions to our employees which you covered in the last meeting. So, I think it's good that we are kind of clearing this up, just so we have a lot of clarity just understanding what contract we have. I personally would like to actually see the contract and just have more information about, you know, the different components I guess of the service were being provided and I think the reinsurance question is a legitimate question to ask the next time we, you know, look at

-- look at this, which sounds like would be closer to heading to 2027. Okay. So, I guess that's my feedback so far.

Simison: Well, Bill, and you did point over your shoulder at Eli when you mentioned the word expert, so he can come up at any point in time and --

Nary: Thinking more of Scott, but Eli is always welcome to come up if he wants, but we can certainly keep going, unless you have a specific question you want to ask the consultants or Christena.

Taylor: Mr. Mayor?

Simison: Councilman Taylor.

Taylor: Quick question I was wondering, since we are kind of on the topic of 225,000. I'm assuming we don't have lifetime limits on claims. We just have a yearly max; correct?

Nary: Yes.

Taylor: Have you looked at what that would -- you know, if we were to have a lifetime max and, then, some reinsurance anything above and beyond that? Is that something that you guys have looked at?

Nary: If I recall I don't believe you can have a lifetime max --

Taylor: Okay.

Nary: -- anymore. But I don't recall. Yeah. I believe that's -- that's not allowed any longer. There used to be -- like, for example, in the past you would have plans that had like a million dollar max. That's no longer allowed, so there isn't that. Again -- so, go back on our earlier session, so 17 percent renewal was the highest projected. That's kind of the range we were given as a potential to look at from a market -- or from a budgeting standpoint. So, that's why we want to at least forecast out to the highest that potentially could be. We are still waiting on some final renewals for recommendations, so we haven't got that finalized as yet. Again to summarize the administrative fees and stop loss, don't drive the increase in costs, it's the two million dollar increase in claims. That's really where the numbers have really increased significantly. The renewal increase is three percent. That's how much our administrative fees are. They are approximately ten percent of the total cost of the plan is how much we are paying in fees. That's just, again, the stop loss and the administration fees for the third -- it's called third-party administration. I broke out a couple of bullets on kind of explaining those more granularly, just on how much they are per person, how they are -- how they are calculated and what we are paying for and how much that is. Again, if we want to go into more detail you can or if you want to ask folks that are smarter than me on this subject they are here and hopefully can answer that for you. So, that's what we are

looking at. I mean, again, the cost -- and I know the concerns that have been raised about the cost are really driven by the market that's out there and, again, we have -- we do get discounts, we do have programs. I had a person in the last week said, you know, they had -- again we have pushed these programs off into folks, but as I was stating to you last -- last time people tend to not think of these things until they need it and sometimes because they don't think of it in the moment when they get scheduled for something or they have a recommendation or referral to do something and all we try to do from the trust standpoint is remind folks there is other options you may want to look at and I will tell you from a member -- as a board member and as our board has said many times I never want people to not go get -- go to the doctor, go get treatment, take care of themselves. That's absolutely important. But if there is options and opportunities for them -- and, again, recently a person spoke to me about it and said I had -- I had forgot about the smart shopper program. I forgot that existed and they had to go in for a procedure and they said because we had talked about it again it was at the forefront of her mind, she knew she had to enter this procedure, she got it booked, she called smart shopper, what can I do? They said we can get this booked from this one provider in one location to another one across the street. They go in and pay for it, you know, run your card whatever and in two weeks we will send you a rebate check. You will get your money back for going to do that. It will be discount -- essentially discounted to you for doing it and she's like that sounds like a win. It took five minutes. Five minutes on the phone. It was done. It was easy. But we happened to have talked about it a lot and so she knew about it and she used it. I asked her -- our provider -- I asked Gallagher and Blue Cross recently can we do more? What are we missing as a -- as a trust? What can we do better? And, frankly, they said I don't know what more you can do better than what you are not -- what you are already doing and we discussed it a lot, how do we remind folks what's there? The opportunities that exist, the ways to make programs cheaper, the way they could use it sooner, because one of the things that I think happens a lot when we have a flexible spending account like we have for employees today, if you go to the doctor in January and they tell you you are going to need whatever and it costs a hundred dollars, you will think I will just -- here is my card, run the hundred dollars and I'm good. But, then, in November if you needed that if you used up your flex spending you might remember, hey, we got the smart shopper thing. I better -- maybe I will go look at that and save me some money. Well, you could have done the same thing in January, but sometimes you don't think about it, because you just think I will just run the card and I won't worry about it. Well, you think about it and you try to make people smarter consumers. They may use it sooner. They may use it more often. It may become second nature. And, again, we are hopeful as we try to keep reiterating this with our employees, they also tell their coworkers who, then, also tell their spouses, because that's really where the access we are trying to keep pushing towards is getting your dependents to use that, too, to use that opportunity. It will save money. It saves them money and saves the plan money. But we keep pushing it, we keep trying to do it, and for the size of a program, for the types of issues that we have -- employees have it just costs money. It just does. So I don't have -- I wish I had a greater answer and I will say the same thing I said to folks. If there was a magic bullet we would all use it. If there was a fix that was easy we would just do it and, unfortunately, there isn't. But, hopefully, that puts the rest -- some of your

concerns or some of the questions you have -- we certainly can provide you the contract. That's not an issue. Again, we will re-evaluate as we do next year as we go forward and, you know, again, our objective always is -- from the trust standpoint is to provide a good program at a practical cost for the employees, as well as for the citizens of our community to provide this service and make sure that we remain competitive. I mean this is -- and I think the Mayor has said this to our employee groups, when people come to work here that is one of the number one things they ask about. What kind of benefits do we have? What's it going to cost me? How do I cover my family and for retain -- for recruiting people and retaining people it is critical and that's again a factor we evaluate to -- to make sure we can meet those needs for the city and the employees.

Simison: Bill, maybe a question that you can confirm, deny or otherwise.

Nary: Okay.

Simison: Part of our -- is part of our administrative costs that we pay basically getting access to the negotiated contracts of that company for the services we receive?

Nary: Yes.

Simison: And so -- I think that that's kind of one of the value benefits that are out there, that will be -- how do you articulate the value of those negotiated contracts? And I think it's going to be the biggest question if you were looking for value on what claims we are paying and I think that's the potential savings in the future or -- or not savings. We could have the best savings based upon our current usage or there could be someone better, but there is also, obviously, the case of, you know, that's just if we understand in the same arena. There is also the -- if we want to look at controlling costs other ways as we kind of talked about, plan design changes, et cetera. I think those are questions for Council moving forward is if you have a dollar expectation that you say how much should the trust live within, they are going to do the work based upon that information that is provided if we need to get into that conversation moving forward, but that wasn't for today. I just at least want to ask -- just get clarification on that very first part. That's part of what we are buying with the administrative is all the work they do to negotiate on behalf of their clients for the fees that are paid.

Nary: Yes.

Simison: Okay. Councilman Cavener.

Cavener: Bill, thank you. I think this is the either a third or fourth presentation, the most robust that addressed questions that I had and questions I didn't know I had until you presented the information. So, thank you for that. I did want to give you a chance, though, to at least respond to -- there were some additional questions I had sent -- the e-mail in response to the e-mail that you had sent Council Member Strader and I think specifically talking about why it took a significant amount of time for Council to be

informed that we had a price lock to begin with. I think that could have addressed a lot more of the questions that we had early on if someone would have informed us of that. It just -- it's been a head scratcher for me as to why no one will tell me why nobody informed us of this and I'm hoping you can give me some context.

Nary: Sure. I can give you -- I can give you some context from my perspective. I don't know if it will answer your question. From my perspective our intent to come here was to prepare the Council to understand where the program is, because we are going to ask for a budget amendment. That was the only intent from the outset. We weren't here to talk about remarketing. We weren't talking about RFPs. We aren't here about any of that in my mind. We were talking about where are we? There was an increased cost to the program and that increased cost was going to lead to a need for a budget amendment, because we were -- we had a deficit in our -- in our reserve and that was the only focus of my intent the first time we came. That's what we are here to talk about. When that was brought up on -- what if we did this, when we went back and looked -- I think Christena actually came up and said I will have to go look at that. It wasn't in the forefront of her mind. So, I'm not -- it wasn't intent to do anything other than -- that really wasn't what we were thinking about or talking about and when we went back to evaluate, well, could we do that, because that's now being asked, well, the question was, well, yes, but there is a cost and there is price and so it just wasn't on our forefront, councilman, that's just all it was, that we were here really to just prepare -- to explain kind of where we are, to explain why we, then, need a budget amendment. So, that was the only reason.

Cavener: I appreciate your response. Bill, you -- Mr. Mayor, a couple more questions.

Simison: Councilman Cavener.

Cavener: Bill, you said we have got somebody from -- from Gallagher?

Nary: Uh-huh.

Cavener: I do have a couple of questions for them --

Nary: Sure.

Cavener: -- if they are online or here in person.

Nary: Oh. Scott's here in the audience.

Cavener: All right. it's Scott?

Howell: Yeah. Scott Howell.

Cavener: Scott, thank you for being here. I appreciate it and I think that Council Member Strader -- your subject matter expertise is very very helpful. So, my questions

are about really government based self-funded plans and -- or self-funded trust. Excuse me. And like Council Member Strader, the term pulse check was something I had never heard of before. I have to be honest when I talked to our -- our purchasing agent Keith Watts a couple of days after that and he is like the best purchaser in the state, he had never heard of that term as well. So, it has been also a head scratcher for me and when I hear the feedback from our legal attorney and, then, I think from feedback of the trust legal attorney, I'm going to make an assumption, then, that zero of the government funded trusts that you represent either follow government based procurement procedures or go out for RFP. Can you answer that? Is my assumption correct or incorrect?

Howell: Sorry, that they -- they either follow --

Cavener: Zero -- zero government funded trusts --

Howell Uh-huh.

Cavener: -- follow their city procurement process and refrain from going out for RFP. They go out for the market pulse check and if that is -- if my assumption is incorrect, then, I would like to know what percentage follow municipal or government based procurement processes, because we just heard from the attorney representing the trust that we should not do that and I need to understand why and, again, we are told that this market pulse check, which something is very foreign to me, is the best practice. I would assume that a hundred percent of them would be using the market pulse check.

Howell: Yeah. So, a hundred percent of our -- of our government self-insured trusts do their own procurement. They do not use the municipality's procurement department to do their procurement. The market check or pulse check -- really it's just -- and I think I saw this in one of your notes. It's really just a less formal RFP, less questions, less of a scoring rubric, relies more on our working relationship with the limited number of partners that exist in our market and it's -- it's more financially driven; right? What -- what are your discounts? What are your administration fees? What are your stop loss? We know the -- their capabilities, because we work with all the -- all the vendors in this market with several clients and so it -- a lot of the -- the procurements that I have seen that are done by a procurement department have a lot of questions to gage the capabilities of the --

Cavener: Certainly.

Howell: -- vendors that you are working with and because we know that it -- it requires a little bit less formality in the -- in the purchasing and so that -- that pulse check isn't -- as you have mentioned it's not like a broadly used term in the market. I think it came up in a meeting as just kind of a less formal RFP market check and --

Cavener: And so -- Mr. Mayor?

Simison: Councilman Cavener.

Cavener: Is it 80 percent of those that you represent use the pulse check? Fifty percent?

Howell: I think it, frankly, depends on their situation; right? If they are -- if they are really comfortable with the partners that they have and they are just wanting to make sure that it's financially competitive, it -- it's really that less formal market check process. If there are major cost or service issues, then, that generally -- generally leads to a more formal RFP process in anticipation of probably a bigger move. And percentage wise, again, because it's just conditional on -- on the situation, I don't have a percentage for you.

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: Yeah. So, you know, this is interesting, because I have been trying to wrap my head around this. I understand that the trust is a separate legal entity from City of Meridian tracking there, but I'm still really perplexed that we are unable legally to use our own city procurement department to run an RFP process in the future. Like I just find -- I find that very perplexing, because it just feels like -- like kind of just like a waste. I mean I see Keith back here, he is the best of the best. I want him to look at every single RFP we ever do. Like I -- you know, I really trust his team. I -- you know, I trust his approach to things. So, I guess maybe I just -- not to like needle you guys anymore about this, I just have more of just an ask, which is before we get to 2027, when it's the appropriate time for us to do an RFP, I would like us to just really take a hard look. Is there a way we can leverage our procurement division to assist with this? Are there some guardrails, you know, like a wall we could put up between certain individuals and procurement? Is there a way to do this so that we can leverage the expertise within our procurement department to at least be looking at everything, just because I -- I just feel like it's just a huge waste to me. I think Gallagher is probably doing an okay job, but, you know, I haven't like assessed your performance or something on this, but I -- I just feel like we have this amazing internal resource. I just find it kind of shocking that we can't find a way to use that resource to kind of check what we are doing. So, I don't know, that's just something I wanted to throw out there. I would like us to explore that more. You know, we have plenty of time. We have got like a year. I would like us to explore that more and really understand that and is there a way to, you know, make sure that, you know, even if they are not directly doing it that they can weigh in on it at a minimum or review or maybe there is a way that they could do an RFP if there are some guardrails put in place. You know, that's just me talking out loud, but that's probably the most surprising thing that I have heard that doesn't make a ton of sense to me. So, I'm just sharing, but -- yeah.

Taylor: Mr. Mayor?

Simison: Councilman Taylor.

Taylor: Just have a couple of questions. One question I was wondering about a little bit -- and this is kind of dovetailing off of some of the questions just previously. As a separate entity do we use -- is Gallagher essentially the staffing support for the trustees as they look at that or do we use city staff or HR in other capacities to support the trustees? I understand -- kind of separating a little bit from the RFP process, but also it's the same. I'm kind of curious, do we use city staff for your staffing needs as beneficiaries or as the trustees of the -- of it or is Gallagher essentially kind of the contracted staff? I'm kind of wanting to understand the relationship just a little bit more.

Howell: Yeah. Yeah. We -- Gallagher is contracted for subject matter expertise and -- and -- and some work to support the trust and, then, the HR department also provides a lot of support to the -- to the trust as advisors I guess. Oh. Sorry.

Nary: So, maybe I can help answer that a little bit. So, primarily the support for HR is because, again, that's the employee contact; right? So, the employees for all the services that are needed use HR as their contact point for any of those things. So, HR does work with Blue Cross, Delta, Willamette, VSP for all of the services that are provided; right? Those are city benefits. So, the trust is there to help manage the program, help create the program, help keep the cost of the program in some level of control and oversee that piece of it, but the administration of it is done by HR and the HR staff. So, Christena, for example, although she's a senior HR generalist, is on the board as a board member, not as an HR representative, but as a board member. Reba, though, does work for HR and her job in benefits is to help again make sure the benefits are being administered correctly through our vendors and maybe I can go back and answer Council Member Strader's question. When I talked to Kevin West he did not say we cannot use the city's process. His recommendation was we should avoid that if we don't -- if we don't need to, if it can be done other ways, because, again, the Department of Insurance likes to make sure there is some separateness to the entity of the trust from the city and the challenge that you have on an RFP is because it's a much more static and a little bit little more static process kind of sometimes answering the questions like the Mayor asked, like how do we evaluate the services that can be provided by this vendor versus that vendor and try to put that into some level of questionnaire and do that? I actually spoke to one of my -- or one of our deputies who recently joined us actually was involved in the state process of that and said it was incredibly complicated to do that through an RFP, because, again, they had no slate to start with, they had no program to start with, so it really was tell us what you can do for us. Here we have a program. We already have something that works for the employees that Gallagher is intimately aware of how it functions and so that's why his -- Mr. West's recommendation was you should use that, that's -- that's you -- that's your best actual resource is the people that understand how this works and, again, not that Mr. Watts and his group don't understand the procurement process, but they don't work intimately with this program. So, it's a little different. That's all. I mean -- so, I just want to make sure -- he didn't say it's like illegal -- illegal to do it or it's not legally okay, it's not recommended. I mean this -- again the state has been pretty clear that they expect to see some

separation between the trust function -- originally when we were setting up the trust the question was asked can a council member be on the trust board and the State Department of Insurance said, no, they can't, because that's a funding entity, it's separate and apart from the trust and they felt that was not okay and their reading of their own rules said no. So, they want to maintain some level of separation. So, again, we will evaluate that, Council Woman Strader. I don't have an issue with it. Again, I'm just -- again, I'm not an expert. Scott is. Other folks are. We are going off the advice that we are getting recommended as to how we should function and make sure we stay in good graces with Department of Insurance. We do maintain the best -- you know, the best program for our employees and make sure that, again, there is some connectivity between HR and what the employees are needing.

Taylor: Yeah. That's very helpful. I appreciate that. And, Mayor, just one question --

Simison: Councilman Taylor.

Taylor: -- just a kind of a simple question. We have entered into two three-year rate guaranteed contracts. Is that a rate guarantee for the administration fees for a set period of time? Is that -- just want a cut and clear --

Nary: Yes.

Taylor: Okay. Thank you.

Simison: And I think just for clarification generally, like as was said, the trust can do an RFP. You could write an RFP and you could have Keith review it in that content. I mean there is -- there is -- it's just what entity is putting out an RFP for review is -- I'm going to say 95 percent of the question. Whether or not you want to do it as one. Who puts it out and does the evaluation compared to going through the city's processes, so --

Whitlock: Mr. Mayor?

Simison: Councilman Whitlock.

Whitlock: Scott, thanks for being here and full disclosure, company I work with works with Gallagher and they help broker the health benefits for our employees. So, I'm familiar with the work that you do and I see the comparison and this whole pulse check is a term of art that probably none of us were really familiar with, but you know what you provide for our company. In my mind that sounds a lot like a pulse check, because you take our current plan and, then, you compare it to virtually everything else that's offered out in the state and we can look at gold and silver and platinum and titanium and zirconium that's offered by everybody else and we can see their deductibles, their out of pocket, their prescription, their 30 day, their 90 day, mailed, all of that and we can do, then, the comparison as a company and I would assume the same as the trust and we can say we want to stay with what we have or we want to pay more and get this or we want to pay less and get fewer benefits. Is that the pulse check that we are talking

about where you are able to just take a -- an environmental scan of what's out there, compare it with what we have, versus in my mind an RFP is kind of going out clean slate, tell us what you can do for us, like -- like Mr. Nary said. Is there a difference in the term of art between the RFP and the pulse check?

Howell: No. I think you are -- I think you have got the -- kind of the difference and, again, that that pulse check term I think came up in a meeting -- like it's not a market standard term or anything, I think it just came up in a market check or pulse check -- like just that whole idea is, yeah, we know what we have, we know what our options are. We go to the -- to the vendors who we know can provide what we need. Say here is what we have, what can you do for us, versus an RFP where you need to get more information about maybe vendors that are unknown or to your point plans that -- that aren't set and you are asking for more -- more input there.

Simison: And maybe -- maybe we -- can we just get rid of the word pulse check. I mean like I say I just did a benefits market check Google search and AI came back and basically described a hundred percent of what we are talking about. So, if we can just call it a benefits market check moving forward it -- at least is a term of art that AI understands in that context.

Howell: And, frankly, in our office, as we do work for clients, it all -- it all kind of falls under the umbrella of an RFP still, like it's just -- the level of questions that you are asking in the RFP, the kind of -- the level of formality. So, it's a lot of the same thing.

Simison: Any additional questions, comments?

Taylor: Mr. Mayor?

Simison: Councilman Taylor.

Taylor: Make a comment, not a question. As a -- someone who has been self-employed for over five years, who purchased my own plans and benefits on my own and, then, coming to the City of Meridian, we just -- we really do have a tremendous benefit that we offer our employees and so I compliment the Councils and the Mayor and the trustees, all the work that's been done across the board. It's a really tremendous benefit and I think to your point as employees understand the value that we provide I think it's -- it's very very helpful, because we do provide a really really great set of benefits all around and I think -- I want to compliment everyone who is involved in that process all along the way, everything from Bill and trustees to HR and decisions made at the city leadership level over the past few years.

Nary: Thank you. And I appreciate that and I will at least add to that one point is, unfortunately, the most difficult thing is that people realize the value when they are leaving and they say now you have to pay for the whole plan yourself and it's no longer covered the same and they realize how much is that? How much do I get -- how much

is mine? How much is my family? So, trying to get that in front of them before that is what we strive to do.

Simison: Thank you very much. Appreciate everyone being here this evening for the conversation.

Nary: Thank you.

ORDINANCES [Action Item]

- 7. Ordinance No. 25-2085: An ordinance (Summerlin West Subdivision – H-2024-0023) annexing all of Lots 2 and 3, Block 1, Laredo Estates Subdivision as filed in Book 58 of Plats at Pages 5500 and 5501, records of Ada County, Idaho and unplatted portions of the southwest quarter of Section 5, Township 2 North, Range 1 East, Boise Meridian, Ada County, Idaho, more particularly described in Exhibit “A”; rezoning 63.965 acres of such real property from RUT (Rural Urban Transition) to R-8 (17.274 acres) (Medium-Density Residential) and R-15 (46.691 acres) (Medium-High Density Residential) zoning districts; directing city staff to alter all applicable use and area maps as well as the official zoning maps and all official maps depicting the boundaries and the zoning districts of the City of Meridian in accordance with this ordinance; providing that copies of this ordinance shall be filed with the Ada County Assessor, the Ada County Treasurer, the Ada County Recorder, and the Idaho State Tax Commission, as required by law; repealing conflicting ordinances; and providing an effective date.**

Simison: With that we will move on to Item 6, which is Ordinance No. 25-2085. Ask the Clerk to read this ordinance by title.

Lomeli: Thank you, Mr. Mayor. Ordinance No. 25-2085, an ordinance, Summerlin West Subdivision, H-2024-0023, annexing all of Lots 2 and 3, Block 1, Laredo Estates Subdivision as filed in Book 58 of Plats at Pages 5500 and 5501, records of Ada County, Idaho, and unplatted portions of the southwest quarter of Section 5, Township 2 North, Range 1 East, Boise meridian, Ada county, Idaho, more particularly described in Exhibit “A”; rezoning 63.965 acres of such real property from RUT to R-8, 17.274 acres, Medium-Density Residential and R-15, 46.691 acres, Medium-High Density Residential zoning districts; directing city staff to alter all applicable use and area maps as well as the official zoning maps and all official maps depicting the boundaries and the zoning districts of the City of Meridian in accordance with this ordinance; providing that copies of this ordinance shall be filed with the Ada County Assessor, the Ada County Treasurer, the Ada County Recorder, and the Idaho State Tax Commission, as required by law; repealing conflicting ordinances; and providing an effective date.

Simison: Thank you. Council, you have heard this ordinance read by title. Is there anybody that would like it read its entirety? If not do I have a motion?

Taylor: Mr. Mayor?

Simison: Councilman Taylor.

Taylor: I move that we approve Ordinance No. 25-2085.

Little Roberts: Second.

Simison: Have a motion and a second to approve Ordinance No. 25-2085. Is there any discussion? If not Clerk call the roll.

Roll Call: Cavener, yea; Strader, yea; Overton, yea; Little Roberts, yea; Taylor, yea; Whitlock, yea.

Simison: All ayes. Motion carries and the item is agreed to.

MOTION CARRIED: ALL AYES.

FUTURE MEETING TOPICS

Simison: Council, anything under future meeting topics or a motion to adjourn?

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: Mr. Mayor, got a big speech this week. Just want to let you know how much we support you and looking forward to hearing you provide our community with an update at your annual State of the City. Apologies I won't be there in person. Watch it online.

Simison: Thank you very much. Yeah. It can stream from any airline anywhere.

Cavener: I made sure to buy the premium WiFi. I want to be able to hear it in its entirety. Mr. Mayor, with that I move we adjourn the meeting.

Strader: Second.

Simison: Motion and second to adjourn the meeting. All in favor signify by saying aye. Opposed nay? The ayes have it. We are adjourned.

MOTION CARRIED: ALL AYES.

MEETING ADJOURNED AT 7:35 P.M.

(AUDIO RECORDING ON FILE OF THESE PROCEEDINGS)

_____	____/____/____
MAYOR ROBERT SIMISON	DATE APPROVED

ATTEST:

CHRIS JOHNSON - CITY CLERK