

## **Committee-of-the-Whole Agenda**

**6:30 p.m.**

**Tuesday, December 11, 2012**

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### **Informational**

- ASA National Tournament (Laura Duran, Parks Recreation Director)
- Depot Funding Update (Neil Dahlstrom, Moline Preservation Society)

### **Questions on the Agenda**

#### **Agenda Items**

- 1. Purchase of a used motor grader for the Streets Section of Municipal Services** (JD Schulte, Fleet Services Manager)
- 2. Purchase of two used vehicles for the Police Department Street Crimes Unit** (JD Schulte, Fleet Services Manager)
- 3. Approval of an Agreement with United Healthcare to provide administrative services and reinsurance for medical and prescription claims.** (Alison Fleming, Human Resources Manager)
- 4. Approval of an agreement with Midwest Group Benefits to provide administrative services for dental, vision and flexible benefit claims.** (Alison Fleming, Human Resources Manager)
- 5. Approval to declare the Information Technology equipment listed below as surplus property.** (Nate Scott, Information Technology)
- 6. Other**

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# Explanation

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## 1. Purchase of a used motor grader for the Streets Section of Municipal Services (JD Schulte, Fleet Services Manager)

**Explanation:** The vehicle replacement plan has funds allocated for the purchase of a replacement motor grader to be utilized for snow operations and seal coat street maintenance and repair by the Streets Section. Because of factors related to the utilization and depreciation, it has been determined that a used unit would be the most advantageous approach for the community. Funds have been budgeted in 2013 to replace the current 31 year old unit with a good, used newer generation model. Fleet Services is requesting authorization to spend an amount up to the budgeted amount for a used replacement motor grader, plus trade in or disposal proceeds. The current grader will be traded in or disposed of by sealed bid during this process.

**Staff Recommendation:** Approve  
**Fiscal Impact:** \$160,000.00 budgeted in Account #448-0867-437.07-03.  
**Public Notice/Recording:** N/A  
**Goals Impacted:** Desirable Place to Live, Quality Neighborhoods, Financially Strong City

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## 2. Purchase of two used vehicles for the Police Department Street Crimes Unit (JD Schulte, Fleet Services Manager)

**Explanation:** The vehicle replacement plan allocates funds for the purchase of vehicles to be utilized in covert investigations by the Street Crimes Unit of the Police Department. \$34,015.00 has been budgeted in 2013 to purchase two replacement vehicles. Two vehicles will be reassigned in the fleet or disposed of by the means most advantageous to the City during the process.

**Staff Recommendation:** Approve  
**Fiscal Impact:** \$34,015.00 budgeted in Account #448-0867-437.07-03.  
**Public Notice/Recording:** N/A  
**Goals Impacted:** Desirable Place to Live, Quality Neighborhoods, Financially Strong City.

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## 3. A Resolution authorizing the Mayor and City Clerk to execute an Agreement with United Healthcare Services Company of the River Valley (United Healthcare) to provide administrative services and reinsurance for medical and prescription claims for a one year period commencing on January 1, 2013. (Alison Fleming, Human Resources Manager)

**Explanation:** United Healthcare currently provides claims administrative services and reinsurance for the City's health benefits plan. Expected fixed costs for 2013, including reinsurance, for these services increased by 6.1% Expected claims are projected to increase resulting in a total increase in cost of 9.4% for medical and prescription benefits for 2013. This is in line with the predicted industry increases of 9-11% for governmental organizations with more than 500 members enrolled. Additional documentation attached.

**Staff Recommendation:** Approve  
**Fiscal Impact:** Budgeted in the Health Fund.  
**Public Notice/Recording:** N/A  
**Goal Impacted:** Financially Strong City

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4. **A Resolution authorizing the Mayor and City Clerk to execute an agreement with Midwest Group Benefits to provide administrative services for dental, vision and flexible benefit claims for a one year period commencing on January 1, 2013.** (Alison Fleming, Human Resources Manager)

**Explanation:** Midwest Group Benefits currently provides claims administrative services for the City's dental, vision and flexible benefits plans. The annual administrative costs for these services total \$30,839.00, which reflects no increase over last year. Additional documentation attached.

**Staff Recommendation:** Approve  
**Fiscal Impact:** Budgeted in the Health Fund.  
**Public Notice/Recording:** N/A  
**Goal Impacted:** Financially Strong City

5. **Approval to declare the Information Technology equipment listed below as surplus property.** (Nate Scott, Information Technology)

**Explanation:** The below-listed equipment was acquired by the Information Technology Department in previous years and is no longer being used. The copiers have been replaced with new ones and the servers have been replaced with virtual technology or hosted services. Staff is requesting that it be declared as surplus property and disposed of by the Finance Director through the legal disposal process that is most advantageous to the City, whether sealed bid, auction, negotiation, or otherwise. Additional documentation attached.

A = 1631	Minolta copier – Law Dept.
A = 1652	Canon irc6800 copier –City Hall - 1 <sup>st</sup> Floor
S/N = JJM00404	Canon irc6800 copier – City Hall - 2 <sup>nd</sup> Floor
S/N = 2198E	IBM as400 server
S/N = EBMPKJNZ37	HP ProLiant server (SVCHX3)
S/N = 2UX62300RR	HP ProLiant server (SVCHLF1)
S/N = EBCZLJC12J	HP ProLiant server (SVITNAS1)
S/N = M003LGPG2P	HP ProLiant server (SVCHESXB)
S/N = M00CLGPG2P	HP ProLiant server (SVCHTS2)

**Staff Recommendation:** Approval  
**Fiscal Impact:** Funds from any sale will enhance IT reserves.  
**Public Notice/Recording:** N/A  
**Goals Impacted:** Financially Strong City, Improved City Infrastructure and Facilities



29 November 2012

Alison Fleming  
Employment Services & Risk Manager  
City of Moline  
619 – 16<sup>th</sup> Avenue  
Moline, IL 61265

RE: 2013 Renewal Service Fee Rates under the Administrative Services Agreement (“ASA”)  
between UnitedHealthcare Service Company of the River Valley and City of Moline, Contract  
No. 07PB, 07PC, 07PD, 07PE, 07PF & 07PG

Dear Alison:

This letter is confirmation of your Renewal Service Fee rates.

The Renewal Service Fee Rates are attached as Exhibit A.

If you have any questions about the enclosed attachments, please feel free to contact me at 309-736-4649.  
Please file this letter and its attachments with your ASA.

Thank you,

Mark Fish  
Strategic Account Executive

Attachment: (Exhibit A )

## EXHIBIT A

### THE AMENDED FINANCIAL TERMS ARE AS FOLLOWS:

This Exhibit A shall not alter, vary, or affect any previously agreed to financial terms that are not amended by this Exhibit A.

#### Administrative Services Agreement

**Contract No.: 07PB, 07PC, 07PD, 07PE, 07PF & 07PG**

**Contractholder: UnitedHealthcare**

**The following financial terms are effective for the period 01 January 2013 to 31 December 2013.**

**The standard service fees are as follows:**

Medical: V31234POS, V31236POS, V31267	Pharmacy: V22343BCP, 10/20BCP
Network: 0005, 0032	Chiropractic: V21274, V21276
	Vision:
	Hearing:
	Dental:

**Administrative Fees and Stop Loss Expenses:** Group agrees to pay the following Administrative Fees in accordance with Section 10.1 of the Agreement and Stop Loss expenses in accordance with Section 4:

\$35.10 PEPM Administrative Fees  
\$25.74 PEPM Specific Stop Loss\*  
\$ 4.28 PEPM Aggregate Stop Loss\*  
\$00.00 PEPM Stop Loss Administrative Charge  
\$65.12 Total costs PEPM

This total cost include PBS, as per the Group's election.

**Pharmacy Rate:** Group's contract rate for prescription drugs obtained through the home delivery Network Pharmacy for generic drugs is AWP-57%, excluding specialty drugs. Group's contract rate for prescription drugs obtained through the home delivery Network Pharmacy for brand drugs is AWP-24%, excluding specialty drugs. UnitedHealthcare uses First DataBank's national drug data file as the source for AWP information. UnitedHealthcare reserves the right to revise the pricing and adopt a new source or benchmark if there are material industry changes in pricing and methodologies.

**Claims Expenses:** Group agrees to pay UnitedHealthcare weekly for the total dollar amount of the Claims Expenses processed and paid by UnitedHealthcare, as well as all associated capitations, in accordance with Section 10.2 of the Agreement.

**Claims Processing:** UnitedHealthcare will process the claims received from a Network Pharmacy in accordance with the Summary Plan Description, as well as the pricing and other terms of the Network Pharmacy's participation agreement. UnitedHealthcare will retain the difference between what UnitedHealthcare reimburses the home delivery Network Pharmacy and Group's payment for a generic prescription drug product.

**Minimum Employer Contribution Requirement:** Group must contribute a minimum of 50% of the employee only premium. If UnitedHealthcare is offered along with competing carriers, employee contributions to UnitedHealthcare Plan cannot exceed those of any competing plan(s).

**Employee Participation Requirement:** A minimum employee participation level of 75% is required.

\*If Group purchases stop loss coverage through UnitedHealthcare Insurance Company of the River Valley, Inc., these expenses shall be invoiced as a stop loss expense and are listed here for illustrative purposes only.

## Addendum to Administrative Service Agreement

Between Midwest Group Benefits and the City of Moline

Effective January 1, 2013

### Administrative Fees

#### Dental and Vision

\$250.00 Annual Compliance Fee

\$3.00 per participant per month

#### Flexible Benefit Plan

\$500.00 Annual Compliance Fee

\$4.25 per participant per month

\$12.00 Annual debit card fee (optional)

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Signature  
City of Moline



\_\_\_\_\_  
Signature  
Midwest Group Benefits, Inc.

\_\_\_\_\_  
Date

\_\_\_\_\_  
11.28.12  
\_\_\_\_\_  
Date



## FIXED ASSET DISPOSAL FORM

**TO REPORT ASSETS TRANSFERRED TO ANOTHER DIVISION OR DEPARTMENT, ASSETS SOLD, TRADED, ABANDONED OR OTHERWISE TAKEN PERMANENTLY OUT OF SERVICE.**

**PLEASE FILL OUT ALL ITEMS THAT APPLY AND ARE KNOWN. SIGN AND DATE FORM AND FORWARD TO ACCOUNTING AS SOON AS POSSIBLE AFTER DISPOSAL.**

**ASSET NUMBER: SEE ATTACHED LIST**

**ASSET DESCRIPTION: ATTACHED LIST**

**DATE OF DISPOSAL: PENDING CITY COUNCIL APPROVAL**

**DISPOSAL METHOD: METHOD MOST ADVANTAGEOUS TO THE CITY**

**BUYER:** \_\_\_\_\_

**CASH OR TRADE IN RECEIVED:** \_\_\_\_\_

**ORIGINAL COST:** \_\_\_\_\_

**COMMENTS:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**FORM PREPARED BY: Nate Scott**

**DATE: 11/1/12**



IT Fixed Asset Deletions - 2012

<b>Asset/Serial#</b>	<b>Asset Description</b>	<b>Original Cost</b>	<b>Purchase Date</b>	<b>Condition</b>
A = 1631	Minolta copier –Law Dept.	10,495.00	06/22/2001	Poor
A = 1652	Canon irc6800 Copier –City Hall - 1 <sup>st</sup> Floor	16,995.00	05/08/2006	Poor
S/N = JJM00404	Canon irc6800 copier – City Hall - 2 <sup>nd</sup> Floor	13,000.00	11/08/2004	Poor
S/N = 2198E	IBM as400 server	57,097.49	01/01/2005	Good
S/N=EBMPKJNZ37	HP ProLiant server (SVCHEX3)	8,000.00	06/30/2006	Good
S/N =2UX62300RR	HP ProLiant server (SVCHLF1)	8,000.00	06/30/2006	Good
S/N =EBCZLJC12J	HP ProLiant server (SVITNAS1)	????	????	Fair
S/N=M003LGPG2P	HP ProLiant server (SVCHEX3B)	????	????	Fair
S/N=M00CLGPG2P	HP ProLiant server (SVCHTS2)	8,000.00	06/30/2004	Fair