



Meeting Minutes - Final

City Council

Monday, December 21, 2015

4:00 PM

Conference Room

Work Session

Call to Order

Council President Wayne Trawick called the Work Session to order at 4:01 p.m.

Roll Call

All Council Members were present with the exception of Council Member Vera Quaites, who arrived at 4:03 p.m. Also present were: Mayor John Koniar, Mike Thompson, Vickey Southern, Katy Taylor, Steve Smith, Sandra Pate, Jeff Rouzie, Miriam Boutwell, LaDonna Hinesley, Darrell Russell, David Wilson, Joey Darby, Chad Christian, Taylor Davis, Heyward Hosch, David Vosloh, Kate Embry, Janay Dawson, Miranda Bell and press representative Allison Woodham (Onlooker).

Present: 5 - President Wayne Trawick, Council Member Vera Quaites, Council Member Ralph Hellmich, Council Member Rick Blackwell and Council Member Charles Ebert III

Discussion Items

[15-0738](#)

Report on Cumulative Health Care Savings Since Going Self Insured.
(This is a discussion item only).

Attachments: [Self Insured Saving Report by Fiscal Year.pdf](#)

Human Resource Director Sandra Pate reported the City of Foley became self insured in late 2008. The City used to pay Blue Cross Blue Shield a premium for every employee. The City decided to be their own insurance company. The City pays 100% of every claim. When an employee goes to the hospital, have surgery, or goes to the doctor, the city pays 100% of that health care claim. The City pays Blue Cross Blue Shield a percentage to administer those claims. We use Blue Cross Blue Shield's data and compare it to what the City would have paid in Blue Cross' premiums. Since January of 2009 when we started measuring the saving until 2015 the City saved \$3,203,618.73. The City budgets health care costs every year but do not budget the savings so we don't see a savings in the budget. If we were not self insured we would have to be budgeting the additional costs for premiums. Councilman Hellmich asked if the administrative costs were included. Ms. Pate reported the administrative fees and all other fees are included in the budget. It captures dental and reinsurance. There is \$500,000 set aside in a restricted fund for a catastrophic incident.

Mr. Thompson asked if Ms. Pate saw a correlation to the clinic opening. Ms. Pate reported the City just finished the first year of the Employee Health Care Clinic. Healthy employees and dependence means reduced health care costs for the City. The also look at the savings on the clinic. The City pays \$79 per clinic visit per employee and/or employee's dependant. The City would pay an average of \$217 per doctor's visit. On this metric if you look at FY14 and FY15 there would be a savings of approximately \$306,000 since the inception of the clinic.

Ms. Pate further reported the City is also paying for the wellness program so the employees are healthy so they don't pay as many clinic visits. You still see a savings of approximately \$186,000. The reduction in the office visits not only covers the office visits but gives the City a savings of \$186,000 on top of that for two fiscal years for the wellness program.

In 2015, 80% of illegible employees were screened and of those 90% were compliant. In 2016, 96% of eligible employees were screened. 57% are in a high risk category, 29% are in a moderate risk category and 15% are in a low risk category. For those 152 employees they will have six visits to the clinic this year. When they go to the clinic they will go for a coaching visit and talk about diet, nutrietian, exercise, medication, etc. They are tracking 210 participants over the three years 2013-2014-2015. Nine went from borderline to desirable on cholorstoral. On glucose nine went from high to desirable and went from 19 diabetics down to 17. Triglycerides there was a 31% increase into the desirable range. 106 participants lost or maintained their weight for a total of 1,076 pounds lost in the first years of the wellness program. There are 24 employees who are no longer using tobacco.

The clinic costs do not go through Blue Cross Blue Shield.

15-0745

Discuss Naming the Dog Park.

Mr. Thompson reported the dog park should be completed sometime around the middle of January and he wanted to know what the Council would like to name the dog park. There was a discussion regarding what the park could be named. Chief Wilson thought that naming the park after one of the K-9's that had the most arrests along with his handler would be nice and have a plaque with the arrest record totals. Mrs. Southern suggested having a granite wall with their names on it for the public to see. Mr. Thompson asked Council to give it some thought so that it could be brought back the first meeting in January. If the weather cooperates they might have the official opening mid-January and have another event in the Spring.

Councilman Hellmich asked if staff would be ordering a statute reflective of the K-9. Mr. Thompson reported there are two statutes: one that was donated and one that was purchased by the Beautification Board.

Mayor Koniar also reported Bentley has been a service dog that has been working at the Library where the children get to read to him.

This will be brought back to the January 4, 2016 meeting.

[15-0749](#)

Discuss Funding of County Schools

Mr. David Vosloh, Chairman of Task Force Sub-Committee for Funding, reported it was important for everyone to understand the facts on the Baldwin County School System Funding Issues because there is an election coming up 70 days/10 weeks from tomorrow that has its fate in its hands. The voters rejected the new 5 mil ad valorem tax for construction bond, renewal of 1 and 3 mil ad valorem tax. The voters doubted the need for the construction program; did not want the expense; thought the system already had enough money and thought they already paid too many taxes. Mr. Rouzie, in an unrelated meeting, handed out some information that showed Alabama was 50 in the Nation on the average tax collected.

After the last election the Baldwin County mayors were asked to appoint 26 representatives to look at the school system to figure out: 1) what happened; 2) what the problems are; and 3) what to do. There were five subcommittees: 1) Curriculum; 2) Leadership; 3) Communications; 4) Facilities; and) 5 Funding. They came up with 17 recommendations and focused on one, which is a one-half cent sales tax dedicated to new construction.

What are the problems? Baldwin County is the 14th fastest growing county in the United States and the fastest in Alabama. It grows on average of 517 more students each September than the prior year. The last new school built in Baldwin County was Fairhope Elementary in 2009. There are now 65 portable classrooms throughout Baldwin County and there are an expected 35 additional. Foley Elementary is the largest elementary school in Alabama and was built for 1200 students for K through 6th. They have 1,400 students K through grade 4. If they added grades 5 and 6 they would have 2,000 students. They are limited to taking up to 1,600 because they have had to stagger lunch programs beginning at 10:30 a.m. and go through 1:30 p.m. so depending on when your class takes lunch you have a 15 minute cycle within a three hour period. He referred to the attached Employee and Student Growth Chart.

Schools that are needed Baldwin County needs to construct four new elementary schools at a cost of \$12 to \$15 million; two new middle schools at a cost of \$25 to \$27 million and one new high school at \$35 to \$40 million. Today's total for seven schools is \$160-\$165 million. Currently there are no funds for new school construction and limited funding for classroom additions if there are no disasters, such as hurricane or tornadoes or pro ration. Last year they rolled the pro ration(\$15.5 million) over to put it together to build six classroom additions to eliminate 31 existing portables.

They came up with a pay as you go plan. This will apply to every city government in Baldwin County. If they go with the "pay as you go" option then if a new school is proposed within the City of Foley's corporate limits the city would have to sign an agreement whereby if they decide to split and go off on their own the city would have to pay back the County for the cost of the school. All funds are earmarked for construction. One-half cent sales tax projected to yield approximately \$17-\$18 million in 2016, of which a large chunk of taxes are paid by non-residents.

Projected budgeted funds FY2016

Schools are financed by three components:

State Department of Education (\$143.6 million)
Federal Funds (\$23.8 million)
Local Revenue (\$143.3 million)
Total Revenue (\$311.8 million)

Mr. Vosloh reviewed the local budgeted revenues for 2016 and the mileage that will be expiring in 2016, 2017 and 2018 leaving a deficit in discretionary revenue; student enrollment (ADM) based on previous year, which leaves a 517 student deficit each year; and locally collected revenue under Teachers and other personnel include those teacher units and if that needs to be cut teachers and other staff will be laid off. Baldwin County rated 98 statewide as being the most efficient run system with the exception of maintenance where they spent \$889 vs. \$859 statewide because they maintained a lot of older schools that should have been shut down and replaced by newer construction. Secondly they are spending \$688 vs. \$618 for debt service. Had the bond issue been passed that number would have been off the chart. Conclusions, there is not enough local tax revenue and is in danger by \$16 million based on the outcome of the election that will be held in 70 days. There is no realistic opportunity to squeeze the onion further and no reliable source of funding to support a new construction program to support a facility deficit.

Discuss the Council Agenda of December 21, 2015

15-0724 Public Hearing To Declare Weeds A Nuisance And To Order Its Abatement At Vacant Lots At Waterford Subdivision - There were no comments to report. This item remained on the Council meeting agenda.

15-0747 November 2015 Sales, Lodging And Rental Tax Reports - There were no comments on any of the reports. The reports remained on the Council meeting agenda.

15-0715 Consider Accepting A Donation Of 100 Three Gallon Buckets Of Native Azaleas - Mrs. Southern reported John Graham will temporarily store them in the greenhouse until such time as they can find a location at Graham Creek Nature Preserve Facility. This item remained on the Council meeting agenda.

15-0718 Resolution Approving The Cut Off Dates For Annexations And Certificates Of Occupancies For The Purpose Of Redistricting - Mr. Thompson reported the Committee is in the process of redistricting but one of the first things to decide is when is the stopping point of the analysis. We are proposing December 31, 2015 is the date we are proposing to Council for the cutoff date that we will stop collecting "Certificates of Occupancy" and annexations that will go onto the District maps. This item remained on the Council meeting agenda.

15-0722 Consider 050 Retail Beer (Off Premises Only) And 070 Retail Table Wine (Off Premises Only) ABC License Transfer From The Pantry INC. To Circle K Stores INC. Under The Trade Name Of Circle K Store 2721584 Located At 22164 US Highway 98, Foley, AL. The Fire Chief and Police Chief were both ok with moving forward on this item. It remained on the Council meeting agenda.

15-0725 Resolution Authorizing Employees To Enter Upon The Property At

The Vacant Lots At Waterford Subdivision For The Purpose Of Abating The Public Nuisance. This property was abated and the item needs to be removed from the Council agenda.

15-0728 Request To Use Max Griffin Park By The Women's Care Medical Center For Their Annual Walk A Thon - This item remained on the Council meeting agenda.

15-0730 Violet Avenue Pipe Replacement - Taylor Davis requested pipe replacement for the failing metal pipe. Public works will be working on this project. This item remained on the Council meeting agenda.

President Trawick asked how the Pine Street Project was progressing. Mr. Davis reported the contractor has been working with Riviera in identifying some of the laterals that are in conflict. Riviera has been helping them lower the elevation. Public Works helped in identifying locations where they could survey and identify problem areas.

15-0731 Fairway Drive Entrance Drainage Improvements And Turn Lane - This is another Capital Project request for appropriating funds and moving forward. This item remained on the Council agenda.

15-0762 Fairway Drive Entrance Improvements and Survey - Taylor Davis reported they are not asking for additional funding as it will be under the same account; it is just approving professional services. They will be designing the work inhouse. This item will be added to the Council meeting agenda.

15-0732 Authorize City Engineer To Submit Form MB 06A And Enter Into An Agreement With ALDOT For TIGER Ph. II - Chad reported this is to approve him execute and submit the maintenance agreement for the State portions of the TIGER II (98 and 59 sections). This item remained on the Council meeting agenda.

Councilman Ebert asked the timeline for pipe replacement at Azalea and Cedar. Mr. Davis reported the pre-construction meeting is tomorrow and anticipates work will begin after the holidays. It should be open back up on stone by mid-January. Councilman Hellmich recommended someone get in touch with someone at the school since it is such a heavily traveled route.

15-0733 Accept Donation Of Bronze Statue For Dog Park - Mr. Thompson reported this statute will be placed on the small dog side on the park. This item will remain on the Council meeting agenda.

15-0737 N. Pine St. At W. Jessamine Av. Street Light Conversion To LED - Chad reported this request came from the Baldwin County School Board. They are upgrading the lights to LED's and asked that the three in that area be upgraded simultaneously. There is a slight cost increase and will be a \$4.20 per light increase. The overall efficiency program has resulted in some savings that don't quit offset their increased costs. This is less of an increase than it would be if they didn't program but you still have the cost of the fixture rolled into it. This item remained on the Council meeting agenda.

15-0740 Resolution Approving Funding Agreement By The City Of Foley, Alabama - Jeff Rouzie reported this agreement (CAFFM, Inc.) is with Bon

Secour Valley Ingredients (aka Woerner). They will employ 60-65 employees. United Bank has given the City a 15 year fixed loan at 3.6% interest. The agreement covers the base rent and what it costs the City to borrow the funds. Councilman Ebert asked about insurance. Mr. Rouzie reported there is a corporate guarantee with the parent company, Woerner Agriculture. There are no other guarantees. This item remained on the Council meeting agenda.

15-0741 A Resolution To Accept The Gulf Tourism And Seafood Promotional Fund Award Of \$37,720.00 - Kate Embry reported this grant will be used for ads, print media, commercials, etc. that LaDonna uses in Marketing that she typically uses and it frees up funds for gateway signs. This item remained on the Council meeting agenda.

15-0744 Declaring Surplus Sergeant Mark Alexander's Badge And Service Weapon - Chief Wilson reported this action would allow them to present Sgt. Alexander with his badge and service weapon when he retires. He has been a Police Officer with the City 25 years. He will do the honor walk on December 30, 2015. Chief Wilson invited everyone to join them to see him do his walk at 5:00 p.m.

15-0748 Ordinance Amending Ordinance 1196-12 To Include Lot 8A and Lot 8B - This ordinance amends the Foley Beach Express Industrial Park parcels that will be going to the Armory. Lots 8A and Lot 8B will need to be included and they need to start the build as soon as possible. It will be approximately \$5 million and should be completed by February 17, 2017. Mr. Thompson reported this will allow the City to be reimbursed for these two additional lots plus the 30 acres that will be appraised for the current existing National Guard Armory. There will be 17 people with 8 being civil servants. This item remained on the Council meeting agenda.

15-0760 Financing documents for a bond - Mr. Heyward Hosch reported this approves the participation on the bond issuance. This is a \$15.2 million bond starting with a 2% interest rate. They were sold at a premium so the District will realize approximately \$947,400 and after expenses are paid you will end up with \$16.1 million. The documents of the District, Members, and Council are exempt from any liability or debt. The City actually signs the funding agreement, which is done before. This is almost identical to the Public Athletic and Sports Facilities Cooperative District bonds that were purchased a short time ago. It has been validated by the Circuit Court of Baldwin County. Closing will be December 29, 2015. This item remained on the Council meeting agenda.

15-0761 Donation from Easy Stop - Mr. Thompson 2.79 acres is north of Hwy. 98 and the creek on the east. Wolf Creek runs through it. We are trying to create greenways throughout the City over time. We accepted a donation of property just south of this property and this would give the City another almost 3 acres to the north. There was a discussion regarding the exact location of the property. This item remained on the Council meeting agenda.

Visitor Comments

There were no visitor's comments.

Mayor's Comments

The Mayor had no comments.

Adjourn

Hearing no further comments the meeting adjourned at 5:19 p.m.