



City Council Study Session Minutes

July 22, 2024 6:00 PM

Council Chambers - 111 E. Maple Ave.

COUNCIL SPONSORED ITEM

1. Trash Hauler Cap (*Sponsored by Councilmember Stewart*)

This ordinance limits the number of trash haulers to 8. Councilmember Stewart has asked that the proposed ordinance be amended, stating that if the population drops, any trash haulers with current business licenses would be allowed to keep their business within the City. This will be sent to the August 5th agenda.

CITIZEN REQUESTS

1. Citizen Requests - Per Council Rules, Sect. 6.4 only "Council Sponsored Items" are eligible

There were no citizens that asked to speak on this topic.

PRESENTATIONS

1. Employee Insurance Update

John Cress from CBIZ gave a presentation on this topic.

The City currently offers a package of Medical, Dental, Vision, and other associated health & welfare programs through Cigna to eligible employees, retirees, and their families.

The City has been in a 5-year contract with Cigna that prohibited the marketing of Cigna-administered plans through the 2024 plan year.

Fixed Costs 2025 Administrative Fees

Cigna Current: \$689,507

Cigna Proposed: \$689,507

Blue Cross Proposed for Preferred Care Blue: \$856,488

Blue KC/National Alliance Proposed for Preferred Care Blue: \$1,031,832

Percentage change from Incumbent

Cigna Proposed: 1.46%

Blue Cross of KC Proposed Preferred Care Blue: 8.82%

Blue KC/National Alliance Proposed Preferred Care Blue: 4.21%

Cigna:

- Cigna was responsive in their bid for Medical and Pharmacy provider. Cigna has the best plan design match of the bidders.
- Cigna has the best Network access for our plan design. The StayWell Committee has worked hard to promote the Local Plus Network that utilizes our hometown hospital and facilities. Cigna Medical and Pharmacy plan would have the least amount of disruption for the members.
- Cigna pricing was not as competitive as the other bidder.
- Cigna was my choice for Medical and Pharmacy based on the plan design and including our hometown hospital and providers to accommodate our Local Plus plan. The choice has the least amount of disruption to our members. Cigna has new programs designed to assist chronic and high cost. Claimants in reducing costs to the plan. Cigna has been a good partner with the City of Independence while continuing to work on the health and wellness of our members.

Blue Cross of Kansas City:

- Blue KC was responsive in their bid for Medical and Pharmacy provider. Blue KC has a very competitive plan design match of the bidders.
- Blue KC has a competitive network access for our members. Blue KC Blue Select Plus Network provides affordable access to care in and around the Kansas City metro. They also have a smaller local network in Spira Care. The Spira Care facilities offer advanced primary care services for newborns, infants, children, adolescents, adults and seniors. The network disruption for the member would be substantial to those members in Local plus. The Spira Care program does not include the hometown hospital located in Independence.
- Blue KC Pharmacy program was not presented by the Pharmacy Team when the finalist presentation was given. Several questions were not answered fully in regards to how the rebates work and if a drug is excluded, could negotiate to get it included if there was substantial disruption to the members. Blue KC pharmacy disruption impacted 663 prescriptions with 179 utilizers. (3.1% of total prescriptions.)
- Blue KC had the best pricing of the bidders. While Blue KC has higher admin costs, they presented that they have better re-pricing of claims that will save the fund a substantial amount of money. They also have a rate guarantee for 3 years when Cigna's admin fees will increase by 3% in 2026 and 2027.

Summary:

- Both Parties submitted proposals in a timely matter. As the Committee worked through the RFP process there were several areas that follow up information was needed and both parties were timely in their responses.
- With Cigna being our current carrier they matched the proposal with no issue with the OAP

and Local Plus Networks. Blue KC offered a similar select network to Local Plus, but the main area of concern is that the Spira Care network is a complete change from where our members are being driven now. When the LP network was put into place we determined that there was approximately 65% of our membership using those facilities or Doctors already. This would cause a massive disruption amongst the membership and would also affect the projected cost saving the Blue KC anticipated with a switch to them as the Medical Carrier.

When looking at pricing we focused on the Medical Claims repricing study that was conducted. Blue KC was projecting a savings of \$3,255,634 as Cigna was projecting a savings of \$1,840,856. The concern I have with Blue KC's projected savings is they never really spoke about the programs that "run behind the scenes" and what the cost PMPM would be. We have several programs running with Cigna currently and these projections are believed to be true savings.

- My recommendation is to award Cigna the contract with Medical and Pharmacy. They have been a well-established partner with the City of Independence for a long time while providing great coverage and lower medical cost. Blue KC in their final presentation was instructed to bring your best and final offer and during the presentation brought no one to speak about Pharmacy. We know that Pharmacy is probably the largest cost to any medical plan and they were unable to answer certain questions regarding discounts and rebates. I feel Blue KC is a great company and provides many benefits, but ultimately that Cigna is the right choice for the City of Independence and its members.
- Both were competitive. Cigna stood out as the better option at this time due to network access plan design.

Evaluation Summary

- The panel's evaluation determined that Cigna, the incumbent, offered the most comprehensive program to match current offering, and offered the best network access for the City and for Retirees.
- Panel Recommendation: Maintain Active/Pre-65 medical coverage and renew plans with Cigna.

Dental:

- BlueKC was going to be an increase to the city and members whereas Cigna remained flat with our current pricing. The remaining bids provided a savings from our current provider with Metlife and Ameritas providing over \$100,000 in savings.
- All bidders had a difference in Annual Maximum Benefit allowance that was lower than our current provider except Metlife who actually quoted an increase to this benefit. Most of the carriers charge a higher deductible for Out-of-network care vs our current provider showing no price increase.
- When looking at Network access Cigna & Ameritas showed in the 60% range, SunLife, BlueKC and UHC showed in the 70% range, Delta Dental was in the 80% and Metlife was the only carrier to provide a Network Access in the 90% range for the Top 25 Dentists.
- Metlife offers a lower premium with a higher annual maximum and the highest network match. They also offer coverage for implants.
- Metlife was my first choice for Dental due to the best pricing and network matching. Metlife also provides onsite dental with 20 appointments. They are the largest provider of dental and

their discounts exceed the national average by 1.3%.

- Overall Metlife with the best pricing, plan design and program enhancement would be the top risk.

Evaluation Summary

- The panel's evaluation determined that Metlife offered the most comprehensive program based on pricing, program enhancements, benefit improvements, and network access for the City and for Retirees.
- Panel Recommendation: Move Dental coverage to Metlife for 2025.

Vision

- All the bidders came in with annual quotes that would save the employer and member money, these rankings were based off the most savings for the highest score.
- When comparing plan design the biggest difference was in the Standard Lens section and what was covered and at what price. EyeMed and UHC offered the most options for the least amount of cost to the member.
- With the highest overall score I award the Vision coverage to EyeMed. They provided the biggest saving along with the smallest amount of disruption to the members.
- As all carriers were competitive in the bid process, EyeMed stood out with the pricing, plan design and program enhancement.
- Cigna was responsive in their bid for Vision. The plan design was one of the best of the bidders. Cigna offers program enhancements that includes value added services with savings on additional purchases on frames and lenses. They also provide a website with a cost estimator and appointment scheduling. Cigna has the best network access of all the bidders. The pricing was the least competitive of all the bidders.

Evaluation Summary

- The panel's evaluation determined that EyeMed offered the most comprehensive program based on pricing, program enhancements, benefit improvements, and network access for the City and for Retirees.
- Panel Recommendation: Move Vision coverage to EyeMed for 2025.

Flexible Spending Account

- Metlife offered the lowest 1st year Estimated Annual Cost. This program is mainly run behind the scene and is managed by the member therefore looking at the lowest cost option possible.
- Focused on monthly minimums and the flexibility of Claims Submissions. Metlife provides no monthly minimums and allows the employer to determine timeline on Claims Submission.
- Cigna was responsive on their bid for FSA. Their pricing was the worst of the bidders received.
- Flex Made Easy was responsive in their bid. The program features were competitive with the other bidders. Flex Made Easy pricing was competitive with the other bidders.
- No program enhancements were noted in any of the bidders, the programs all seemed consistent.
- Metlife is chosen to provide the FSA administration due to the lower annual cost and the flexibility provided to the member and employer.

Evaluation Summary

- The panel's evaluation determined that Metlife offered the most comprehensive program based on pricing and member experience for the City.
- Panel Recommendation: Move Flexible Spending Account coverage to Metlife for 2025.

Health Savings Account

- UMB offered a \$0 annual fee whereas all other bidders were charging an annual fee.
- UMB offers the most access to funds, the most debit cards and has no monthly fee compared to the other carriers that limit access to funds either to the debit card or online.
- My choice based off of the scoring chart is UMB. They are the incumbent and provide the best options for service for the least amount of money.
- All competitive. UMB stood out as being the best option.

Evaluation Summary

- The panel's evaluation determined that UMB, the incumbent, offered the best program, and at continued no cost to the City, for Health Savings Accounts.
- Panel Recommendation: Maintain UMB as Health Savings Account Vendor.

2. Charter Amendment Overview

This presentation was given by Jackie Sommer, Chairperson for the Charter Review Committee

By the numbers

- Met twice a month January through November 2023
- Nearly 600 person hours plus homework and prep
- Recommended version reduces from 60 to nearly 30 pages
- Resources:
- Zach Walker, City Manager
- Jeremy Cover, City Counselor
- Lindsey Gallman, Secretary/Clerk for the Commission
- National Civic League Model City Charter
- Other local charters including Blue Springs, Lee's Summit, Kansas City
- Mayor's Advisory Commission on Ethics Reform
- Jackson County Election Board
- Various Citizens
- State Law

Question 1: Amends Charter throughout

- Allows publication of official notices electronically and not just in local newspaper.
- Removes outdated City boundaries (current as of 12/31/1975).
- Adds references to specific Missouri state statutes that govern or supersede existing Charter language.
- Makes grammatical, numbering, and language corrections for clarity/accuracy.
- Requires mandatory Charter review at least every 7 years by 11-member Commission to ensure Charter remains current and requires fewer extensive changes in the future.

Question 2: Amends Articles 1, 2, 4, and 5

- Adds public engagement statement and need to reach out to underrepresented communities.
- Renames Management Analyst to Internal Auditor.
- Allows Internal Auditor to audit City departments as directed by Audit & Finance Committee.
- Allows official records to be stored electronically instead of paper.
- Allows City to adopt standard technical codes (building, electric, or property maintenance code).
- Requires annual update of City Code on City's website.
- Removes City residency requirement for Municipal Judges.
- Clarifies powers of the Ethics Board and provides operating budget.
 - Clarifies prohibition on use of public office for private gain and requires City Council to adopt Code of Ethics.
- Allows for potential future transfer of municipal court to Circuit Court after public hearing/super-majority vote of City Council (if desired).
- If municipal court is transferred to Circuit Court, requires City to maintain City Prosecutor.

Question 3: Amends Articles 2, 3, 8, 9, and 10

- Requires public vote to decide whether City may sell a public utility.
 - Restricts budgetary transfers and loans from utilities. • Removes administrative department descriptions in favor of placement in City Code, but keeps Police and Fire in Charter.
 - Removes job descriptions in favor of placement in City Code or Personnel Manual.
 - Clarifies provisions related to issuance of bonds or notes.
- Removes provisions related to City officers/employees entering into contracts on behalf of City in favor of adding to Personnel Manual.
- Removes Article 10 and renames Article 8 "Financial Management" which includes provisions from Article 10.
 - Removes provisions regulating business licenses, because the City's ability to require a business license is regulated by State law.
 - Adds a requirement for the Council to approve financial policies to maintain the financial integrity of the City government

Question 4: Amends Articles 6, 7, and 13

- Removes examples of election forms.
- Clarifies election dates and processes.
- Establishes that if candidates file nominating petition on first day of filing, their names will appear on ballot in random order.
- Clarifies that for candidates to be declared incompetent, they must be adjudged incompetent by a judge.
- Clarifies that candidates must be current on all fees and taxes to the City and shall not have unresolved warrants.
- Clarifies the referendum process and timeline.
- Clarifies that franchises and private utilities are subject to State law.

Question 5: Amends Articles 11, 12, and 14

- Removes certain provisions relating to special assessments for public improvements.
- Removes certain provisions relating to the Planning Commission and Board of Adjustment in favor of similar provisions in State law or future placement in City Code.
- Removes subpoena powers from Planning Commission and Board of Adjustment.
- Clarifies that meetings, records, accounts, and votes shall be open as required by State law.

Addressing questions or comments made by citizens in the last City Council meeting:

“The Charter Commission had 11 months to do this work. Citizens only got 2 months to review it.”

- False.
- Each Charter Commissioner is a citizen of Independence and was appointed by the duly elected Mayor and City Council during public meetings.
- Commission held 20 total meetings, all of which were public.
- Recommendations presented publicly 1/8/24 by Commission to Council.
- City Council public meetings regarding the Charter: February 8th, February 26th, March 11th (Study Sessions), April 1st Public Open House, April 4th 1st Reading of Ballot Ordinance, April 15th 2nd Reading of Ballot Ordinance.

“Our Charter protects our rights, freedoms, and liberties. There are many instances where they remove the rights of the people. These amendments remove our voice, our vote, and our rights.”

- False.
- The City is required to follow all State and federal laws.
- The proposed revisions to the Charter do not change that requirement.
- All revisions to the Charter must be approved by the voters, as required by the Missouri Constitution.

“Our codified rights and protections are being deleted. Each question takes something from the people.”

- False.
- Many proposed revisions require that public has a voice within the City government.
- Question 1 requires a public review of the Charter every 7 years.
- Question 2 requires the City to proactively engage with the public.
- Question 3 requires the people to vote as to whether or not the City can sell a public utility.
- Question 4 clarifies that council districts shall be updated after every census.
- Question 5 clarifies that all meetings, records, and votes of the City Council and City departments are open to the public, as required by State law.

“If Question 1 passes, all other questions are moot points.”

- False.
- Each Question stands on its own.
- Each Question must be approved by a majority of the voters for the revisions in that Question to take effect.

“Language requiring fair and equal treatment of every citizen is gone.”

- False.
- Section 5.2 was proposed to be removed from the Charter and be put into City Code.
- If Question 2 is approved, the Council will be required to approve a Code of Ethics, which could include a provision similar to current Section 5.2.

“They classed us in Article 1. The City will search out special people and give them special treatment.”

- False.
- Question 2 proposes that the City treat public engagement as an integral part of effective and trusted governance.
- If passed, Question 2 would require the City to engage with all people of the City, including those who are typically looked over or those who feel they don’t have a voice within the City government.

Question 2 “removes the Ethics portion of our Charter.”

- False.
- Question 2 proposes language that clarifies that the use of public office for private gain is prohibited.
- If passed, Question 2 requires the Council to adopt Code of Ethics.
- Question 2 proposes that the Board of Ethics’ role is clarified and that the City be required to provide the Board of Ethics an operating budget.
- City Council must follow State laws regarding ethics, conflicts of interest, campaign finance, and financial disclosures.

“They demoted the Mayor position to basically an employee. The Mayor is no longer an elected official.”

- False.
- The Mayor is created in Section 2.1 (unchanged) and the powers and duties of the Mayor are listed in Section 2.5 (added language to clarify that the Mayor can only declare a state of emergency in accordance with the State laws).
- Term, qualifications, and election of Mayor unchanged.

“The City Council removed themselves.”

- False.
- Section 1.2: all powers of the City shall be vested in an elective council.
- Section 2.1: Council created, number of councilmembers, terms (unchanged).
- Section 1.2: The City government shall be a “council-manger government” (unchanged).

“The City Manager is left in. It is the only person left in our Charter.”

- False.
- Seven councilmembers (Section 2.1); includes Mayor (Section 2.5) and Mayor pro tempore (Section 2.6).

- Internal Auditor (Section 2.11), City Clerk (Section 2.12), Other personnel appointed by the council (Section 2.13).
- City Manager (Section 3.1), Police Chief (Section 3.5), Fire Chief (Section 3.7), Municipal Judge (Section 4.1), and City Prosecutor (Section 4.5).
- Council may establish other city departments (Section 3.4.A)

“The City Manager position is enhanced by giving it the authority to run every single aspect of our life.”

- False.
- Section 1.2: The City government shall be a “council-manger government” (unchanged).
- Section 3.3 (City Manager: Powers and duties) is unchanged.
- The city manager shall be chief administrative officer and head of the administrative branch of the city government. The city manager shall execute the laws and ordinances and administer the government of the city, and shall be responsible therefore to the council.
- Six primary duties listed, which remain unchanged.

“All (power) is left to one unelected bureaucrat (City Manager) that no one voted for.”

- False.
- Section 3.3 City Manager shall be responsible to the council.
- The council may suspend or remove the city manager, with or without cause, by the affirmative vote of at least four (4) members of the council (Section 3.1).
- Form of government unchanged (Section 1.2). The municipal government provided by this charter shall be known as a “council-manager government.” Pursuant to the provisions of the Charter and subject only to the limitations imposed by the Constitution and laws of the State of Missouri and this charter, all powers of the City shall be vested in an elective council.

Question 4: “This question removes the public utility regulatory agency for a public utility franchise (Comcast, MGE, AT&T, etc.)”

- False.
- Missouri Public Service Commission regulates investor-owned electric, steam, natural gas, water and sewer companies, and has limited authority over telephone providers in the state.
- City Council will continue to set policy and adopt rates for IPL, Water, and Wastewater.
- State laws regulate private utility franchises.

Question 4: “This question allows the potential to remove the City’s Public Works Department and send it to be controlled by the County.”

- False.
- Section 10.1 gives the City power to establish, improve, acquire, construct, reconstruct, alter, repair, and maintain all public works or improvements.
- Proposed revisions do not contemplate that the City’s public works will be controlled by the County.
- Public Works Department is part of the Municipal Services Department.
- Consolidations have saved the General Fund approximately \$1.5 million.

Question 5: “This question removes the input of the Planning Commission to prepare and recommend an official map of the City. This takes away citizens’ input.”

- False.
- City boundaries and council districts are not considered by the Planning Commission.
- The City’s legal description changes from time to time due to annexation and de- annexation or detachment.
- The Planning Commission prepares and approves the City’s Master Plan (to be renamed the “Comprehensive Plan” if Question 5 is approved).
- State law requires the Planning Commission to make recommendations for all zoning map amendments, which are considered at public meetings.

“The Questions remove rights that the State law says cannot be removed from the Charter.”

- False.
- State laws do not require the City to include any particular items in its Charter.
- The Missouri Constitution provides that the City has all powers that any cities in Missouri have, unless the Charter limits those powers.
- The purpose of charter cities is to allow the organization and powers of the City to be decided by the people.

“A summary statement and fiscal note are required and the City didn’t include those in the Questions.”

- False.
- Summary statements and fiscal notes are required for statewide ballot measures only. They are not required for City elections.
- A summary of the Questions can be found on the City’s website.

“Changes to Section 15.2 will leave citizens with vague questions. These questions are not amendments as required by State law.”

- Independence: Adopted 1961. Amended 1972, 1978, 1985, 1987, 1999, and 2002. Last citizen’s review: 1985.
- Jackson County: Adopted 1970. Amended 1978, 1985, 1986, 1994, 2010, and 2018.
- Blue Springs: Adopted 1994. Amended 2019.
- Lee’s Summit: Adopted 1996. Amended April 2017.

3. Ordinances to update the City Code based on the proposed Charter amendments.

The election for the Charter questions is August 6th. If any or all of the questions pass, the packet would be published for the August 19th agenda for a first reading. There would be one ordinance per question. We could do an agenda item for review for the study session on August 12th and then a second reading on the regular agenda for September 3. This is the fastest it could happen. It could be delayed if needed. We could also hold a special meeting if needed.

4. Proposition PD Overview

Police Chief Adam Dustman gave a presentation on this.

The Challenge:

March 2024:

- ☐ KCPD announced new wage scale aimed at attracting new police officers
- ☐ Independence FOP and the City were already negotiating a new work agreement at this time

April 2024:

- ☐ KCPD new wage scale went into effect:
- ☐ Starting wage for police officer: \$65,000
- ☐ Top wage for police officer: \$104,600
- ☐ 8-years of service to top wage
- ☐ Since announcement, KCPD had 22 certified police officer applicants

May 1, 2024:

- ☐ IPD learns that 5 current IPD officers are looking at KCPD due to new scale
- ☐ CMO and Council engage and work to address challenge
- ☐ After new wage scale went into effect, KCPD had an additional 44 certified police officer applicants.

The Proposed Solution:

May 6, 2024:

- ☐ The City finalized an agreement with the FOP, this was approved by Council on May 20th
- ☐ City Leadership identified funding to fund current FY (2024-25) wage cost of agreement

Moving Forward:

- ☐ To sustain this wage scale and provide future funding, the City Council decided to put a sales tax measure before the voters on August 6th:
- ☐ Proposition PD

The link to watch this meeting in its entirety is below:

<https://www.youtube.com/watch?v=OhKDlaT9vi4>

STAFF REPORTS

INFORMATION ONLY

1. ***Please Note:*** In accordance with RSMo. 610.021, the City Council may convene in an Executive Session during or after the meeting, in the Council Chambers and move to Conference Room D for the closed meeting, on matters of litigation, legal action, and/or attorney client communications, as permitted by Sec. 610.021(1), on matters

of personnel, as permitted by Sec. 610.021(3) and personnel records, as permitted by 610.021(13), on matters of contracts, as permitted by 610.021(12), on matters of real estate, as permitted by 610.021(2) and/or matters of labor negotiations, as permitted by 610.021(9).