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November 24, 2015

// A regular meeting of the Council of the City of Lynchburg was held on the 24th day of November, 2015, at 1:30 P.M. in the Council Chamber, City Hall, Michael Gillette, President, presiding. The following Members were present:

Present: Foster, Helgeson, Johnson, Nelson, Tweedy, Gillette

6

Absent: Perrow

1

//Mayor Gillette introduced Police Chief Raul Diaz who was sworn in on November 18, 2015, and asked him to say a few words. City Council members welcomed Chief Diaz. City Manager Kimball Payne thanked Major Jerry Stokes for his role as Acting Police Chief in the interim.

// Director of Human Resources Margaret Schmitt provided a follow-up presentation on the proposed 2016 Medical Benefits Plan Structure. Ms. Schmitt gave an update on the current issues causing a need for an additional \$1.2 million in resources and mentioned that there are two options to fund the increase: 1) City funds the increase, or 2) Shift costs to employees. Ms. Schmitt reiterated the goals expressed by City Council at the November 10 meeting:

- Maintain an affordable plan
- Retain Grandfather status under the Affordable Care Act if possible (although the cost of doing so is not as much as before)
- Move toward a more standardized structure over time
- Share cost increase with employees (City has absorbed cost increases through the years)
- Human Resources to provide additional options

Ms. Schmitt presented Proposed Plan Changes that would result in \$302,949 savings to the City and not trigger loss of Grandfather status:

- Deductible: \$500 to \$650
- Out of Pocket Maximum: \$2,000 to \$2,600
- Primary Care Physician copay: \$20 to \$25
- Specialist copay: \$30 to \$37.50
- Emergency Room copay: \$50 to \$65
- Allergy copay: \$5 to \$6.50

City Manager Kimball Payne added that all options being presented would include the Proposed Plan Changes as long as Council was in agreement. Council members indicated agreement.

- Option 1 - Full increase funded by City
- Option 2 – Full increase funded by Employees
- Option 3 – Increase shared by City and Employees

Options 1 and 2 maintain the status quo, using the current structure as the base. In both options, the City's costs would increase by 6%. Option 3 takes a step toward the true industry standard with more standard distribution using the City's claims experience, but moderating the increases. Ms. Schmitt reviewed employee monthly contribution changes by Option and by employee tier. After Council discussion, several Council Members had concerns regarding the Family/2 Employee tier and the phasing in of cost increases. Vice Mayor Johnson made a motion to adopt Option 3, grandfathering the Family/2

Employee tier for those currently enrolled, but not offering new enrollment as of January 1, 2016. Council Member Foster seconded the motion. Following discussion, Mayor Gillette proposed a friendly amendment stating that this would be Step 1 toward an industry standard with more uniform distribution of percentages covered by the City: 95% for employees and 68% for dependents based on actuarial cost calculations, and preserving the status of those currently enrolled in the Family/2 Employee tier, with any changes toward the industry standard to be applied evenly through all tiers. Vice Mayor Johnson accepted the friendly amendment, seconded by Council Member Foster. Council by the following recorded vote adopted Option 3 of the Proposed Plan changes, as amended:

Ayes: Foster, Johnson, Nelson, Gillette	4
Noes: Helgeson, Tweedy	2
Absent: Perrow	1

// Council recessed the meeting at 3:20 p.m.

// Council reconvened the meeting at 3:25 p.m.

The following members were present:

Present: Foster, Helgeson, Nelson, Tweedy, Gillette	5
Absent: Johnson, Perrow	2

// City Planner Tom Martin along with staff continued with an overview of the Zoning Ordinance Rewrite. City Council conducted a work session and public hearing concerning the proposed Zoning Ordinance Revisions on November 10, 2015. After the public hearing, Council directed staff to place the item on the November 24, 2015 work session agenda. Mr. Martin presented a memorandum listing outstanding issues, and recommendations by staff or options for consideration by Council.

Council discussed farm animals including poultry, goats and large farm animals and made some recommendations. The bicycle parking requirements were discussed regarding Options 1 and 2 which are listed:

- Option 1: maintain the 5% of vehicular spaces (1 per 20) and adopt a cap
- Option 2: requirements based on land use and adopt a cap

Council offered feedback on items to consider going forward with bike rack requirements. Council agreed that more time is needed for the Zoning Ordinance Rewrite and it will be placed on the December 8 work session.

// The meeting was adjourned at 4:30 P.M.

Clerk of Council