



**Request for a SPECIAL COUNCIL MEETING**

**Cheney, Kansas**

October 06, 2021

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To the Honorable Philip Mize, Mayor of the City of Cheney:

We, the undersigned council members of the City of Cheney, Kansas hereby respectfully request you to call a special meeting of the Cheney City Council to be at the City Hall, 131 N Main, Cheney, Kansas on Wednesday, October 06, 2021 at 7:00 PM for the object and purpose of:

• **CONSIDERATION OF DEVELOPER'S AGREEMENT WITH BACK 9 HOLDINGS, LLC**

Back 9 Holdings, LLC plans to purchase the existing undeveloped lots from Southwind Properties and will develop the lots in two phases. The agreement covers Phase 2, which includes the 31 lots in the southeast section. The developer has presented a letter of credit for \$30,500 to cover 50% of the existing specials on all of the undeveloped lots. The existing letter of credit with Southwind will need to be released so Southwind can sell the lots to Back 9 Holdings. An additional letter of credit and petitions will be presented at a later meeting for the improvement costs and the City will issue temporary notes for financing and later assess Special Assessments.

Motion: Approve developer's agreement with Back 9 Holdings, LLC and accept letter of credit.

Motion: Approve the release of the letter of credit with Southwind Properties.

• **CONSIDERATION OF PURCHASING AUTO SWITCH FOR GENERATOR AT WATER WELLS**

The Kohler auto-switch was removed from City Hall when the new generator was installed. It was thought the Kohler auto-switch could be utilized at the water wells where the generator is being installed; however, it was the wrong voltage of 208 volt at the City Office and 480 volt at the water wells.

Motion: Purchase Kohler auto-switch for generator at water wells, not to exceed \$\_\_\_\_\_.

• **DISCUSSION OF KMIT HEALTH INSURANCE PROGRAM**

The City's work comp provider has proposed a new program for cities to join for health and dental insurance coverage. The program will begin January 1, 2022. Rates and coverage information has been presented for discussion and consideration. KMIT is requesting a decision by October 8th.

• **DISCUSSION AND CONSIDERATION OF PROJECTS AT SOUTH MAIN COMPLEX**

Projects included on the LWCF grant include a water line and irrigation for the multi-use field. With pricing continuing the increase, we are asking for approval to purchase the items for these projects.

Motion: Purchase items for water line in the amount of \$ \_\_\_\_\_ from \_\_\_\_\_ and irrigation parts in the amount of \$ \_\_\_\_\_ from \_\_\_\_\_.

• **CONSIDERATION OF CANDIDATE FOR POLICE DEPARTMENT AND EXECUTIVE SESSION**

Motion to enter into executive session to discuss police department candidate pursuant to matters related to non-elected personnel KSA 75-4319 (b)(1) at \_\_\_\_ pm for \_\_\_\_ minutes with Administrator Young and Chief Winter.

• **CONSIDERATION OF CHANGES TO THE PERSONNEL POLICY**

Staff is requesting the removal of the residency requirement for police officers. Other changes are also being requested to match current operating practices.

Motion: Approve changes to the City of Cheney Personnel Policy

\_\_\_\_\_  
Jeff Albers

\_\_\_\_\_  
Kassie Gile

\_\_\_\_\_  
Greg Kampling

\_\_\_\_\_  
Greg Williams

\_\_\_\_\_  
Ryan Graf

I, Philip Mize, Mayor of the City of Cheney, Kansas, do hereby call a special meeting of the governing body of the City of Cheney, Kansas to be held at the time and place as specified in the above request.

\_\_\_\_\_  
Philip Mize, Mayor

AGREEMENT  
CONCERNING DEVELOPMENT OF  
PHASE 2 OF THE GREENS AT CHERRY OAKS ADDITION  
TO THE CITY OF CHENEY, KANSAS

This agreement is made and entered into by and between Back 9 Holdings, LLC, hereinafter referred to as the "DEVELOPER" and the City of Cheney, Kansas, hereinafter referred to as the "CITY."

WHEREAS, the Developer desires to construct improvements serving 31 lots within a project that is considered "Phase 2" on the existing plat known as the Greens at Cherry Oaks, an Addition to Cheney, Sedgwick County, Kansas in the Northwest Quarter of Section 5, Township 28 South, Range 4 West of the 6th Principal Meridian; and

WHEREAS, the City previously approved the platting of the Greens at Cherry Oaks Addition on June 24, 2002;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Developer and the City agree as follows:

PURPOSE. This agreement is necessary to address certain financial, infrastructure and drainage conditions arising from the development process which must be dealt with and as such, is a condition precedent to final consideration by the City of the Developer's request for approval of petitioning for Special Assessments on the lots described below for Phase 2 of the Greens at Cherry Oaks Addition, Cheney, Sedgwick County, Kansas.

PHASE 2 OF THE GREENS AT CHERRY OAKS ADDITION. The land being governed for development under this Agreement is hereinafter referred to as Phase 2 of The Greens at Cherry Oaks Addition to the City of Cheney, Sedgwick County, Kansas. Said land includes the following existing platted lots within the Greens at Cherry Oaks Addition, Cheney, Sedgwick County, Kansas:

- Block 3, Lot 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50
- Block 4, Lot 4, 5, 6, 7, 8, 9, 10, 11, 12, 13

INFRASTRUCTURE INSTALLATION. Installation of all improvements shall be in compliance with requirements of all applicable federal, state and local legislation, including the Americans with Disabilities Act. All electric power, street lights and telephone service shall be installed underground. The City shall perform the engineering design, construction and inspection of all improvements necessary for the development of Phase 2 of the Greens at Cherry Oaks Addition to the City of Cheney, Kansas which

is to be dedicated to and owned and maintained by the City. Said improvements shall be installed on city owned property or within public right of ways or easements. The Developer shall reimburse the City for the actual costs of the engineering design, construction and inspection of all improvements necessary for the development of the tract of land herein referred to as Phase 2 of the Greens at Cherry Oaks Addition to the City of Cheney, Kansas unless otherwise petitioned and approved by the Governing Body of the City of Cheney, Kansas.

The Developer shall indemnify and hold harmless the City from any liability from damages that may occur during construction. The Developer shall pay one hundred percent (100%) of the cost of the improvements unless otherwise petitioned and approved by the Governing Body of the City of Cheney, Kansas and/or another unit of government. All costs of improvements petitioned and approved for financing by the Governing Body of the City of Cheney, Kansas shall be subject to Developer providing the City of Cheney, Kansas with an Irrevocable Letter of Credit, or cash equivalent surety approved by the Governing Body of the City of Cheney, Kansas, for 35% of the cost of the project for all lots in Phase 2 not paid by the City at large with said letter of credit being reduced to 25% of the costs of the project after 50% of the lots in Phase 2 have occupancy permits and released when 75% of the lots in the project have occupancy permits. Said Irrevocable Letter of Credit must be provided by Developer prior to the City constructing and/or installing any such improvements.

The developer confirms that the letter of credit shall be automatically renewed for additional 2-year periods unless the City notifies the bank issuing the letter of credit in writing at least 60 days prior to the relevant expiration date of the letter of credit that such automatic renewal shall no longer be required. Should said letter of credit be reduced/cancelled without such City notification, the City shall be entitled to draw up to the full amount of the remaining credit available at that time prior to such reduction/cancellation.

The developer will have no delinquent special assessments on the project before the guarantee will be released.

Project costs include engineering design, construction, inspections, temp note interest, and cost of issuance for temporary notes and bonds. Due to anticipated costs, the developer requests that the City assist in any cost saving measures that might be available. The City agrees to use its best efforts to engage in any cost saving measures that might be available in this regard.

If development of the properties does not occur or if the developer does not pay special assessments and general taxes levied against the benefited properties whenever the same become due and unpaid, then the letter of credit or surety bond shall be applied to the payment of engineering services or special assessments and general taxes, as the case may be.

Further, the 75 percent-of-development rule is to apply to later developers, or similar others, totally or proportionately, who, before satisfaction of the development rules, purchase all or part of the affected properties for development/resale purposes as opposed to personal occupancy/usage. If, on transfer of properties, a new developer does

not provide the City of Cheney with a letter of credit or surety bond for his/her proportionate share, then the City shall retain the existing credit or bond as guarantee on the properties.

Special assessment financing and/or a new development will not be sought by Developer or by Developer for any other developer if any partner, stock holder or member of Developer or any other developer has outstanding delinquent general taxes or special assessments.

Developer requests and the City has agreed to allow the public improvements petitioned for by Developer to be financed by temporary notes for at least three (3) years from the date of issuance of such temporary notes.

**DRAINAGE.** The developer agrees to have the drainage reviewed and address any existing drainage issues from build out of the existing developed lots of the Greens at Cherry Oaks Addition to Cheney, Sedgwick County, Kansas. The Developer shall prepare a storm drainage plan which shall address the effect of increased drainage, meet City specifications and be approved by the City Engineer as well as any other relevant federal, state and local authorities. After such approval by the City Engineer and any other relevant federal, state and local authorities, with any necessary modifications, the Developer shall install, or cause to be installed, the improvements pursuant to the drainage plan. The developer must follow all National Pollution Discharge Elimination System (NPDES) and City of Cheney Standards for erosion and sediment control on site.

**ROADWAYS.** The Developer shall install, or cause to be installed, according to the design standards of the City, all such platted roadways within and/or servicing said Phase 2 of the Greens at Cherry Oaks Addition to Cheney, Sedgwick County, Kansas. The Developer shall install, or cause to be installed, street signs of such location, type and size as shall be approved by the Governing Body, giving due regard to the prevailing type, size and pattern of location utilized throughout the area and MUTCD standards. All roadways must be kept free of construction debris and mud. Dust created during construction the must be controlled to avoid creating a nuisance for motorists and neighbors.

**SANITARY SEWER.** The Developer shall petition the City to perform the engineering design review, construction and inspection of transmission lines, not less than (8) inches in diameter, to transport sewage and discharge in the existing lift station along 23<sup>rd</sup> Street. Said sewer main shall be dedicated to and owned and maintained by the City. Said transmission lines and sewer main shall be installed within dedicated easements. Any additional necessary easements shall be granted by the Developer or acquired as part of the construction project and dedicated by separate instrument. All Sanitary Sewer User Fees and Hook Up Fees are subject to payment by Developer in accordance with applicable City Ordinances and Resolutions.

**WATER.** The Developer shall petition the City to perform the engineering design, construction and inspection transmission water lines minimum (8) inches in diameter, to

the municipal water supply system of the City of Cheney, Kansas. Said water transmission lines shall be dedicated to and owned and maintained by the City. An alternate looped system for water provision within in cul-de-sacs, if shown to be performing below applicable standards as a result from typical designs else where in the city, shall not be allowed and an empirical and/or alternate design meeting these standards will be required to be built in accordance with plans and specifications that are approved by the city engineer. Said water transmission lines shall be installed within dedicated easements. If not shown on the final plat, necessary easements shall be granted by the Developer or acquired as part of the construction project and dedicated by separate instrument. All Water User Fees and Hook Up Fees are subject to payment by Developer in accordance with applicable City Ordinances and Resolutions.

NATURAL GAS. The City of Cheney, who operates a natural gas utility, shall design and construct natural gas transmission main lines to the natural gas system of the City of Cheney, Kansas and the City shall bear the cost related to installing such natural gas lines within Phase 2 of the Greens at Cherry Oaks Addition. Said natural gas lines shall be dedicated, owned and maintained by the City. Said natural gas transmission lines shall be installed within dedicated easements to be granted to the City as follows: If not shown on the final plat for said Addition, all necessary easements shall be granted by the Developer to the City by separate instrument or, in the event the property within which such necessary easements are to be located is not owned by Developer, Developer shall acquire such necessary easement at Developer's sole cost and shall ensure that the same are dedicated to the City by separate instrument as part of the construction project. All natural gas User Fees and Hook Up fees are subject to payment by Developer in accordance with applicable City Ordinances and Resolutions.

SIDEWALKS. Chapter 16, Section 344 of the Cheney City Code requires the subdivider of a proposed subdivision to install or provide for the installation of sidewalks in accordance with city ordinances. The City of Cheney agrees to waive this sidewalk requirement within Phase 2 of the Greens at Cherry Oaks Addition in exchange for Developer granting the City a letter of credit covering the existing Special Assessments owed on the undeveloped lots.

EXISTING SPECIAL ASSESSMENTS: The developer will provide the City of Cheney, Kansas with an Irrevocable Letter of Credit, or cash equivalent surety approved by the Governing Body of the City of Cheney, Kansas, for 50% of the Special Assessments owed on the following undeveloped lots that will further be developed as part of the development within Phase 2 and Phase 3 within the Greens at Cherry Oaks Addition, Cheney, Sedgwick County, Kansas:

- Block 1, Lot 1, 2, 4, 5, 6, 7, 8, 9, 10, 13, 14, 15
- Block 2, Lot 1, 2
- Block 3, 1, 2, 4, 5, 6, 7, 8, 9, 10, 30, 31, 32, 33, 34, 35, 36, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50
- Block 4, Lot 4, 5, 6, 7, 8, 9, 10, 11, 12, 13

Said letter of credit for the existing specials will be released upon the earlier of (a) when 50% of the lots at the Greens at Cherry Oaks Addition have occupancy permits (houses constructed upon and/or building permits issued by the City of Cheney), or (b) December 31, 2025 (when existing specials pay out).

The agreed upon amount of 50% of the existing specials is set at \$30,500 with the understanding that the developer will pay the 2021 Special Assessments due in December 2021.

The developer confirms that the letter of credit shall be automatically renewed for additional 2-year periods unless the City notifies the bank issuing the letter of credit in writing at least 60 days prior to the relevant expiration date of the letter of credit that such automatic renewal shall no longer be required. Should said letter of credit be reduced/cancelled without such City notification, the City shall be entitled to draw up to the full amount of the remaining credit available at that time prior to such reduction/cancellation.

The developer will have no delinquent special assessments on the project before the guarantee will be released.

**FIRE HYDRANTS.** The type and quality of Fire Hydrants are to be installed as specified by City standards, and shall in any event not be less than the minimum standards of the National Board of Fire Underwriters. Such hydrants shall be connected to the City’s water supply system. Such hydrants must be inspected and approved prior to installation by the City’s Fire Chief.

**MISCELLANEOUS.** The City of Cheney requires that the Homeowners Association contemplated under existing Covenants encumbering Lots within the Greens at Cherry Oaks Addition to Cheney, Sedgwick County, Kansas be created and formed prior to the City issuing any building permits for Lots within Phase 2 of the Greens at Cherry Oaks Addition to Cheney, Sedgwick County, Kansas.

Upon petition by the Developer, the City shall request installation of necessary streetlights by Evergy.

All lots covered by this Agreement shall be kept clean and shall not pond water. All Lots and Reserve Areas within Phase 1 and 2 of the Greens at Cherry Oaks Addition to Cheney, Sedgwick County, Kansas must have lots mowed to a height not to exceed twelve (12) inches. Lots within what has been designated as Phase 3 (hereinafter referred to as “Phase 3”) on the Plat for the Greens at Cherry Oaks Addition to Cheney, Sedgwick County, Kansas must be mowed and/or maintained subject to a farm lease with native grass mowed to a height not to exceed twenty-four (24) inches and weeds must be mowed to a height not to exceed twelve (12) inches. All lots shall comply with all applicable laws and regulations pertaining to erosion control.

Developer acknowledges and agrees that a separate development agreement consistent in form and content but not necessarily identical to this Development Agreement will be required to be executed by and between the City of Cheney, Kansas and the Developer (and/or Developer’s heirs, successors and/or assigns) prior to opening

of future phases.

All temporary construction units must be removed when building within their immediate vicinity is completed.

Whenever existing sanitary or storm water sewers, water lines, drainage channels, culverts, underground and overhead electric lines, communications lines, gas lines, pipe lines or transmission lines are required to be installed, lowered, encased, or relocated due to the subdivision or construction improvements within Phase 2 of the Greens at Cherry Oaks Addition to Cheney, Sedgwick County, Kansas, the Developer shall pay one hundred percent (100%) of the cost of the improvements unless otherwise petitioned for and approved by the Governing Body of the City of Cheney, Kansas and/or another unit of government. The Developer shall indemnify and hold harmless the City from any liability from damages that may occur during design and construction of the same.

The Developer agrees to assume responsibility to see that all original purchasers of Lots in Phase 2 of the Greens at Cherry Oaks Addition to Cheney, Sedgwick County, Kansas receive a copy of the Developer's Agreement and the Restrictive Covenants applicable to the Lots contained with said Phase 2 at the time of purchase.

As referenced throughout this Developer's Agreement, the development of the Greens at Cherry Oaks Addition to the City of Cheney, Sedgwick County, Kansas is being accomplished by virtue of a multiple-phase process. Representatives of the parties shall formally meet and review existing phases of development as well as the requirements of this Agreement, prior to the submission of petitions for infrastructure improvements for future phases of the development. Development of Phase 3 of the Greens at Cherry Oaks Addition to the City of Cheney, Sedgwick County, Kansas may not commence until the Phase 2 letter of credit is released.

**PERMITS.** No construction shall commence on any portion of the tract of land including the lots mentioned for Phase 2 of the Greens at Cherry Oaks Addition to the City of Cheney, Kansas without the Developer, or its designated builder, having first obtained the proper building and zoning permits from the City.

**PURPOSE.** A specific purpose of this agreement is to assure that necessary improvements are in place to support development of the tract of land herein referred to as Phase 2 of the Greens at Cherry Oaks Addition to the City of Cheney, Kansas. Therefore, the Developer's compliance with the terms and conditions of this Agreement shall be a condition precedent to the granting of building and/or occupancy permits for development on said property. The Developer shall strictly observe and comply with all regulations, resolutions, policies, and ordinances of the City and Sedgwick County, and all statutes and laws of the State of Kansas and of the United States.

**RECORDING.** The Developer shall file an executed copy of this Agreement with the Sedgwick County Register of Deeds. A copy of this Agreement showing said recording along with a copy of the recorded plat shall be furnished by the Developer to all general contractors working within said Phase 2 of the Greens at Cherry Oaks Addition to Cheney, Sedgwick County, Kansas before any building permits may be issued by the



City for construction upon any Lot located within said Addition.

**BINDING.** The terms and conditions of this Agreement, as set forth herein, shall be binding upon the City and the Developer, their successors, representatives, trustees, and assigns. As such, all terms and conditions of this Agreement shall, to the fullest extent possible under the laws of the State of Kansas, be construed as binding covenants running with the land and shall bind Developer and all future purchasers of lots owned by Developer. Finally, to the fullest extent legally possible under the laws of the State of Kansas, the City of Cheney, Sedgwick County, Kansas and/or its designees and other relevant regulatory authorities shall be construed as having proper standing and authority in all relevant courts to take and/or respond to any and all legal action to enforce and/or comply with the covenants, terms and conditions of this Agreement.

[The Remainder of this Page is Intentionally Left Blank. Signature Page to Follow.]

THIS AGREEMENT is hereby executed on this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
DEVELOPER, BACK 9 HOLDINGS, LLC

THIS AGREEMENT was approved by vote the City Council of the City of Cheney, Kansas on the \_\_\_\_\_ day of \_\_\_\_\_, 2021 and is hereby executed on this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
MAYOR, PHILIP MIZE

SEAL

ATTEST:

\_\_\_\_\_  
CITY CLERK, DANIELLE YOUNG

**ACKNOWLEDGEMENTS**

STATE OF KANSAS        )  
                                  )  
COUNTY OF SEDGWICK )        ss:

BE IT KNOWN BY ALL PERSONS that on this \_\_\_\_\_ day of \_\_\_\_\_, 2021, before me, a Notary Public, came \_\_\_\_\_, for an on behalf of Back 9 Holdings, LLC a Kansas Limited Liability Company, who is personally known to me to be the same person who executed, in such a capacity and with executory authority, the foregoing Development Agreement Concerning Phase 2 Development of the Greens at Cherry Oaks Addition to Cheney, Kansas.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

\_\_\_\_\_  
\_NOTARY PUBLIC

My Appointment Expires:\_\_\_\_\_

STATE OF KANSAS        )  
                                  )  
COUNTY OF SEDGWICK )        ss:

BE IT KNOWN BY ALL PERSONS that on this \_\_\_\_\_ day of \_\_\_\_\_, 2021, before me, a Notary Public, came Philip Mize, who is known to me to be the Mayor of Cheney, Kansas and who personally acknowledged execution of the forging Agreement Concerning Development of Phase 2 of the Greens at Cherry Oaks Addition to Cheney, Kansas, and Danielle Young, who is known to me to be the City Clerk of Cheney, Kansas and who personally acknowledged attesting the signature of said Mayor Philip Mize.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

— \_\_\_\_\_  
NOTARY PUBLIC

My Appointment Expires:\_\_\_\_\_



# KMIT Health Program Webinar

Wednesday, September 22nd



# WELCOME & BACKGROUND

*Ty Lasher, City of Bel Aire (KMIT Task Force Chairman/Board Member)*

## Current Challenges:

- Majority of Cities are Direct with BCBSKS
- Other Cities with Brokers Still Susceptible to Small Group Cost Structure
- Costs Continue to Rise
- Tight Budgets
- Lack of Transparency (No Data)- Difficulty Setting Budgets Mid-Year
- Cities under 50 employees are Community Rated

## Why Participate in a KMIT-sponsored Group Health Program?:

- Additional Value to KMIT Members
- KMIT Health Program Will Provide-
- Rate Stability to Struggling Cities
- Remove Community Rating for Smaller Cities
- Lower Rates
- Full Data Analytics – Data Drive Decisions
- IMA Holds BCBSKS Accountable



# TIMELINE: THE EARLY STAGES (PRE-FEASIBILITY)

### Conception (5/13)

IMA/Cornerstone Introduce a proposed group health insurance program concept for KMIT members to KMIT Pool Administrator Don Osenbaugh.

## JUNE

### Planning (Mid-June to Mid-July)

- Initial Task Force members chosen/contacted by Dumars, Lasher and Osenbaugh
- Survey reviewed and fine-tuned by staff/consultants and contact lists developed.
  - Letter to KMIT cities written and fine-tuned.

### Communication (7/13)

Letters sent out in the US mail to Mayors and City Managers of KMIT to provide notice that KMIT's Board has approved undergoing the research and development of a group health program concept, and that an email with the survey link will be sent out soon.



## MAY

### Discovery (6/16)

Conversation with KMIT Board Members other KMIT member representatives to lay out the group health program concept and get feedback on the idea. This group, by total consensus, wanted the KMIT Board to move forward.



### Initiation – KMIT Board Meeting (6/25)

KMIT Board unanimously approves moving forward with formation of a Task Force (made of up KMIT Board Members/other KMIT member representatives) that will meet regularly over the next several months to oversee development of a KMIT group health program solution in partnership with IMA/Cornerstone. Ty Lasher (Bel Aire) will chair the task force.

KMIT Board unanimously approves moving forward with emailing a survey link to KMIT members (hosted by BCBS of KS) to gather data/information on their current health plan and gauge interest for participating in a KMIT-sponsored group health program.



## JULY



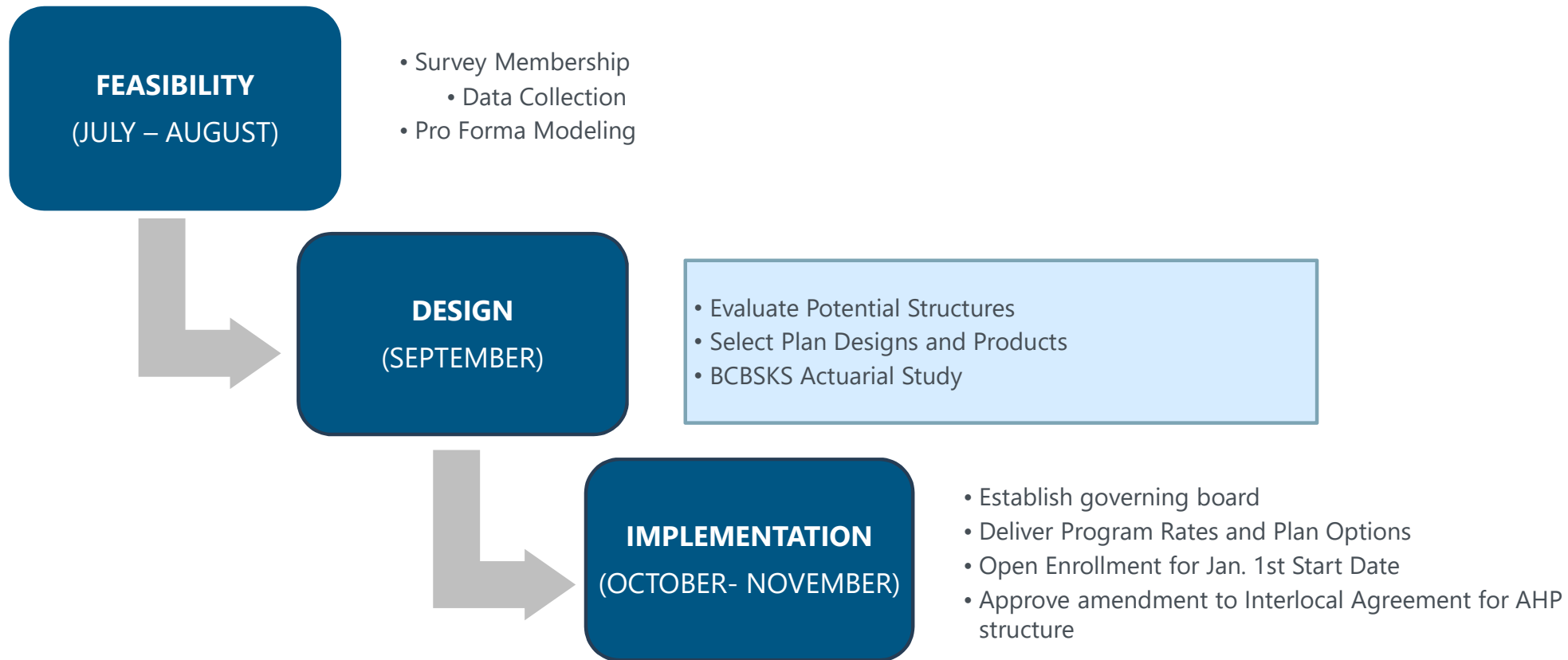
### Email with link to survey sent out to all KMIT members (7/19)



### KMIT Health Task Force Meeting #1, at IMA office (Wichita) (7/20)



# ROADMAP: KMIT HEALTH INSURANCE PROJECT



# SURVEY DATA UPDATE

## Program Structure:

Based on the survey responses, the following is a high-level outline of the program structure:

- Association Health Plan (AHP) under Kansas law,
- Fully-insured health plans and policies—this is not a self-insured “Pool”,
- Blue Cross Blue Shield of Kansas (BCBS) will issue the policies and pay all claims,
- High-quality BCBS provider networks across the state,

As the program grows, we will gain access to performance data that will allow KMIT to evaluate a self-funding structure in future years.

## Survey Findings:

### **113 Cities responded, representing more than 3,400 employees enrolled on plans**

We welcome all KMIT Members to participate in the launch of this program. However, **this initial launch structure may not be the best fit for all.** Cities that are partially self-funded or obligated to the State Health Plan, may not find this program to be the best fit for KMIT’s launch. That will change over time. But for program launch, we anticipate the following segmentations of KMIT members will align well with the AHP structure outlined above:

- ‘Fully-insured’ plans (not self-funded or partially self-funded)
- Enrolled employees on plan of 150, or less,
- Rates 110% or better than BCBSKS manual rates

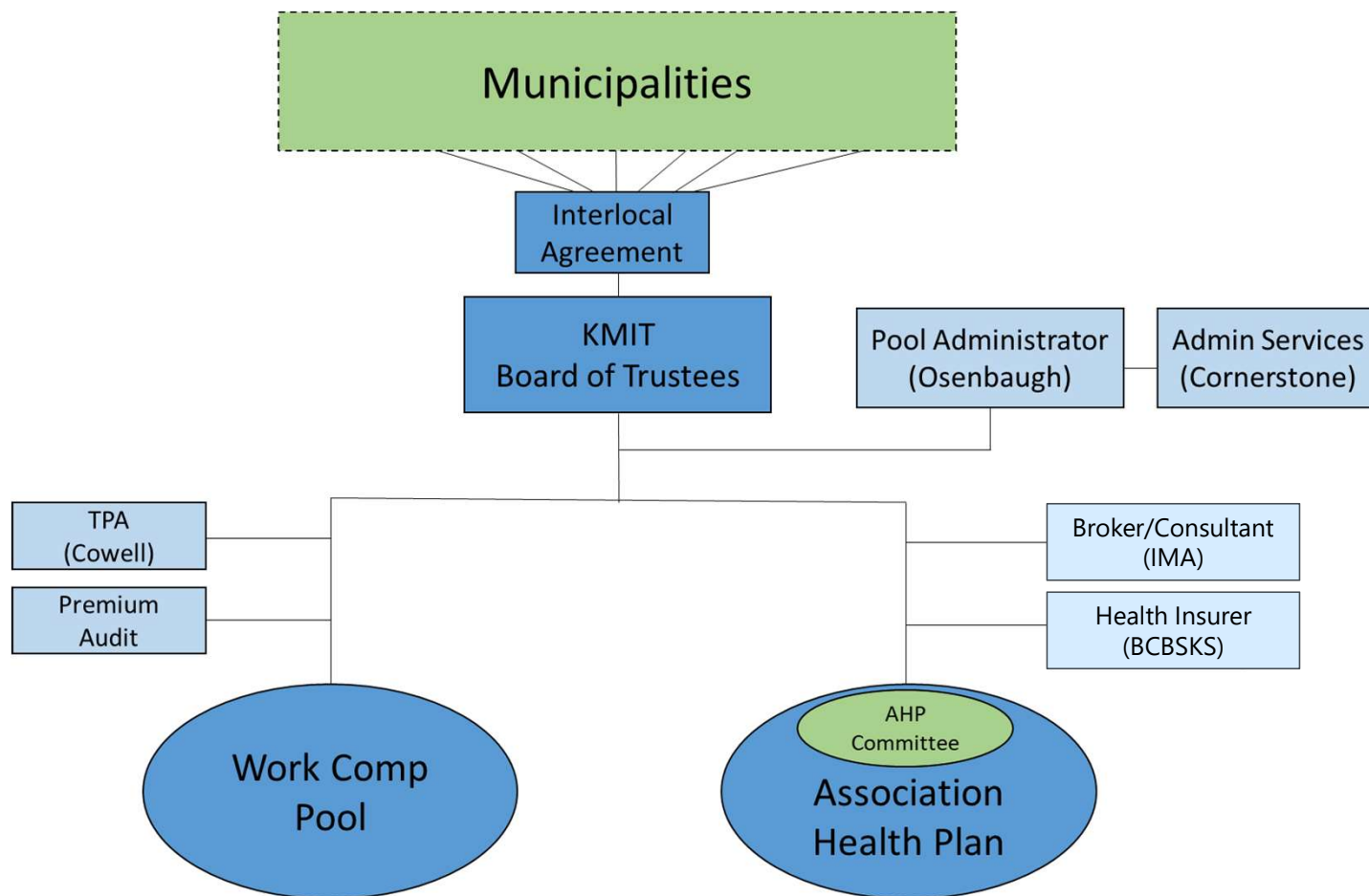
### **58 Cities (1,679 Enrolled Employees) fall within these metrics (Goal to launch: 500 EE Lives)**

- **8** cities have **OVER 50 Enrolled EEs** on plan (**795 Enrolled EEs**)
  - Grandfathered: 3 cities (288 Enrolled EEs)
- **50** cities have **UNDER 50 Enrolled EEs** on plan (**884 Enrolled EEs**)
  - Grandfathered: 16 cities (261 Enrolled EEs)





# STRUCTURE



# MEDICAL PLAN OPTIONS

## MEDICAL SUMMARY for KMIT for January 1, 2022

In-Network Benefits		BCBSKS	BCBSKS	BCBSKS	BCBSKS	BCBSKS
		TOC5L	TOC5L	TOC5L	HI94A	HI93A
Cost Sharing	Ded (single family)	\$500   \$1,000	\$1,000   \$2,000	\$1,500   \$3,000	\$5,000   \$10,000	\$6,350   \$12,700
	Coins (plan pays member pays)	80%   20%	80%   20%	80%   20%	100%   0%	100%   0%
	Coins OOP (single family)	\$2,500   \$5,000	\$2,500   \$5,000	\$2,500   \$5,000		
	Total OOP (single family)	\$5,000   \$10,000	\$5,000   \$10,000	\$5,000   \$10,000	\$6,350   \$12,700	\$6,350   \$12,700
Benefits	Office Visit (primary specialist)	\$35   \$35	\$35   \$35	\$35   \$35	Ded	Ded
	Telehealth Visit	\$35	\$35	\$35		
	Preventive Care	\$0 most services	\$0 most services	\$0 most services	\$0 most services	\$0 most services
	Diagnostic Lab	100% to combined max of \$300	100% to combined max of \$300	100% to combined max of \$300	Ded	Ded
	Diagnostic X-Ray	per covered person per benefit period, Ded, Coins	per covered person per benefit period, Ded, Coins	per covered person per benefit period, Ded, Coins	Ded	Ded
	Advanced Imaging				Ded	Ded
	Urgent Care Facility					
	Emergency Room	\$250, Ded, Coins	\$250, Ded, Coins	\$250, Ded, Coins	Ded	Ded
	Inpatient Hospital	Ded, Coins	Ded, Coins	Ded, Coins	Ded	Ded
	Outpatient Facility	Ded, Coins	Ded, Coins	Ded, Coins	Ded	Ded
	Inpatient MH/SUD	Ded, Coins	Ded, Coins	Ded, Coins	Ded	Ded
	Outpatient MH/SUD	\$35	\$35	\$35	Ded	Ded
Spinal Manipulation						
Prescription Drugs	Ded (single family)				Med Ded	Med Ded
	Tier 1	\$15	\$15	\$15	\$15	
	Tier 2	\$50	\$50	\$50	\$50	
	Tier 3	\$75	\$75	\$75	\$75	
	Tier 4					
	Mail order	2.5x retail copay	2.5x retail copay	2.5x retail copay	2.5 retail copay	
Enrollment & Cost		TOC5L	TOC5L	TOC5L	HI94A	HI93A
	Employee Only					
	Employee + Spouse					
	Employee + Child(ren)					
	Employee + Family					
	Est. Total/Mo \$	-	\$	-	\$	-
	Est. Total/Yr	-	-	-	-	-



Created 9/16/21 SLE  
Revised

Select Formulary for Prescriptions

Select Formulary for Prescriptions

Select Formulary for Prescriptions

Qualifies for HSA

Qualifies for HSA

Rates and provisions are determined by the underwriting carrier. While IMA has endeavored to provide an accurate and clear summary, each carrier's formal proposal prevails over any representations shown in this summary.



# DENTAL PLANS

## DENTAL SUMMARY for KMIT for January 1, 2022

		BCBSKS
		DT052
Cost Sharing	Ded (single   family)	\$25   \$75
	◦ Ded applies to	II, III
	Max Benefits/year	\$2,500
	◦ Preventive applies to Max	Yes
	Ortho Max (per person)	N/A
In-Network Benefits	I - Diagnostic & Preventive (Plan Pays)	Plan Pays 100%
	◦ Frequency of Exams/Cleanings	
	II - Basic (Plan Pays)	80%   20%
	III - Major (Plan Pays)	50%   50%
	IV - Ortho (Plan Pays)	N/A
	Periodontics	II   III
	Endodontics	II
	Dental Implants	III (\$1,000 lifetime max per insured, per arch)
Misc	Waiting Periods	
	Dependent Child Age Limit	
	Ortho Age Limit	N/A
	Min Participation Required	
	Non-Contrib/Contrib/Voluntary	
Enrollment & Cost		DT052
	Employee Only	
	Employee + Spouse	
	Employee + Child(ren)	
	Employee + Family	
	-	Est. Total/Mo \$ -
		Est. Total/Yr -

Created 9/16/2021 SLE  
Revised 6/21/18



Rates and provisions are determined by the underwriting carrier. While IMA has endeavored to provide an accurate ai



## ENROLLMENT/ADMINISTRATION/ON-GOING SERVICES

- IMA will provide a standard set of open enrollment materials for you to distribute to your eligible employees
- Cities can use the same enrollment process as current
- Cities will get monthly BCBSKS premium invoices similarly as you do currently.
- An IMA dedicated team will be provided for any escalated claims and questions on EOBs
- IMA will provide quarterly snapshots of how the program is running from a loss ratio perspective. This will help with forecasting future renewals.
- One rate provided for all cities
- Cities under 50 will no longer be “age rated”



## NEXT STEPS

### October:

- IMA and KMIT will provide preliminary rates to those cities who met criteria
- Cities not meeting criteria will be notified
- Early October: Webinar to review final questions, discuss preliminary rates with cities that make final underwriting list
- Mid-October: Deadline to notify KMIT of intent to participate
- Late October: KMIT, IMA and BCBS will deliver final quotes to cities

### November:

- Approve amendment in interlocal agreement that allows for AHP structure

**PLEASE NOTE: If the KMIT Health Program rates are near your current renewal rates or better KMIT and IMA would recommend your city to join the program due underwriting requirements now and in subsequent years. For example, if your city does not join this year and the overall health of your group next year exceeds 115% of the risk rating of the KMIT Health Program entry next year may not be an option.**



**KMIT Rates**

Monthly Premium	\$ 603.32	\$ 1,211.17	\$ 1,284.44	\$ 1,892.29	
90% cost to City	\$ 542.99	\$ 1,090.05	\$ 1,156.00	\$ 1,703.06	
Annual Cost to City	\$ 6,515.86	\$ 13,080.64	\$ 13,871.95	\$ 20,436.73	
# employees	5	2	1	6	
Total Annual Cost	\$ 32,579.28	\$ 26,161.27	\$ 13,871.95	\$ 122,620.39	\$ 195,232.90

**Current Rates**

Monthly Premium	\$ 528.96	\$ 1,070.76	\$ 1,136.06	\$ 1,677.86	
90% cost to City	\$ 476.06	\$ 963.68	\$ 1,022.45	\$ 1,510.07	
Annual Cost to City	\$ 5,712.77	\$ 11,564.21	\$ 12,269.45	\$ 18,120.89	
# employees	5	2	1	6	
Total Annual Cost	\$ 28,563.84	\$ 23,128.42	\$ 12,269.45	\$ 108,725.33	\$ 172,687.03

**Additional Annual Cost to City if switch to KMIT**      **\$ 22,545.86**

**Comparisons:**

Employee	Emp/Ch	Emp/Sp	Family	Coverage
14%	13%	13%	13%	% KMIT Rates Higher than City
\$ 603.32	\$ 1,211.17	\$ 1,284.44	\$ 1,892.29	KMIT Rates effective 1/1/22
\$ 528.96	\$ 1,070.76	\$ 1,136.06	\$ 1,677.86	Current City Rates (renews 2/1)

**Rate History for City with BCBS**

**2022 ??**      Will know mid-November

2021	3.78%	decrease
2020	5.59%	increase
2019	8.34%	decrease
2018	12.45%	increase
2017	3.08%	decrease
2016	15.78%	increase

**A-23. City Residency:** Except as provided in this Section, residency within the City limits of Cheney shall not be a requirement for obtaining or maintaining City employment. If, however, the qualifications of applicants are determined to be equal based upon all relevant job criteria, City of Cheney residents will have priority in the selection process over non-Cheney residents. ~~Further, all law enforcement officers with an initial hire date after June 1, 2014 shall reside within the boundaries of Cheney Unified School District 268.~~

**B-7. Employment Classifications:** These classifications do not guarantee employment for any specified period of time. Accordingly, the right to terminate the employment relationship at will at any time is retained by both the employee and the City of Cheney. The positions of the City are divided into three classes:

- A. *Appointed Class:* The appointed class consists of the City Administrator, City Attorney, Police Chief, City Prosecutor, City Clerk, City Treasurer, Fire Chief, ~~members of the Fire Department, Planning Commission members, Prosecutor, Police Officers, Reserve Officers, Superintendent of Sewers,~~ and the Municipal Judge positions. Appointees to these positions shall be determined by the Governing Body.
- B. *Exempt Class:* Positions considered exempt are as defined by the Fair Labor Standards Act and amendments thereto. Appointees to these positions shall be determined by the competitive selection process.
- C. *The Nonexempt Class:* Positions considered nonexempt is as defined by the Fair Labor Standards Act and amendments thereto. Appointees to these positions shall be determined by the competitive selection process

**E-5. Vacation Leave:**

(f) *Minimum Hours.* Employees may use vacation leave in units of not less than fifteen minutes ~~one (.25) hour~~, subject to the approval of their supervisor.

**E-6. Sick Leave:**

(a) *Computing Sick Leave.* Any absence for a fraction or part of a day which is chargeable to sick leave shall be charged in increments of not less than ~~fifteen minutes one (.25) hour~~.

**F-10. Health care Program:**

- (a) All full-time employees ~~defined by this policy and as defined by the IRS and Affordable Care Act as someone who works at least 30 hours a week or 130 hours a month on average~~ shall be eligible for the city's group health care insurance program ~~upon the first day of the month following hire date, provided the employee completes a premium deduction authorization and enrollment form.~~ However, new hires may be subject to a waiting period required by the insurance company. A part-time employee who becomes a full-time employee shall be eligible for group health care insurance as of the date of change in employment status.
- (b) Employees and officers, other than those described in section F-10 (a) above, may not participate in the City's group health care insurance program unless the Governing

**Commented [D1]:** City Code 1-301 states...."shall appoint a city clerk and city treasurer, and may appoint a city attorney, municipal judge, chief of police and such officers as may be deemed necessary for the best interest of the city."

City Code 1-314 states...."the City administrator shall be appointed by the mayor with the consent of the council...."

City Code 7-101 Members of the Fire Department shall be appointed by the Mayor

City Code 10-101 states...."The law enforcement department shall consist of a chief of police and such number of regular law enforcement officers as shall be appointed as provided by KSA Supp 15-204

City Code 10-301 states....Reserve Police Force- the members of which shall be appointed by the mayor and approved by Council.

City Code 15-345 The sanitary sewer system of the city shall be operated and managed by a superintendent of sewage works, which superintendent shall be appointed by the mayor with the consent of the council, and who shall serve reappointment or until a successor is appointed.

City Code 16-102- The members of the planning commission shall be appointed by the mayor.....

KSA15-204 states....appoint a judge, clerk, treasurer, police chief, law enforcement officers,

At our May Council meeting, we appoint Administrator, Clerk, Police Chief and officers, Fire Chief, City Attorney, Judge, Prosecutor, Treasurer and we appoint Volunteer Firefighters as they're hired, but don't do re-appointments of them each year.

Body has approved his/her participation. Upon approval, such a participant will be responsible for the entire premium amount.

- (c) The Governing Body shall decide additional costs such as those incurred by family benefit participation in the program from time to time. Employees who ~~are classified~~ meet the definition as full-time ~~employee or regular part time~~ are eligible to be enrolled in the City's group health insurance program. Single and family membership programs are available. The City covers 90% of the total premium costs for each employee enrolled in the City provided insurance program. The City Administrator or his/her designee will inform each employee of their portion of the premium. All employees are required to carry medical insurance whether through the City provided program, a spouse or an individual policy.
- (d) When an individual employee is required to contribute because of participation in the city's group health care program, the amount of such deduction shall be a payroll deduction.
- (e) All costs for health care insurance shall be paid by the employee during any period the employee:
  - ❖ is on leave without pay (except as otherwise specifically provided in this Handbook);
  - ❖ is on suspension without pay;
  - ❖ is on unauthorized leave;
  - ❖ or is participating in any unlawful work stoppage.
- (f) Health care insurance coverage shall be extended to an individual who is temporarily disabled and drawing worker's compensation while serving as a city employee. The employee's share of the cost shall be deducted from any compensation due the employee in addition to worker's compensation payments. In the event no additional compensation is due, insurance may be extended at the option of the employer.
- (g) No employee shall be entitled to a cash payment in lieu of health care insurance coverage.
- (h) Retirees of the city, under age 65, shall be eligible for continued participation in the city's health care plan, upon payment of all the costs thereof, in accordance with the provisions of K.S.A. Supp. 12-5040 and the "City of Cheney Group Health Care Benefits Retiree Policy" adopted September 13<sup>th</sup>, 2018. ~~Resolution No. 58 of 1989~~. In addition, the City complies with those provisions of the Federal Consolidated Omnibus Reconciliation Act of 1986 (COBRA) relating to the extension of group health care plan coverage upon termination of city employment.
- (i) An eligible employee may only be exempted from the City's group health care insurance program by annually providing the City Administrator with proof of comparable insurance coverage.



- (j) Post-Employment Programs *COBRA*: Under the Consolidated Omnibus Budget Reconciliation Act of 1986 (“COBRA”), employees of the City who voluntarily resign or are terminated for any reason other than “gross misconduct,” are guaranteed the right to purchase individual or family health insurance through the City’s group plan for up to 18 months at their own expense. In many cases, the employee’s spouse and dependent children are also eligible for COBRA coverage, sometimes for as long as three years. COBRA participants must pay for the full premiums, plus up to a 2 percent administrative fee.

To be eligible for COBRA benefits employees or their dependents must actually be covered under the City’s health plan, and one of several types of “qualifying events” must occur to trigger COBRA, as listed below:

1. Resignation or Termination of job
2. Reduced hours
3. Employee entitled to Medicare
4. Divorce or legal separation
5. Death of employee
6. Loss of dependent-child status