



## **CITY OF WEST WENDOVER**

P.O. Box 2825 • 1111 N. Gene L. Jones Way • West Wendover, NV 89883  
Office (775) 664-3081 Fax (775) 664-3720

### **WEST WENDOVER CITY COUNCIL MINUTES OF THE REGULAR MEETING OF MARCH 16, 2010**

The West Wendover City Council met for a regular meeting on March 16, 2010. The meeting was held at the West Wendover City Hall, Council Chambers #137. Mayor Andersen presided.

Council Members Present: Bryant Blake, Roy Briggs, Emily Carter, Johnny Gorum and Alan Rowley II

Others Present: Sue Grenz, Kris Andersen, April Prieto, Sandra Gunter, Mike Gunter, Brett Shelton, Mike Crawford, Jim Carter, Dixie Melville, Claude Fratto, Scott Bangerter, Craig Harasek, David Lockie, Tina Wiskerchen, David Wiskerchen, Tony Ventura, Jamey Christie, Sandy Gorum, Dustin Dobbs, Tammera Weyland, Scott Weyland, Bryce Kimber, Jeff Knudtson, Toni Corona, Corinne Copelan, Gary Kirigin, Gary Lewis, Sonny Longson, Brian Erickson, Suzan Erickson, Ismael Gutierrez, Sondra Schmidt, Tom Coyle, Kerry Robinson, Roseanna Robinson, Ron Supp, Aleta Kimber, Steve Weinstein, Ameer Eakins, Donald Burnum, Arby Stone, Chris Melville and Anna Bartlome

The following proceedings were had.

**1. CALL TO ORDER AND ROLL CALL**

Mayor Andersen called the meeting to order at 7:00 p.m. All those present and excused are noted above.

**2. PLEDGE OF ALLEGIANCE**

Mayor Andersen led those present in the Pledge of Allegiance.

**3. COMMENTS FROM THE GENERAL PUBLIC:**

None offered or received.

**4. \*APPROVAL OF THE MINUTES:**

Council Member Gorum made the motion to approve the minutes of the special meeting of February 25, 2010 and the regular meeting of March 2, 2010. The motion was seconded by Council Member Carter and passed unanimously.

Agenda was taken in the following order.

**6. CONSENT CALENDAR**

**a. First Reading and Filing of Ordinance #2010-02, An Ordinance Amending Title 8, Chapter 5B, of the West Wendover City Code Entitled "RMH Mobile Home Parks and Recreational Vehicle Parks; Mobile Home and Manufactured Home Subdivision District," by Adding a Provision which Allows Recreational Vehicles to be Temporarily Located in RMH-1 and RMH-3 Mobile Home Parks**

Mayor Andersen read the above entitled ordinance and filed with the clerk. Chris Melville explained that when the ordinance is adopted the percentage of spaces allowed for this use would need to be specified.

## 7. PRESENTATION

### **8:00 p.m. Results of the Community Needs Assessment Conducted by Bonneville Research and Pathway Associates for the City of West Wendover D.W. Reynolds Foundation Community Center Planning Grant**

Chris Melville explained that the Needs Assessment Team would like to forward this item to the April 6, 2010 meeting in order to complete some additional work for the presentation. Council Member Gorum made the motion to forward this item to the April 6, 2010 meeting. The motion was seconded by Council Member Blake and passed unanimously.

## 8. NEW BUSINESS

### **\*c. Discussion and Decision to Authorize the Mayor to Execute the Lease Agreement between the City of West Wendover Nevada and US Pipeline Inc. for 5.44 Acres More or Less in the City's Industrial Park and Other Matters Appropriately Related Thereto**

Chris Melville explained that this was for the 5.44 acres to be leased to US Pipeline Inc. beginning April 2010 with a lease payment of \$2,025.00 a month. Chris explained that US Pipeline is one of the companies building the natural gas pipeline crossing through northern Nevada. There would be approximately 100 workers and families that would be temporarily living in the community. The 5.44 acres would be used for their office trailers, fuel stations and equipment storage. Council Member Blake made the motion to authorize the Mayor to execute the lease agreement between the City of West Wendover Nevada and US Pipeline Inc. for 5.44 acres more or less in the City's Industrial Park. The motion was seconded by Council Member Briggs and passed unanimously.

## 5. PUBLIC HEARING

1) **NOTICE**, is hereby given that the City Council of the City of West Wendover, State of Nevada, will hold a public hearing at a regular meeting to be held on **March 16, 2010 at 7:10 p.m.** in the West Wendover City Hall, Council Chambers Room #137, located at 1111 North Gene L. Jones Way. The purpose of the hearing is to consider a zoning change from Public (P) to Commercial C-2. The property description is Parcel in the Northeast Quarter (NE ¼) of Section 16, Township 33N., Range 70E., M.D.B.&M., Containing 1.81 Acres More or Less, and Located at 801 Florence Way West Wendover, Nevada 89883.

Mayor Andersen closed the regular portion of the meeting and opened the public hearing portion of the meeting.

Chris Melville explained that the zone changes are being done by the City as part of the transactions with each property. Chris explained that the 1.81 acres was the former site of the Police Department and is currently zoned Public (P). During the recent land exchange with Mr. Ventura the property was appraised based on a Commercial C-2 zone.

There being no public comment Mayor Andersen closed the public hearing portion of the meeting and opened the regular portion of the meeting.

**\*Discussion and Decision Regarding Approval or Denial of Proposed Zone Change for Property Described as Parcel in the Northeast Quarter (NE ¼) of Section 16, Township 33N., Range 70E., M.D.B.&M., Containing 1.81 Acres More or Less, and Located at 801 Florence Way West Wendover, Nevada 89883.**

Council Member Gorum made the motion to approve the proposed zone change for property described as parcel in the Northeast Quarter (NE ¼) of Section 16, Township 33N., Range 70E., M.D.B.&M., containing 1.81 acres more or less, and located at 801 Florence Way West Wendover, Nevada 89883. The motion was seconded by Council Member Carter and passed unanimously.

## **8. NEW BUSINESS (continued)**

### **\*d. Discussion and Decision to Approve the Domestic Violence Advocate (Grant Position) Job Description and Related Classification Scale and Other Matters Appropriately Related Thereto**

Chris Melville presented the job description and classification scale for the Domestic Violence Advocate. Ron Supp explained that the Domestic Violence Advocate would be on call and work for the Police Department in assisting domestic violence victims through the process. General discussion was had regarding the length of the grant (2 years), required qualifications and training. Council Member Blake made the motion to approve the Domestic Violence Advocate (grant position) job description and related classification scale. The motion was seconded by Council Member Briggs and passed unanimously.

### **\*f. Discussion and Decision to Appoint the Financial Auditors for the City of West Wendover and Other Matters Appropriately Related Thereto**

Sondra Schmidt explained that she had received the audit engagement letter from Hansen, Barnett & Maxwell, P.C., which stated the gross fee including expenses not to exceed \$44,000.00. Sondra stated that this is the third and final year of the original RFP and recommends staying with them for this third audit. Council Member Carter made the motion to appoint Hansen, Barnett & Maxwell, P.C. as the financial auditors for the City of West Wendover not to exceed \$44,000.00. The motion was seconded by Council Member Gorum and passed unanimously.

## **5. PUBLIC HEARING (continued)**

**2) NOTICE**, is hereby given that the City Council of the City of West Wendover, State of Nevada, will hold a public hearing at a regular meeting to be held on **March 16, 2010 at 7:20 p.m.** in the West Wendover City Hall, Council Chambers Room #137, located at 1111 North Gene L. Jones Way. The purpose of the hearing is to consider a zoning change from Public (P) to Commercial C-3. The property description is Assessor Parcel #010-740-126 in the Northeast Quarter (NE ¼) of Section 16, Township 33N., Range 70E., M.D.B.&M., Containing 3.87 Acres More or Less, Previously a Portion of Parcel #010-740-114, Created by Deed, Recorded as Document 581593 and Located at the Southwest Intersection of West Wendover Boulevard and Florence Way in West Wendover, Nevada 89883.

Mayor Andersen closed the regular portion of the meeting and opened the public hearing portion.

Chris Melville explained that this was the 3.87 acres that the City sold in the public land sale, which includes the fire station and former court facilities. The property is currently zoned Public (P) but was appraised at a Commercial C-3 zone. Commercial C-3 zone is unlimited commercial, which could include hotel and casinos. Corinne Copelan asked where the fire station would be moving to and why not waiting to rezone until they are moved. Chris Melville explained that the City has a 10 year lease for the fire station where it is currently located. The lease is a 5 year lease with the option of another 5 years and no termination clause.

There being no further public comment Mayor Andersen closed the public hearing portion of the meeting and opened the regular portion of the meeting

**\*Discussion and Decision Regarding Approval or Denial of Proposed Zone Change for Property Described as Assessor Parcel #010-740-126 in the Northeast Quarter (NE ¼) of Section 16, Township 33N., Range 70E., M.D.B.&M., Containing 3.87 Acres More or Less, Previously a Portion of Parcel #010-740-114, Created by Deed, Recorded as Document 581593 and Located at the Southwest Intersection of West Wendover Boulevard and Florence Way in West Wendover, Nevada 89883.**

Council Member Gorum declared that he works for the Peppermill Corporation but would not personally benefit from this item. Council Member Carter declared that she works for the Peppermill Corporation but would not personally benefit from this item. Council Member Briggs declared that he works for the Peppermill Corporation but would not personally benefit from this item. Council Member Rowley II declared that he works for the Peppermill Corporation but would not personally benefit from this item. Council Member Blake made the motion to approve the proposed zone change for property described as Assessor Parcel #010-740-126 in the Northeast Quarter (NE ¼) of Section 16, Township 33N., Range 70 E., M.D.B.&M., containing 3.87 acres more or less, previously a portion of Parcel #010-740-114, created by deed, recorded as document 581593 and located at the southwest intersection of West Wendover Boulevard and Florence Way in West Wendover, Nevada 89883. The motion was seconded by Council Member Briggs and passed unanimously.

**8. NEW BUSINESS (continued)**

**\*e. Discussion and Decision Regarding Donating to the 2010 Annual Easter Egg Hunt and Other Matters Appropriately Related Thereto**

Anna Bartlome explained that this was a requested donation to an annual event. Jamey Christie explained that this is the annual event for all children in the community and the money provided goes to purchase the eggs and baskets. Council Member Gorum made the motion to donate \$490.00 to the 2010 Annual Easter Egg Hunt. The motion was seconded by Council Member Carter and passed unanimously.

**5. PUBLIC HEARING (continued)**

**3) NOTICE**, is hereby given that the City Council of the City of West Wendover, State of Nevada, will hold a public hearing at a regular meeting to be held on **March 16, 2010 at 7:30 p.m.** in the West Wendover City Hall, Council Chambers Room #137, located at 1111 North Gene L. Jones Way. The purpose of the hearing is to consider a zoning change from Public (P) to Commercial C-3. The property description is Assessor Parcel #010-740-129 in the Northeast Quarter (NE ¼) of Section 16, Township 33N., Range 70E., M.D.B.&M., Containing 3.91 Acres More or Less, Previously a Portion of Parcel #010-740-114, Created by Deed, Recorded as Document 581593 and Located Near 800 W. Florence Way in West Wendover, Nevada 89883.

Mayor Andersen closed the regular portion of the meeting and opened the public hearing portion of the meeting.

Chris Melville explained that this was the 3.91 acres that the City sold in the second public land sale. The property is currently zoned Public (P) but was appraised at a Commercial C-3 zone. The Recreation District has a use lease for the property, which is the current location of one of the softball fields. Construction of the new fields and concession stand that were part of the land sale are now underway. Steve Weinstein asked why the property first public

hearing was C-2 and this parcel was C-3. Chris explained that the City did not feel that allowing unlimited commercial next to the park facility was the right thing to do and also the size of the parcel. Joel Murphy asked why this parcel would be zoned C-3 when it would be next to a softball field and the other was C-2 when next to the park. Chris explained the location was one consideration as well as the use of the property and size of the lot.

There being no further public comment Mayor Andersen closed the public hearing portion of the meeting and opened the regular portion of the meeting.

**\*Discussion and Decision Regarding Approval or Denial of Proposed Zone Change for Property Described as Assessor Parcel #010-740-129 in the Northeast Quarter (NE ¼) of Section 16, Township 33N., Range 70E., M.D.B.&M., Containing 3.91 Acres More or Less, Previously a Portion of Parcel #010-740-114, Created by Deed, Recorded as Document 581593 and Located Near 800 W. Florence Way in West Wendover, Nevada 89883.**

Council Member Gorum declared that he works for the Peppermill Corporation but would not personally benefit from this item. Council Member Carter declared that she works for the Peppermill Corporation but would not personally benefit from this item. Council Member Briggs declared that he works for the Peppermill Corporation but would not personally benefit from this item. Council Member Rowley II declared that he works for the Peppermill Corporation but would not personally benefit from this item. Council Member Rowley II made the motion to approve the proposed zone change for property described as Assessor Parcel #010-740-129 in the Northeast Quarter (NE ¼) of Section 16, Township 33N., Range 70 E., M.D.B.&M., containing 3.91 acres more or less, previously a portion of Parcel #010-740-114, created by deed, recorded as document 581593 and located near 800 W. Florence Way in West Wendover, Nevada 89883. The motion was seconded by Council Member Blake and passed unanimously.

**8. NEW BUSINESS (continued)**

**\*g. Discussion and Decision to Renew City's Annual Employee Health Insurance Program, Related Rates and Approve Amendments to the Master Plan Document and Other Matters Appropriately Related Thereto**

Claude Fratto explained that the insurance committee has completed its annual review of the insurance program. There are currently 23 employee only, 12 employee with 1 dependent, and 23 families for a total of 59 employee participants. There are no COBRA participants as of October 31, 2009 but there are 2 retiree participants. The fixed cost per employee is \$224.03, the current specific deductible is \$30,000.00 and the plan is currently at a 71% reinsurance rate. The total plan costs are slightly higher in 2009 than in 2008 and the total plan costs were higher in 2009 than in 2008.

**5. PUBLIC HEARING (continued)**

**4) NOTICE**, is hereby given that the City Council of the City of West Wendover, State of Nevada, will hold a public hearing at a regular meeting to be held on **March 16, 2010 at 7:40 p.m.** in the West Wendover City Hall, Council Chambers Room #137, located at 1111 North Gene L. Jones Way. The purpose of the hearing is to consider a zoning change from Public (P) to General Industrial District (M-2). The property description is Industrial Park, Property which is a Part of APN #010-740-114 and APN #010-740-125, Located Along and Adjacent to Industrial Way and Logistics Drive and in the South ½ of Section 16, Township 33 North, Range 70 East, M.D.B.&M., in West Wendover, Nevada 89883 and Containing Approximately 35 Acres More or Less.

Mayor Andersen closed the regular portion of the meeting and opened the public hearing portion of the meeting.

Chris Melville explained that this zone change would be for the 35 acres more or less that was part of the property the City purchased from the BLM. The property is currently zoned Public (P) and would be changed to General Industrial District (M-2). Chris explained that the M-2 zone requires a conditional use permit be issued by the Council. Corinne Copelan asked if this was the current location of the equestrian park. It was stated that the equestrian park is located southwest of the industrial park.

There being no further public comment Mayor Andersen closed the public hearing portion of the meeting and opened the regular portion of the meeting.

**\*Discussion and Decision Regarding Approval or Denial of Proposed Zone Change for Property Described as Industrial Park, Property which is a Part of APN #010-740-114 and APN #010-740-125, Located Along and Adjacent to Industrial Way and Logistics Drive and in the South ½ of Section 16, Township 33 North, Range 70 East, M.D.B.&M., in West Wendover, Nevada 89883 and Containing Approximately 35 Acres More or Less.**

Council Member Carter made the motion to approve the proposed zone change for property described as Industrial Park, property which is part of APN #010-740-114 and APN #010-740-125, located along and adjacent to Industrial Way and Logistics Drive and in the South ½ of Section 16, Township 33 North, Range 70 East, M.D.B.&M., in West Wendover, Nevada 89883 and containing approximately 35 acres more or less. The motion was seconded by Council Member Briggs and passed unanimously.

**6. CONSENT CALENDAR**

**ITEM OUT OF ORDER, SEE ABOVE.**

**7. PRESENTATION**

**ITEM OUT OF ORDER, SEE ABOVE.**

**8. NEW BUSINESS**

**\*a. Pursuant to Request of the Owner, Mr. Scott Bangerter, Discussion and Possible Action to Amend, Alter, Extend or Otherwise Change Section 9 of the Settlement Agreement Between the City of West Wendover and Southern X-Posure, which Now Requires Discontinuance of all Sexually Oriented Business Uses and Activities of the Southern X-Posure at the Present Location (1890 Plateau Way "The Plaza") no Later than March 1, 2016, or to Consider and Take Any Other Action Upon this Request Deemed Appropriate by the City Council**

Mayor Andersen stated that this issue was a zoning issue. Scott Bangerter thanked the Council for hearing the proposal about why the agreement should be amended. Scott explained that he was asking for the change now instead of waiting for the agreement to end in six years in order to continue his business plans (5 years or more). Scott stated that in March of 2004 he was presented a letter that stated he would be regulated by the Sexually Oriented Business (SOB) ordinance. Scott filed a complaint in district court to determine whether governed by the SOB ordinance. Three years later the settlement agreement was executed. Scott stated that as part of the settlement he agreed to be governed by the SOB ordinance and pay the license fees that apply to sexually oriented businesses. The settlement agreement consisted of restrictions to the type of performances on the stages, counters, were table dances could be, contact between patrons and dancers. Structural changes to the building were done, rules were posted and he agreed to not expand or remodel. The

agreement also consisted of providing more security, outside lighting, cameras, designated a key employee or manager, and all dancers and managers would have work cards. As part of the agreement the Southern X-Posure would stop operating in its current location on March 1, 2016 and the lawsuit would be dismissed. Scott stated that he was not sure if his business would be viable due to the requirements of the agreement. Scott explained the other two businesses that he owns that are rely on the Southern X-Posure, which include the Plaza and Toana Taxi. The taxi is the only form of public transportation in the City with approximately 25% of its revenue coming from Southern X-Posure. The taxi takes approximately 125 fares per day or 375 people. Scott further stated that when he purchased the Plaza there was a 25% vacancy rate that is now only 10%. The Southern X-Posure is the anchor tenet in the Plaza. Scott stated that it would not be viable to relocate the Southern X-Posure. Council Member Rowley II asked what the plan was at the time of the agreement regarding the relocating of the Southern X-Posure. Scott stated that the litigation had been ongoing for awhile but with the agreement could stay at the same location for 9 years before moving. Discussion was had regarding the equity in the Plaza, whether it could be used to help build a new facility and relocate. Discussion was also had regarding a SOB not serving alcohol if full nudity. General discussion was had regarding the crime stats for the area/business, and the status of the economy.

The following made statements regarding allowing the Southern X-Posure to stay where presently located: Gary Kirigin, Sam Sharma, Mayor Andersen and Corinne Copelan. The statements included the cost of relocating, whether business is more out of sight where currently at, how much business and/or income Southern X-Posure brings into City.

The following made statements regarding standing by the settlement agreement: Jimmy Carter, Jamey Christie, all of the Council Members (Rowley II, Blake, Briggs, Carter and Gorum), and Alex Petersen. The statements included the precedent being set by possibly changing a settlement agreement to a lawsuit; that the issue is a zoning issue not ethic or morality issue, industrial area being better location, and having to explain to children what the Southern X-Posure is when they see the signs and lights.

Council Member Carter made the motion to uphold the agreement that Scott Bangerter agreed to and not to amend, alter, extend or otherwise change section 9 of the settlement agreement between the City of West Wendover and Southern X-Posure, which now requires discontinuance of all sexually oriented business uses and activities of the Southern X-Posure at the present location (1890 Plateau Way "The Plaza") no later than March 1, 2016. The motion was seconded by Council Member Rowley II and passed unanimously.

**\*b. Discussion and Decision to Approve a Limited Extension of Time to August 1, 2010, in order to Provide an Adequate Construction Period for Completion of Facilities, per Paragraph 1(B) of the Agreement to Install Improvements and Performance Guarantee Bond(s) Required Between the City of West Wendover and Peppermill Casinos, Inc., Dated March 3, 2008 for the Construction of Softball Fields and Related Facilities and Other Matters Appropriately Related Thereto**

Chris Melville explained that this would be to approve an existing agreement through August 1, 2010 to allow for the construction of the softball field complexes. The complex was bid out and awarded to WCH3 a limited liability company out of Las Vegas for an amount of \$1.1 million dollars. Gary Lewis explained that the fields are not completed and asking for a four month extension to get completed. It was explained that the Recreation District is working on an agreement to continue to use the current field for an undetermined time. Council Member Gorum declared that he works for the Peppermill Corporation but would not personally benefit from this item. Council Member Carter declared that she works for the Peppermill Corporation but would not personally benefit from this item. Council Member Briggs declared that he works for the Peppermill Corporation but would not personally benefit from this item. Council Member Rowley II declared that he works for the Peppermill Corporation but would not personally benefit from this item. Council Member Blake made the motion to approve the limited extension of time to August 1, 2010, in order to provide an adequate

construction period for completion of facilities, per paragraph 1(B) of the agreement to install improvements and performance guarantee bond(s) required between the City of West Wendover and Peppermill Casinos, Inc., dated March 3, 2008 for the construction of softball fields. The motion was seconded by Council Member Carter and passed unanimously.

**\*g. Discussion and Decision to Renew City's Annual Employee Health Insurance Program, Related Rates and Approve Amendments to the Master Plan Document and Other Matters Appropriately Related Thereto (continued)**

Claude Fratto explained the changes to the plan, which included expanded language. The coverage waiting period for new employees as of January 1, 2010, is 90 days from date of hire. The proposal includes removing the mental health and drug abuse (rehabilitation) coverage. Claude stated that alternative coverage is being looked into for those items. Claude went through the changes to the master plan document (see attached). Claude explained that the insurance committee proposed making a change and increasing the premium to the employee for 2 party coverage and family coverage. The increase is factored over a ten year period; the current premium for two-party coverage would go from \$80.00 to \$103.54 per month, and family coverage goes from \$146.00 to \$193.94 per month. For new employees with less than 3 years the premium for two-party coverage would be \$129.43 and family coverage would be \$242.43. After three years of service the rates would then go to the regular employee rate. All new employees prior to January 1, 2010 would be grandfathered in. The rates for retirees on COBRA are currently \$531.67 (single coverage), \$588.28 (two-party coverage) and \$614.81 (family coverage). The insurance committee recommends giving a service credit for time in service, which would include a 25% factor off the base rate for retirees with 5-9 years of service, a 50% factor off the base rate for retirees with 10-14 years of service and 100% factor off the base rate for retirees with 15 or more years of service (see attached). General discussion was had regarding the insurance rate for new employees with dependents or families, if the different rates could be considered discriminatory (insurance advisor states that because City is self insured would not be considered discriminatory), no increase to premiums in the past eight years, and the requirements to employees and/or retirees 65 or older being on the City's insurance or Medicare (only current employees 65 or older would remain on City's insurance). Council Member Carter made the motion to renew the City's annual employee health insurance program, related rates and approve amendments to the master plan document as presented. The motion was seconded by Council Member Briggs and passed unanimously.

**9. COMMUNICATIONS**

Council Member Briggs and Mayor Andersen thanked the community for participating in the meeting, it was important to have the presence of the community and comments were appreciated.

**10. \*APPROVAL OF THE CLAIMS:**

Council Member Gorum made the motion to approve the claims for March 16, 2010 and February hand checks. The motion was seconded by Council Member Carter and passed unanimously.

**11. \*NEXT MEETING DATE AND ADJOURNMENT**

The next meeting date is the special meetings for the budget on March 29, 30 and 31, 2010 at 5:30 p.m. all meetings will be held at the West Wendover City Hall, Conference Room #115. The next regular meeting date is on April 6, 2010 at 7:00 p.m. at the West Wendover City Hall, Council Chambers #137. Council Member Carter made the motion to adjourn at 9:25 p.m. The motion was seconded by Council Member Briggs and passed unanimously.

ATTEST:

Anna E. Bartlome  
City Clerk/Records Officer

**Insurance Plan change highlights:**

**Schedule of Benefits:**

Coverage waiting period as of 1-1-2010 (new employees)= 90 days from date of hire.

Clarification: CVS on prescription drugs, brand copay clarification

**Master Plan Document:**

Page 2: General Clarification

Page 3: General Clarification

**Table of Contents:**

Eligible Retirees

Continuing Coverage/Dependent Students

Eligibility: Retirees and employee using vacation or sick leave, including sick leave days donated by other employees.

**Dependents (page 2)**

No changes; clarification of procedures

**Eligible Retirees:**

No changes; general clarifications; Amendment 2009-1, approved by council 10-6-09.

**Late enrollments:**

No changes; general clarifications.

**Continuing coverage: (page 6)**

New; Federal regulations requirements.

**Annual deductibles (page 8)**

No changes; general clarifications.

**Co-Insurance Percentages & Out of Pocket (page 8)**

Changes; removing mental health & chemical dependency benefits language.

**Appliances (page 9):**

The word "appliances" was changed to "inserts". No change in benefit.

**Emergency Services (page 10):**

Clarification; listed will not be covered at 100%; normally would be admitted and covered under testing.

**Home Health Care (page 10): expanded; clarification.**

**Maternity (page 11):**

No changes; amniocentesis is covered if deemed "medically necessary" by physician.

**Mental Health (page 11):**

Change—removed mental health coverage.

**Skilled Nursing (page 12):**

No changes; clarification.

**Transplant Surgery (page 13):**

No changes; clarification

**Vision Services (page 13):**

No changes; tighten up language.

**Behavioral problems & Certain Supplies (page 14):**

No changes; tighten up language.

**Certain Procedures (page 14):**

Bunions: trimming only not covered; bone surgery is covered

**Cosmetic Surgery (page 14):**

Will be covered if deemed "medically necessary" by physician, if life or death situation exists.

**Growth Hormones (page 14):**

No changes; tighten up language.

**Hairpieces (page 15):**

Expanded language; expanded coverage.

**Hazardous hobbies (page 15):**

No change in coverage; tightening up language.

**Implanted devices (page 15):**

Added in for clarification to page 10, item #20.

**Nutritional items (page 15):**

No change; tighten up language.

**Preventable errors (page 16):**

added in; clarification on errors made by facilities; will attempt to make facility pay for their errors. Standard Medicare wording; we can leave in or take out.

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**Coordination of benefits (page 18);**

No changes; Tightening up language

**Right of Subrogation (page 19):**

No changes; clarification of procedure.

**Allowable expenses (page 22);**

No changes; clarification of procedure.

**Durable medical equipment (page 23):**

No changes; tightening up language.

**Other facility provider (page 25):**

Removing "mental health" and "drug abuse" wording.

**Psychiatric area (page 25):**

Removing wording on coverage.

**How to appeal a claim (page 26):**

Federal regulations; tightening up language.

Proposed Monthly Premiums for Retiree Health Insurance @ 5-9 year time in service

	Calc Rate		Factor	Service Credit	Current COBRA	Monthly Rate
Single Coverage:	165.98	x	0.25	41.50	531.67	490.18
2 party Coverage:	165.98	x	0.25	41.50	588.28	546.79
Family Coverage	165.98	x	0.25	41.50	614.81	573.32

Proposed Monthly Premiums for Retiree Health Insurance @ 10-14 year time in service

	Calc Rate		Factor	Service Credit	Current COBRA	Monthly Rate
Single Coverage:	165.98	x	0.50	82.99	531.67	448.68
2 party Coverage:	165.98	x	0.50	82.99	588.28	505.29
Family Coverage	165.98	x	0.50	82.99	614.81	531.82

Proposed Monthly Premiums for Retiree Health Insurance @ 15+ years time in service

	Calc Rate		Factor	Service Credit	Current COBRA	Monthly Rate
Single Coverage:	165.98	x	1.00	165.98	531.67	365.69
2 party Coverage:	165.98	x	1.00	165.98	588.28	422.30
Family Coverage	165.98	x	1.00	165.98	614.81	448.83