

**JUNE 17, 2015 CITY COUNCIL ADDENDUM
CERTIFICATION**

This certification is given pursuant to Chapter XI, Section 9 of the City Charter for the City Council Addendum dated June 17, 2015. We hereby certify, as to those contracts, agreements, or other obligations on this Agenda authorized by the City Council for which expenditures of money by the City are required, that all of the money required for those contracts, agreements, and other obligations is in the City treasury to the credit of the fund or funds from which the money is to be drawn, as required and permitted by the City Charter, and that the money is not appropriated for any other purpose.



A.C. Gonzalez
City Manager

6.12.15

Date



Jeanne Chipperfield
Chief Financial Officer

6/12/15

Date

RECEIVED

2015 JUN 12 PM 4:26

CITY SECRETARY
DALLAS, TEXAS

**ADDENDUM
CITY COUNCIL MEETING
WEDNESDAY, JUNE 17, 2015
CITY OF DALLAS
1500 MARILLA
COUNCIL CHAMBERS, CITY HALL
DALLAS, TX 75201
9:00 A.M.**

REVISED ORDER OF BUSINESS

Agenda items for which individuals have registered to speak will be considered no earlier than the time indicated below:

9:00 a.m. **INVOCATION AND PLEDGE OF ALLEGIANCE**

OPEN MICROPHONE

SPECIAL RECOGNITIONS

CLOSED SESSION

MINUTES

Item 1

CONSENT AGENDA

Items 2 - 72

CONSENT ADDENDUM

Items 1 - 28

ITEMS FOR INDIVIDUAL CONSIDERATION

No earlier
than 9:15 a.m.

Items 73 - 79
Addendum Items 29 - 39

PUBLIC HEARINGS AND RELATED ACTIONS

1:00 p.m.

Items 80 - 101
Addendum Items 40 - 41

**ADDENDUM
CITY COUNCIL MEETING
JUNE 17, 2015
CITY OF DALLAS
1500 MARILLA
COUNCIL CHAMBERS, CITY HALL
DALLAS, TEXAS 75201
9:00 A. M.**

ADDITIONS:

Closed Session

Personnel (Sec. 551.074 T.O.M.A.)

- Discussion regarding performance evaluation of City Secretary Rosa A. Rios.

CONSENT ADDENDUM

Aviation

Signature Flight Support Corporation

Note: Item Nos. 1, 2 and 3
must be considered collectively.

1. * Authorize the termination of Lease No. 1 with Signature Flight Support, upon termination of the lease, **(1)** that Hangar Building A and Building B and a parking area on the southeastern side of Building B shall revert to the City of Dallas; and **(2)** that Hangar C and the adjacent parking shall be annexed into Lease No. 2, all capital improvement obligations under Lease No. 1 shall be combined and applied to the capital improvement obligations under Lease No. 2, Signature Flight Support shall bear all costs and expenses associated with the change of address and separation of all utility meters - Estimated Revenue Foregone: \$1,372,586 (July 1, 2015 through November 1, 2023)

2. * Authorize a fourth amendment to Lease No. 2 with Signature Flight Support to **(1)** annex Hangar C and adjacent parking into Lease No. 2 from Lease No. 1; **(2)** grant Signature Flight Support an access and use easement for the purposes of accessing the leased premises and for the maintenance of an electrical switchgear; and **(3)** extend the deadline to complete the initial \$2,000,000 capital improvement expenditure from December 31, 2015 to December 31, 2016 - Annual Revenue: \$1,439,552

**ADDENDUM
CITY COUNCIL MEETING
JUNE 17, 2015**

ADDITIONS: (Continued)

CONSENT ADDENDUM (Continued)

Aviation (Continued)

Note: Item Nos. 1, 2 and 3
must be considered collectively.

Signature Flight Support Corporation

3. * Authorize a fourth amendment to Lease No. 3 with Signature Flight Support which requires **(1)** that the portion of Lease No. 3 that borders Lemmon Avenue (Hangars 1 and 4) and the adjacent parking to revert to the City of Dallas upon expiration of the current term of Lease No. 3 on April 30, 2022; **(2)** the extension of the term of Lease No. 3 from May 1, 2022 to October 31, 2043 to run coterminous with Lease No. 2; **(3)** the reduction of annual rent in the amount of \$600,000 to be applied retroactively from October 1, 2012 until the end of the Lease No. 3 term and a reimbursement to Signature Flight Support for rent overpayment of \$1,650,000 from October 1, 2012 thru June 30, 2015 in the form of monthly rent reduction/credits commencing July 1, 2015 and expiring December 31, 2016; and **(4)** modify Section 5 of the lease to be identical to the escalator language in the current Lease Nos. 1 and 2 - Annual Revenue: \$1,132,753 (Commencing January 2017, rent amount net of annual reduction amount); Foregone Revenue: \$1,650,000 (Rent overpayment-applied as monthly rental credit July 2015 through December 2016); and \$600,000 annual rental reduction

Business Development & Procurement Services

4. Authorize a three-year service contract for veterinary services for Police canine and equine units and Fire-Rescue canine unit - East Lake Veterinary Hospital, P.C. in the amount of \$235,000 and Cedar Hill Veterinary Clinic in the amount of \$70,000, most qualified respondents of three - Total not to exceed \$305,000 - Financing: Current Funds (subject to annual appropriations)
5. Authorize a three-year service contract for grounds maintenance services at various Dallas Water Utilities' properties and the Dallas Animal Shelter - Weldon's Lawn and Tree in the amount of \$828,335, Urban Landscaping & Irrigation in the amount of \$84,625 and JBa Land Management, LLC in the amount of \$18,780, lowest responsible bidders of six - Total not to exceed \$931,740 - Financing: Current Funds (\$2,800) and Water Utilities Current Funds (\$928,940) (subject to annual appropriations)

**ADDENDUM
CITY COUNCIL MEETING
JUNE 17, 2015**

ADDITIONS: (Continued)

CONSENT ADDENDUM (Continued)

Business Development & Procurement Services (Continued)

6. Authorize **(1)** an increase in appropriations in the amount of \$2,427,915, from \$438,059,929 to \$440,487,844 in the Dallas Police Department budget; and **(2)** the purchase of 105 squad cars for Police in the amount of \$2,427,915 - Chaperral Dodge, Inc. dba Dallas Dodge Chrysler Jeep through the Houston-Galveston Area Council of Governments - Total not to exceed \$2,427,915 - Financing: Contingency Reserve Funds

Note: Item Nos. 7 and 8
must be considered collectively.

Liquid Polymer

7. * Authorize an increase to the master agreement with Polydyne, Inc. in the amount of \$590,321, from \$4,540,927 to \$5,131,248 and Kemira Chemicals, Inc. in the amount of \$164,736, from \$1,267,200 to \$1,431,936 for liquid polymer for wastewater treatment - Total not to exceed \$755,057, from \$5,808,127 to \$6,563,184 - Financing: Water Utilities Current Funds
8. * Authorize a five-year master agreement for liquid polymer for wastewater treatment - Polydyne, Inc., only responsive bidder - Not to exceed \$6,414,077 - Financing: Water Utilities Current Funds

City Attorney's Office

9. Authorize settlement of the lawsuit styled Damon Williams v. Micheal D. Waldroup and Jeffrey Kaiser, Civil Action No. 3:14-CV-4160-P - Not to exceed \$125,000 - Financing: Current Funds
10. Authorize settlement of the lawsuit styled Levi Jones and Larry Jones v. City of Dallas, Cause No. CC-14-04697-D - Not to exceed \$190,000 - Financing: Current Funds

Economic Development

11. Authorize the expansion of the Southern Dallas Adaptive Reuse Grant Program (Adaptive Reuse Program) which will provide funding for building improvements to new owners of certain commercial buildings to encourage reuse of underperforming and vacant buildings pursuant to Chapter 380 of the Texas Local Government Code and the City's Public/Private Partnership Program as a means of promoting economic development in southern Dallas - Financing: No cost consideration to the City

**ADDENDUM
CITY COUNCIL MEETING
JUNE 17, 2015**

ADDITIONS: (Continued)

CONSENT ADDENDUM (Continued)

Equipment & Building Services

12. Authorize an amendment and extension of the current electric services contract for up to an additional 84-months with TXU Energy Retail Company, LLC, resulting in a new contract term of October 1, 2015 up to May 31, 2023 - Not to exceed \$450,000,000 - Financing: Water Utilities Current Funds (\$186,841,353), Convention and Event Services Current Funds (\$23,418,080), Aviation Current Funds (\$19,590,239), Stormwater Drainage Management Current Funds (\$7,798,200) and Current Funds (\$212,352,128) (subject to annual appropriations)

Human Resources

13. Authorize **(1)** approval of the proposed plan design changes effective January 1, 2016; **(2)** approval of the proposed health coverage contribution and premium rates; **(3)** a Master Plan Document that includes all of the separate health benefit plans for the City employees and their families including the cafeteria plan, health plans, dental and vision plans; and **(4)** a Master Plan Document that includes all of the separate health benefit plans for retirees and their families including the self-insured health plans, insured Medicare Supplement Plans, Medicare Advantage Plans, Prescription Drug Plans, dental and vision - Total cost based on the number of employee/retiree participants in the plan - Financing: Employee Benefits Current Funds (subject to appropriations)
14. Authorize the second one-year extension of the three-year service contract with UnitedHealthcare Services, Inc. for the period January 1, 2016 through December 31, 2016, for services including: **(1)** Medical Third-Party Administration services; **(2)** fully-insured Medicare Advantage HMO, AARP Medicare Supplement, and enhanced Medicare "Part D" prescription drug plans for Medicare eligible retirees and their eligible spouses; **(3)** fully-insured vision and dental plans; and **(4)** a Diabetes Prevention and Control Alliance Program - Not to exceed \$6,906,640, from \$25,226,559 to \$32,133,199 - Financing: Employee Benefits Current Funds (subject to appropriations) (fully-insured vision and dental plans to be paid by employee/retiree payroll deductions)
15. Authorize the second one-year extension of the three-year service contract with CVS/Caremark for the period January 1, 2016 through December 31, 2016, to provide Pharmacy Benefits Management services, for which CVS/Caremark will receive a \$1.00 dispensing fee for each prescription filled - Not to exceed \$270,000, from \$1,070,000 to \$1,340,000 - Financing: Employee Benefits Current Funds (subject to appropriations)

**ADDENDUM
CITY COUNCIL MEETING
JUNE 17, 2015**

ADDITIONS: (Continued)

CONSENT ADDENDUM (Continued)

Park & Recreation

16. Authorize a professional services contract with Kimley-Horn and Associates, Inc. for the Aquatics Facilities Master Plan - 2015 Update - Not to exceed \$54,500 - Financing: 2006 Bond Funds

Police

17. Authorize **(1)** the acceptance of supplemental funding for the 2014/2015 Tobacco Enforcement Grant through the Texas School Safety Center at Texas State University - San Marcos in the amount of \$24,375 for the purpose of reducing youth access to tobacco products, and to ensure compliance with the Health and Safety Code, Chapter 161 for the period September 1, 2014 through August 31, 2015; and **(2)** execution of the grant agreement - Not to exceed \$24,375, from \$70,650 to \$95,025 - Financing: Texas School Safety Center Tobacco Compliance Grant Funds
18. Authorize an application for the Office of the Attorney General - Other Victim Assistance Grant (OVAG) in the amount of \$42,000 to provide a Victim Advocate to work primarily with victims of sexual assault from the cold case backlog for the period September 1, 2015 through August 31, 2016 - Financing: No cost consideration to the City
19. Authorize payment to the Dallas County Sheriff's Office to reimburse Dallas County for program expenses associated with the Dallas County Highway Traffic Program for the period October 1, 2014 through September 30, 2015 - Not to exceed \$600,000 - Financing: Current Funds

Public Works Department

20. Authorize **(1)** a contract for the fabrication and installation of signs for the Central Business District (CBD) Wayfinding and Signage Program, Phase III with Architectural Graphics, Inc., only bidder, in the amount of \$184,082; **(2)** the receipt and deposit of funds from the Texas Department of Transportation in an amount not to exceed \$147,266; and **(3)** an increase in appropriations in the amount of \$147,266 in the Capital Projects Reimbursement Fund - Total not to exceed \$184,082 - Financing: Capital Projects Reimbursement Funds

**ADDENDUM
CITY COUNCIL MEETING
JUNE 17, 2015**

ADDITIONS: (Continued)

CONSENT ADDENDUM (Continued)

Public Works Department (Continued)

21. Authorize a contract with Gibson & Associates, Inc., lowest responsible bidder of two, for the reconstruction of street paving, storm drainage, streetscape, traffic signals, markings, landscape, water and wastewater main improvements for Greenville Avenue from Belmont Avenue to Bell Avenue and from Alta Avenue to Ross Avenue - Not to exceed \$3,909,257 - Financing: 2012 Bond Funds (\$3,022,826), Water Utilities Capital Improvement Funds (\$856,348) and Water Utilities Capital Construction Funds (\$30,083)
22. Authorize **(1)** a construction services contract with DMI Corp. dba Decker Mechanical, best value proposer of two, for heating, ventilation and air conditioning upgrades for the Kalita Humphreys Theater located at 3636 Turtle Creek Boulevard in the amount of \$1,438,043; and **(2)** an increase in appropriations in the amount of \$160,000 in the Cultural Arts Facilities Fund - Total not to exceed \$1,438,043 - Financing: 2006 Bond Funds (\$928,958), Private Funds (\$239,808), Majestic/Music Hall Major Maintenance Funds (\$37,679), Capital Construction Funds (\$75,000), 2003 Bonds Funds (\$122,608) and 1998 Bond Funds (\$33,990)
23. Ratify the emergency repair of damage to the roof, exterior wall and landscaping at the Dallas Museum of Art, located at 1717 North Harwood Street with Dee Brown, Inc. - Not to exceed \$215,003 - Financing: Current Funds (to be reimbursed by property insurance)
24. Authorize an increase in the contract with Gibson & Associates, Inc. for additional work to include the construction of sidewalk pavers, drive approaches, pedestrian lighting, trees with tree lighting, benches and trash receptacles for the Martin Luther King, Jr. Boulevard from South Trunk Avenue to Robert B. Cullum Boulevard, Phase II project - Not to exceed \$594,980, from \$3,004,220 to \$3,599,200 - Financing: 2012 Bond Funds (\$172,866) and Current Funds (\$422,114)

Sustainable Development and Construction

25. An ordinance abandoning portions of Crestway Drive and an alley to Unity Church of Dallas and CADG Forest Lane 18, LLC, the abutting owners, containing a total of approximately 52,502 square feet of land, located near the intersection of Crestway and Creekway Drives, and authorizing the quitclaim - Revenue: \$758,654, plus the \$20 ordinance publication fee

**ADDENDUM
CITY COUNCIL MEETING
JUNE 17, 2015**

ADDITIONS: (Continued)

CONSENT ADDENDUM (Continued)

Sustainable Development and Construction (Continued)

26. A resolution **(1)** authorizing the conveyance by Deed Without Warranty of 6906, 6910, and 6918 Canaan Street acquired by the City of Dallas, for itself and as trustee for various taxing authorities to CityBuild Community Development Corporation, a non-profit corporation; **(2)** declaring an additional three City-owned tracts of land unwanted and unneeded located at 6923 and 7003 Bexar Street and 7006 Canaan Street and authorizing their sale to CityBuild Community Development Corporation by Deed Without Warranty; and **(3)** authorizing an agreement with CityBuild Community Development Corporation for the establishment, maintenance, and operation of a community garden and related facilities, programs and services - Revenue: \$11,256

Trinity Watershed Management

27. Authorize the **(1)** deposit of the amount awarded by the Special Commissioners in the condemnation proceeding styled City of Dallas v. HFLP, Ltd., a Texas limited partnership, et al., Cause No. CC-15-01342-E, pending in Dallas County Court at Law No. 5, to acquire a subsurface easement containing approximately 59,638 square feet, located on Scyene Road near its intersection with Dixon Avenue for the Mill Creek/Peaks Branch/State Thomas Drainage Relief Tunnel Project; and **(2)** settlement of the condemnation proceeding for an amount not to exceed the award - Not to exceed \$42,000 (\$39,000 being the amount of the award, plus closing costs and title expenses not to exceed \$3,000); an increase of \$12,163 from the amount Council originally authorized for this acquisition - Financing: General Obligation Commercial Paper Funds
28. Authorize the **(1)** deposit of the amount awarded by the Special Commissioners in the condemnation proceeding styled City of Dallas v. Judy Ann Burroughs, et al., Cause No. CC-14-05571-D, pending in Dallas County Court at Law No. 4, to acquire approximately 19,623 square feet of land, including any improvements, located on McKenzie Street at its intersection with Herndon Drive for the Mill Creek/Peaks Branch/State Thomas Drainage Relief Tunnel Project; and **(2)** settlement of the condemnation proceeding for an amount not to exceed the award - Not to exceed \$124,093 (\$120,093 being the amount of the award, plus closing costs and title expenses not to exceed \$4,000); an increase of \$64,753 from the amount Council originally authorized for this acquisition - Financing: General Obligation Commercial Paper Funds

**ADDENDUM
CITY COUNCIL MEETING
JUNE 17, 2015**

ADDITIONS: (Continued)

ITEMS FOR INDIVIDUAL CONSIDERATION

City Secretary's Office

29. A resolution designating absences by Mayor Michael Rawlings, Councilmember Scott Griggs, Councilmember Dwaine Caraway and Councilmember Carolyn Davis as being for "Official City Business" - Financing: No cost consideration to the City

Human Resources

30. Authorize an increase in the annual base salary of City Secretary Rosa Rios, in an amount to be determined by the City Council plus the associated pension contribution and Medicare payments, effective June ___, 2015 - Financing: Current Funds

Mayor and City Council

31. A resolution directing the City Manager or his designee to implement new requirements in the specifications for construction contracts awarded by the City in order to promote heat related injury prevention planning and data - Financing: This action has no cost consideration to the City

Trinity Watershed Management

32. Authorize acquisition, including the exercise of the right of eminent domain, if such becomes necessary, from Greenville Ross Partners, Ltd., of a subsurface easement under approximately 7,621 square feet of land located on Live Oak Street at its intersection with Haskell Avenue for the Mill Creek/Peaks Branch/State Thomas Drainage Relief Tunnel Project - Not to exceed \$28,911 (\$25,911 plus closing costs and title expenses not to exceed \$3,000) - Financing: General Obligation Commercial Paper Funds
33. Authorize acquisition, including the exercise of the right of eminent domain, if such becomes necessary, from John D. Crocker, Jr., Jason D. Rothstein, Ryan M. Haggerty, Patrick Robert Skillin, and Carolyn Lacy Miller, of a subsurface easement under approximately 4,889 square feet of land located on Haskell Avenue near its intersection with Bryan Street for the Mill Creek/Peaks Branch/State Thomas Drainage Relief Tunnel Project - Not to exceed \$21,090 (\$18,090 plus closing costs and title expenses not to exceed \$3,000) - Financing: General Obligation Commercial Paper Funds

**ADDENDUM
CITY COUNCIL MEETING
JUNE 17, 2015**

ADDITIONS: (Continued)

ITEMS FOR INDIVIDUAL CONSIDERATION (Continued)

ITEMS FOR FURTHER CONSIDERATION

Business Development & Procurement Services

34. Authorize a four-year service contract to provide armed and unarmed security guards to patrol and protect City facilities - Allied Barton Security Services, LLC in the amount of \$39,502,031, Ruiz Protective Service, Inc. in the amount of \$15,192,300 and Norred & Associates, Inc. in the amount of \$3,402,492, most advantageous proposers of eleven - Total not to exceed \$58,096,822 - Financing: Current Funds (\$15,933,236), Golf Improvement Funds (\$1,635,130), Convention and Event Services Current Funds (\$16,094,571), Water Utilities Current Funds (\$14,224,439), Aviation Current Funds (\$9,183,021) and Stormwater Drainage Management Current Funds (\$1,026,425) (subject to annual appropriations)

Park & Recreation

35. Authorize a Second Amendment to the lease and use agreement ("Agreement") between Live Nation Worldwide, Inc. hereinafter referred to as "Live Nation" (formerly known as MCA/PACE Amphitheatres Group, L.P. and Pace Amphitheatres Inc.) and the City of Dallas, in accordance with the following terms: **(1)** to the extent Live Nation elects to undertake the improvements up to \$8,000,000 as described in the Second Amendment, and in consideration of Live Nation's design, construction, and performance of the Improvements and securing financing, the City hereby agrees to reduce the total annual rent due and payable to City under the Agreement for the amount equal to or the lesser of (i) the actual costs of the Improvements ("Project Costs") or (ii) ~~\$7,000,000~~ \$6,500,000 (such reduction to the rents due is the "Rent Credit"), upon recovery of all of the Rent Credit, Live Nation shall resume all of the rental obligations under the Agreement; the Rent Credit will be taken in annual installments of \$500,000 annually (subject to only adjustment for any carry forward deficiencies resulting from the lack of total rent payable or available) credited by City against the rents payable by Live Nation until the full amount of the Rent Credit is realized; **(2)** increase the current "Additional Rental", as defined in the agreement, from \$.15 per sold admission ticket to \$.20; ~~and~~ **(3)** exercise their second ten-year option, extending the agreement through December 31, 2028; **(4)** guaranteed annual rent to increase on January 1, 2017 to \$500,000 per year and to increase on January 1, 2023 to \$550,000 per year; and **(5)** all categories and tranches of percentage rent to increase on January 1, 2017 by .5 percent - Estimated Revenue: ~~\$9,658,970~~ \$11,716,918

**ADDENDUM
CITY COUNCIL MEETING
JUNE 17, 2015**

ADDITIONS: (Continued)

ITEMS FOR INDIVIDUAL CONSIDERATION (Continued)

ITEMS FOR FURTHER CONSIDERATION (Continued)

Sustainable Development and Construction

36. An ordinance granting a revocable license to CH Realty VI/R Dallas Preston Ctr, L.P., for the use of approximately 2,852 square feet of surface and aerial space to install and maintain a pedestrian skybridge and four support columns on and over a portion of Westchester Drive right-of-way located near its intersection with Berkshire Lane - Revenue: \$23,636 annually, plus the one-time \$20 ordinance publication fee

DESIGNATED PUBLIC SUBSIDY MATTERS

Economic Development

37. Authorize **(1)** a waiver to the City of Dallas Public/Private Partnership Program Guidelines and Criteria governing City incentives promoting local economic development and stimulating business and commercial activity approved on June 25, 2014, pursuant to Resolution No. 14-0993, as amended, to allow for a one-time grant to a nonprofit/tax exempt entity; and **(2)** a Chapter 380 economic development grant agreement pursuant to the Public/Private Partnership Program with the Cesar Chavez Foundation - Education Fund in an amount not to exceed \$50,000 as part of a local match in support of the institute's mission to improve job opportunities for working families in Southern Dallas - Not to exceed \$50,000 - Financing: Public/Private Partnership Funds
38. Authorize a Chapter 380 economic development grant agreement pursuant to the Public/Private Partnership Program with Toyota Industries Commercial Finance, Inc. in an amount not to exceed \$277,500 to stimulate business development activity in the City of Dallas in conjunction with the location of its new U.S. headquarters to an existing office facility at 8951 Cypress Waters Boulevard - Not to exceed \$277,500 - Financing: Public/Private Partnership Funds

**ADDENDUM
CITY COUNCIL MEETING
JUNE 17, 2015**

ADDITIONS: (Continued)

ITEMS FOR INDIVIDUAL CONSIDERATION (Continued)

DESIGNATED PUBLIC SUBSIDY MATTERS (Continued)

Economic Development (Continued)

39. Authorize a resolution replacing City Council Resolution Nos. 06-1833 and 07-2962, approved on June 28, 2006 and October 10, 2007 respectively, to: **(1)** re-establish certain existing policies, programs, procedures and guidelines for the South Dallas/Fair Park Trust Fund; **(2)** provide for a new South Dallas Adaptive Reuse Program serving the South Dallas Fair Park area; **(3)** establish revised funding sources for the South Dallas Fair Park Trust Fund and other programs supporting the area; **(4)** allocate funding from existing programs for water conservation at City facilities; and **(5)** add the Public Safety Grant Program to the South Dallas Fair Park Trust Fund Program Offerings - Financing: This action has no cost consideration to the City

PUBLIC HEARINGS AND RELATED ACTIONS

Sustainable Development and Construction

ZONING CASES - UNDER ADVISEMENT - INDIVIDUAL

40. A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a Pedestrian skybridge on property within the Tract 3 portion of Planned Development District No. 314, the Preston Center Special Purpose District, on both sides of Westchester Drive, south of Berkshire Lane
Recommendation of Staff: Approval for a forty-year period, subject to a site plan and conditions
Recommendation of CPC: Approval for a fifteen-year period, subject to a site plan and conditions
Z134-341(RB)
Note: This item was considered by the City Council at public hearings on May 27, 2015, and June 10, 2015, and was deferred until June 17, 2015

**ADDENDUM
CITY COUNCIL MEETING
JUNE 17, 2015**

ADDITIONS: (Continued)

PUBLIC HEARINGS AND RELATED ACTIONS (Continued)

Sustainable Development and Construction (Continued)

DESIGNATED ZONING CASES - INDIVIDUAL

41. A public hearing to receive comments regarding an application for and an ordinance granting a Planned Development District for single family uses on property zoned an IM Industrial Manufacturing District and an IR Industrial Research District south of the intersection of Duluth Street and Borger Street
Recommendation of Staff: Denial
Recommendation of CPC: Approval, subject to a conceptual plan, street cross section exhibit and conditions
Z145-185(WE)

CORRECTION:

Public Works Department

38. Authorize an engineering services contract with O'Brien Engineering, Inc., ~~lowest responsive~~ most qualified proposer of four, for site planning design and construction documents for the Tom Braniff Channel Cover project at Dallas Love Field - Not to exceed \$195,596 - Financing: Aviation Capital Construction Funds

DELETIONS:

Public Works Department

39. Authorize a construction contract with Lindamood Demolition, Inc., lowest responsive bidder of four, for the demolition of multiple substandard structures at Hensley Field, located at 8200 West Jefferson Boulevard - Not to exceed \$380,559 - Financing: Naval Air Station Redevelopment Funds

Sustainable Development and Construction

77. An ordinance abandoning a portion of Colby Street and two adjacent street easements to TC Uptown Associates, LLC, the abutting owner, containing a total of approximately 6,496 square feet of land, located near the intersection of Pearl Street and Woodall Rodgers Freeway, and authorizing the quitclaim - Revenue: \$974,400, plus the \$20 ordinance publication fee

ADDENDUM DATE June 17, 2015

ITEM		IND		DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	DESCRIPTION
#	OK	DEF								
1			2	C	AVI	\$1,372,585.47	NA	NA	Signature Flight Support Corporation: Authorize the termination of Lease No. 1 with Signature Flight Support, upon termination of the lease, (1) that Hangar Building A and Building B and a parking area on the southeastern side of Building B shall revert to the City of Dallas; and (2) that Hangar C and the adjacent parking shall be annexed into Lease No. 2, all capital improvement obligations under Lease No. 1 shall be combined and applied to the capital improvement obligations under Lease No. 2, Signature Flight Support shall bear all costs and expenses associated with the change of address and separation of all utility meters - Estimated Revenue Foregone: \$1,372,586 (July 1, 2015 through November 1, 2023)	
2			2	C	AVI	REV \$1,439,551.53	NA	NA	Signature Flight Support Corporation: Authorize a fourth amendment to Lease No. 2 with Signature Flight Support to (1) annex Hangar C and adjacent parking into Lease No. 2 from Lease No. 1; (2) grant Signature Flight Support an access and use easement for the purposes of accessing the leased premises and for the maintenance of an electrical switchgear; and (3) extend the deadline to complete the initial \$2,000,000 capital improvement expenditure from December 31, 2015 to December 31, 2016 - Annual Revenue: \$1,439,552	
3			2	C	AVI	REV \$1,132,752.54	NA	NA	Signature Flight Support Corporation: Authorize a fourth amendment to Lease No. 3 with Signature Flight Support which requires (1) that the portion of Lease No. 3 that borders Lemmon Avenue (Hangars 1 and 4) and the adjacent parking to revert to the City of Dallas upon expiration of the current term of Lease No. 3 on April 30, 2022; (2) the extension of the term of Lease No. 3 from May 1, 2022 to October 31, 2043 to run coterminous with Lease No. 2; (3) the reduction of annual rent in the amount of \$600,000 to be applied retroactively from October 1, 2012 until the end of the Lease No. 3 term and a reimbursement to Signature Flight Support for rent overpayment of \$1,650,000 from October 1, 2012 thru June 30, 2015 in the form of monthly rent reduction/credits commencing July 1, 2015 and expiring December 31, 2016; and (4) modify Section 5 of the lease to be identical to the escalator language in the current Lease Nos. 1 and 2 - Annual Revenue: \$1,132,753 (Commencing January 2017, rent amount net of annual reduction amount); Foregone Revenue: \$1,650,000 (Rent overpayment-applied as monthly rental credit July 2015 through December 2016); and \$600,000 annual rental reduction	
4			All	C	PBD, FIR, POL	\$305,000.00	100.00%	0.00%	Authorize a three-year service contract for veterinary services for Police canine and equine units and Fire-Rescue canine unit - East Lake Veterinary Hospital, P.C. in the amount of \$235,000 and Cedar Hill Veterinary Clinic in the amount of \$70,000, most qualified respondents of three - Total not to exceed \$305,000 - Financing: Current Funds (subject to annual appropriations)	
5			All	C	PBD, CCS, WTR	\$931,740.00	8.94%	32.26%	Authorize a three-year service contract for grounds maintenance services at various Dallas Water Utilities' properties and the Dallas Animal Shelter - Weldon's Lawn and Tree in the amount of \$828,335, Urban Landscaping & Irrigation in the amount of \$84,625 and JBa Land Management, LLC in the amount of \$18,780, lowest responsible bidders of six - Total not to exceed \$931,740 - Financing: Current Funds (\$2,800) and Water Utilities Current Funds (\$928,940) (subject to annual appropriations)	
6			All	C	PBD, EBS, POL	\$2,427,915.00	NA	NA	Authorize (1) an increase in appropriations in the amount of \$2,427,915, from \$438,059,929 to \$440,487,844 in the Dallas Police Department budget; and (2) the purchase of 105 squad cars for Police in the amount of \$2,427,915 - Chaperral Dodge, Inc. dba Dallas Dodge Chrysler Jeep through the Houston-Galveston Area Council of Governments - Total not to exceed \$2,427,915 - Financing: Contingency Reserve Funds	
7			4, 8	C	PBD, WTR	\$755,057.00	0.00%	0.00%	Liquid Polymer: Authorize an increase to the master agreement with Polydyne, Inc. in the amount of \$590,321, from \$4,540,927 to \$5,131,248 and Kemira Chemicals, Inc. in the amount of \$164,736, from \$1,267,200 to \$1,431,936 for liquid polymer for wastewater treatment - Total not to exceed \$755,057, from \$5,808,127 to \$6,563,184 - Financing: Water Utilities Current Funds	
8			4, 8	C	PBD, WTR	\$6,414,077.00	0.00%	0.00%	Liquid Polymer: Authorize a five-year master agreement for liquid polymer for wastewater treatment - Polydyne, Inc., only responsive bidder - Not to exceed \$6,414,077 - Financing: Water Utilities Current Funds	

ADDENDUM DATE June 17, 2015

ITEM		IND		DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	DESCRIPTION
#	OK	DEF								
9				N/A	C	ATT, POL	\$125,000.00	NA	NA	Authorize settlement of the lawsuit styled <u>Damon Williams v. Micheal D. Waldroup and Jeffrey Kaiser</u> , Civil Action No. 3:14-CV-4160-P - Not to exceed \$125,000 - Financing: Current Funds
10				N/A	C	ATT, POL	\$190,000.00	NA	NA	Authorize settlement of the lawsuit styled <u>Levi Jones and Larry Jones v. City of Dallas</u> , Cause No. CC-14-04697-D - Not to exceed \$190,000 - Financing: Current Funds
11				1, 2, 3, 4, 5, 6, 7, 8	C	ECO	NC	NA	NA	Authorize the expansion of the Southern Dallas Adaptive Reuse Grant Program (Adaptive Reuse Program) which will provide funding for building improvements to new owners of certain commercial buildings to encourage reuse of underperforming and vacant buildings pursuant to Chapter 380 of the Texas Local Government Code and the City's Public/Private Partnership Program as a means of promoting economic development in southern Dallas - Financing: No cost consideration to the City
12				All	C	EBS, AVI, CES, TWM, WTR	\$450,000,000.00	NA	NA	Authorize an amendment and extension of the current electric services contract for up to an additional 84-months with TXU Energy Retail Company, LLC, resulting in a new contract term of October 1, 2015 up to May 31, 2023 - Not to exceed \$450,000,000 - Financing: Water Utilities Current Funds (\$186,841,353), Convention and Event Services Current Funds (\$23,418,080), Aviation Current Funds (\$19,590,239), Stormwater Drainage Management Current Funds (\$7,798,200) and Current Funds (\$212,352,128) (subject to annual appropriations)
13				N/A	C	HRD	\$1.00	NA	NA	Authorize (1) approval of the proposed plan design changes effective January 1, 2016; (2) approval of the proposed health coverage contribution and premium rates; (3) a Master Plan Document that includes all of the separate health benefit plans for the City employees and their families including the cafeteria plan, health plans, dental and vision plans; and (4) a Master Plan Document that includes all of the separate health benefit plans for retirees and their families including the self-insured health plans, insured Medicare Supplement Plans, Medicare Advantage Plans, Prescription Drug Plans, dental and vision - Total cost based on the number of employee/retiree participants in the plan - Financing: Employee Benefits Current Funds (subject to appropriations)
14				N/A	C	HRD	\$6,906,640.00	100.00%	0.41%	Authorize the second one-year extension of the three-year service contract with UnitedHealthcare Services, Inc. for the period January 1, 2016 through December 31, 2016, for services including: (1) Medical Third-Party Administration services; (2) fully-insured Medicare Advantage HMO, AARP Medicare Supplement, and enhanced Medicare "Part D" prescription drug plans for Medicare eligible retirees and their eligible spouses; (3) fully-insured vision and dental plans; and (4) a Diabetes Prevention and Control Alliance Program - Not to exceed \$6,906,640, from \$25,226,559 to \$32,133,199 - Financing: Employee Benefits Current Funds (subject to appropriations) (fully-insured vision and dental plans to be paid by employee/retiree payroll deductions)
15				N/A	C	HRD	\$270,000.00	100.00%	9.55%	Authorize the second one-year extension of the three-year service contract with CVS/Caremark for the period January 1, 2016 through December 31, 2016, to provide Pharmacy Benefits Management services, for which CVS/Caremark will receive a \$1.00 dispensing fee for each prescription filled - Not to exceed \$270,000, from \$1,070,000 to \$1,340,000 - Financing: Employee Benefits Current Funds (subject to appropriations)
16				All	C	PKR	\$54,500.00	100.00%	26.61%	Authorize a professional services contract with Kimley-Horn and Associates, Inc. for the Aquatics Facilities Master Plan - 2015 Update - Not to exceed \$54,500 - Financing: 2006 Bond Funds
17				All	C	POL	GT	NA	NA	Authorize (1) the acceptance of supplemental funding for the 2014/2015 Tobacco Enforcement Grant through the Texas School Safety Center at Texas State University - San Marcos in the amount of \$24,375 for the purpose of reducing youth access to tobacco products, and to ensure compliance with the Health and Safety Code, Chapter 161 for the period September 1, 2014 through August 31, 2015; and (2) execution of the grant agreement - Not to exceed \$24,375, from \$70,650 to \$95,025 - Financing: Texas School Safety Center Tobacco Compliance Grant Funds

ADDENDUM DATE June 17, 2015

ITEM	IND								DESCRIPTION
#	OK	DEF	DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	
18			All	C	POL	NC	NA	NA	Authorize an application for the Office of the Attorney General - Other Victim Assistance Grant (OVAG) in the amount of \$42,000 to provide a Victim Advocate to work primarily with victims of sexual assault from the cold case backlog for the period September 1, 2015 through August 31, 2016 - Financing: No cost consideration to the City
19			1, 2, 3, 4, 5, 6, 7, 8, 14	C	POL	\$600,000.00	NA	NA	Authorize payment to the Dallas County Sheriff's Office to reimburse Dallas County for program expenses associated with the Dallas County Highway Traffic Program for the period October 1, 2014 through September 30, 2015 - Not to exceed \$600,000 - Financing: Current Funds
20			14	C	PBW	\$184,082.00	0.00%	0.00%	Authorize (1) a contract for the fabrication and installation of signs for the Central Business District (CBD) Wayfinding and Signage Program, Phase III with Architectural Graphics, Inc., only bidder, in the amount of \$184,082; (2) the receipt and deposit of funds from the Texas Department of Transportation in an amount not to exceed \$147,266; and (3) an increase in appropriations in the amount of \$147,266 in the Capital Projects Reimbursement Fund - Total not to exceed \$184,082 - Financing: Capital Projects Reimbursement Funds
21			14	C	PBW, WTR	\$3,909,256.87	38.02%	56.94%	Authorize a contract with Gibson & Associates, Inc., lowest responsible bidder of two, for the reconstruction of street paving, storm drainage, streetscape, traffic signals, markings, landscape, water and wastewater main improvements for Greenville Avenue from Belmont Avenue to Bell Avenue and from Alta Avenue to Ross Avenue - Not to exceed \$3,909,257 - Financing: 2012 Bond Funds (\$3,022,826), Water Utilities Capital Improvement Funds (\$856,348) and Water Utilities Capital Construction Funds (\$30,083)
22			14	C	PBW, OCA	\$1,438,043.00	88.90%	27.77%	Authorize (1) a construction services contract with DMI Corp. dba Decker Mechanical, best value proposer of two, for heating, ventilation and air conditioning upgrades for the Kalita Humphreys Theater located at 3636 Turtle Creek Boulevard in the amount of \$1,438,043; and (2) an increase in appropriations in the amount of \$160,000 in the Cultural Arts Facilities Fund - Total not to exceed \$1,438,043 - Financing: 2006 Bond Funds (\$928,958), Private Funds (\$239,808), Majestic/Music Hall Major Maintenance Funds (\$37,679), Capital Construction Funds (\$75,000), 2003 Bonds Funds (\$122,608) and 1998 Bond Funds (\$33,990)
23			14	C	PBW, ORM	\$215,003.00	NA	NA	Ratify the emergency repair of damage to the roof, exterior wall and landscaping at the Dallas Museum of Art, located at 1717 North Harwood Street with Dee Brown, Inc. - Not to exceed \$215,003 - Financing: Current Funds (to be reimbursed by property insurance)
24			7	C	PBW, OFS	\$594,980.00	4.09%	45.71%	Authorize an increase in the contract with Gibson & Associates, Inc. for additional work to include the construction of sidewalk pavers, drive approaches, pedestrian lighting, trees with tree lighting, benches and trash receptacles for the Martin Luther King, Jr. Boulevard from South Trunk Avenue to Robert B. Cullum Boulevard, Phase II project - Not to exceed \$594,980, from \$3,004,220 to \$3,599,200 - Financing: 2012 Bond Funds (\$172,866) and Current Funds (\$422,114)
25			11	C	DEV	REV \$758,654	NA	NA	An ordinance abandoning portions of Crestway Drive and an alley to Unity Church of Dallas and CADG Forest Lane 18, LLC, the abutting owners, containing a total of approximately 52,502 square feet of land, located near the intersection of Crestway and Creekway Drives, and authorizing the quitclaim - Revenue: \$758,654, plus the \$20 ordinance publication fee
26			7	C	DEV	REV \$11,256	NA	NA	A resolution (1) authorizing the conveyance by Deed Without Warranty of 6906, 6910, and 6918 Canaan Street acquired by the City of Dallas, for itself and as trustee for various taxing authorities to CityBuild Community Development Corporation, a non-profit corporation; (2) declaring an additional three City-owned tracts of land unwanted and unneeded located at 6923 and 7003 Bexar Street and 7006 Canaan Street and authorizing their sale to CityBuild Community Development Corporation by Deed Without Warranty; and (3) authorizing an agreement with CityBuild Community Development Corporation for the establishment, maintenance, and operation of a community garden and related facilities, programs and services - Revenue: \$11,256

ADDENDUM DATE June 17, 2015

ITEM		IND		DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	DESCRIPTION
#	OK	DEF								
27				7	C	TWM, ATT	\$42,000.00	NA	NA	Authorize the (1) deposit of the amount awarded by the Special Commissioners in the condemnation proceeding styled City of Dallas v. HFLP, Ltd., a Texas limited partnership, et al., Cause No. CC-15-01342-E, pending in Dallas County Court at Law No. 5, to acquire a subsurface easement containing approximately 59,638 square feet, located on Scyene Road near its intersection with Dixon Avenue for the Mill Creek/Peaks Branch/State Thomas Drainage Relief Tunnel Project; and (2) settlement of the condemnation proceeding for an amount not to exceed the award - Not to exceed \$42,000 (\$39,000 being the amount of the award, plus closing costs and title expenses not to exceed \$3,000); an increase of \$12,163 from the amount Council originally authorized for this acquisition - Financing: General Obligation Commercial Paper Funds
28				7	C	TWM, ATT	\$124,093.00	NA	NA	Authorize the (1) deposit of the amount awarded by the Special Commissioners in the condemnation proceeding styled City of Dallas v. Judy Ann Burroughs, et al., Cause No. CC-14-05571-D, pending in Dallas County Court at Law No. 4, to acquire approximately 19,623 square feet of land, including any improvements, located on McKenzie Street at its intersection with Herndon Drive for the Mill Creek/Peaks Branch/State Thomas Drainage Relief Tunnel Project; and (2) settlement of the condemnation proceeding for an amount not to exceed the award - Not to exceed \$124,093 (\$120,093 being the amount of the award, plus closing costs and title expenses not to exceed \$4,000); an increase of \$64,753 from the amount Council originally authorized for this acquisition - Financing: General Obligation Commercial Paper Funds
29				N/A	I	SEC	NC	NA	NA	A resolution designating absences by Mayor Michael Rawlings, Councilmember Scott Griggs, Councilmember Vonciel Jones Hill, Councilmember Dwaine Caraway and Councilmember Carolyn Davis as being for "Official City Business" - Financing: No cost consideration to the City
30				N/A	I	HRD	NC	NA	NA	Authorize an increase in the annual base salary of City Secretary Rosa Rios, in an amount to be determined by the City Council plus the associated pension contribution and Medicare payments, effective June __, 2015 - Financing: Current Funds
31				All	I	CCS	NC	NA	NA	A resolution directing the City Manager or his designee to implement new requirements in the specifications for construction contracts awarded by the City in order to promote heat related injury prevention planning and data - Financing: This action has no cost consideration to the City
32				2	I	TWM	\$28,911.00	NA	NA	Authorize acquisition, including the exercise of the right of eminent domain, if such becomes necessary, from Greenville Ross Partners, Ltd., of a subsurface easement under approximately 7,621 square feet of land located on Live Oak Street at its intersection with Haskell Avenue for the Mill Creek/Peaks Branch/State Thomas Drainage Relief Tunnel Project - Not to exceed \$28,911 (\$25,911 plus closing costs and title expenses not to exceed \$3,000) - Financing: General Obligation Commercial Paper Funds
33				14	I	TWM	\$21,090.00	NA	NA	Authorize acquisition, including the exercise of the right of eminent domain, if such becomes necessary, from John D. Crocker, Jr., Jason D. Rothstein, Ryan M. Haggerty, Patrick Robert Skillin, and Carolyn Lacy Miller, of a subsurface easement under approximately 4,889 square feet of land located on Haskell Avenue near its intersection with Bryan Street for the Mill Creek/Peaks Branch/State Thomas Drainage Relief Tunnel Project - Not to exceed \$21,090 (\$18,090 plus closing costs and title expenses not to exceed \$3,000) - Financing: General Obligation Commercial Paper Funds

ADDENDUM DATE June 17, 2015

ITEM		IND		DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	DESCRIPTION
#	OK	DEF								
34				ALL	I	PBD, AVI, CCS, CES, EBS, FIR, LIB, OCA, PKR, SAN, TWM, WTR	\$58,096,821.66	91.54%	44.46%	Authorize a four-year service contract to provide armed and unarmed security guards to patrol and protect City facilities - Allied Barton Security Services, LLC in the amount of \$39,502,031, Ruiz Protective Service, Inc. in the amount of \$15,192,300 and Norred & Associates, Inc. in the amount of \$3,402,492, most advantageous proposers of eleven - Total not to exceed \$58,096,822 - Financing: Current Funds (\$15,933,236), Golf Improvement Funds (\$1,635,130), Convention and Event Services Current Funds (\$16,094,571), Water Utilities Current Funds (\$14,224,439), Aviation Current Funds (\$9,183,021) and Stormwater Drainage Management Current Funds (\$1,026,425) (subject to annual appropriations)
35				7	I	PKR	REV \$11,716,918.00	NA	NA	Authorize a Second Amendment to the lease and use agreement ("Agreement") between Live Nation Worldwide, Inc. hereinafter referred to as "Live Nation" (formerly known as MCA/PACE Amphitheatres Group, L.P. and Pace Amphitheatres Inc.) and the City of Dallas, in accordance with the following terms: (1) to the extent Live Nation elects to undertake the improvements up to <u>\$8,000,000</u> as described in the Second Amendment, and in consideration of Live Nation's design, construction, and performance of the Improvements and securing financing, the City hereby agrees to reduce the total annual rent due and payable to City under the Agreement for the amount equal to or the lesser of (i) the actual costs of the Improvements ("Project Costs") or (ii) \$7,000,000 <u>\$6,500,000</u> (such reduction to the rents due is the "Rent Credit"), upon recovery of all of the Rent Credit, Live Nation shall resume all of the rental obligations under the Agreement; the Rent Credit will be taken in annual installments of \$500,000 annually (subject to only adjustment for any carry forward deficiencies resulting from the lack of total rent payable or available) credited by City against the rents payable by Live Nation until the full amount of the Rent Credit is realized; (2) increase the current "Additional Rental", as defined in the agreement, from \$.15 per sold admission ticket to \$.20; and (3) exercise their second ten-year option, extending the agreement through December 31, 2028; (4) <u>guaranteed annual rent to increase on January 1, 2017 to \$500,000 per year and to increase on January 1, 2023 to \$550,000 per year; and (5) all categories and tranches of percentage rent to increase on January 1, 2017 by .5 percent - Estimated Revenue: \$9,658,970 \$11,716,918</u>
36				13	I	DEV	REV \$23,636	NA	NA	An ordinance granting a revocable license to CH Realty VI/R Dallas Preston Ctr, L.P., for the use of approximately 2,852 square feet of surface and aerial space to install and maintain a pedestrian skybridge and four support columns on and over a portion of Westchester Drive right-of-way located near its intersection with Berkshire Lane - Revenue: \$23,636 annually, plus the one-time \$20 ordinance publication fee
37				8	I	ECO	\$50,000.00	NA	NA	Authorize (1) a waiver to the City of Dallas Public/Private Partnership Program Guidelines and Criteria governing City incentives promoting local economic development and stimulating business and commercial activity approved on June 25, 2014, pursuant to Resolution No. 14-0993, as amended, to allow for a one-time grant to a nonprofit/tax exempt entity; and (2) a Chapter 380 economic development grant agreement pursuant to the Public/Private Partnership Program with the Cesar Chavez Foundation - Education Fund in an amount not to exceed \$50,000 as part of a local match in support of the institute's mission to improve job opportunities for working families in Southern Dallas - Not to exceed \$50,000 - Financing: Public/Private Partnership Funds
38				6	I	ECO	\$277,500.00	NA	NA	Authorize a Chapter 380 economic development grant agreement pursuant to the Public/Private Partnership Program with Toyota Industries Commercial Finance, Inc. in an amount not to exceed \$277,500 to stimulate business development activity in the City of Dallas in conjunction with the location of its new U.S. headquarters to an existing office facility at 8951 Cypress Waters Boulevard - Not to exceed \$277,500 - Financing: Public/Private Partnership Funds

ADDENDUM DATE June 17, 2015

ITEM		IND							DESCRIPTION
#	OK	DEF	DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	
39			7	I	ECO	NC	NA	NA	Authorize a resolution replacing City Council Resolution Nos. 06-1833 and 07-2962, approved on June 28, 2006 and October 10, 2007 respectively, to: (1) re-establish certain existing policies, programs, procedures and guidelines for the South Dallas/Fair Park Trust Fund; (2) provide for a new South Dallas Adaptive Reuse Program serving the South Dallas Fair Park area; (3) establish revised funding sources for the South Dallas Fair Park Trust Fund and other programs supporting the area; (4) allocate funding from existing programs for water conservation at City facilities; and (5) add the Public Safety Grant Program to the South Dallas Fair Park Trust Fund Program Offerings - Financing: This action has no cost consideration to the City
40			13	PH	DEV	NC	NA	NA	A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a Pedestrian skybridge on property within the Tract 3 portion of Planned Development District No. 314, the Preston Center Special Purpose District, on both sides of Westchester Drive, south of Berkshire Lane
41			6	PH	DEV	NC	NA	NA	A public hearing to receive comments regarding an application for and an ordinance granting a Planned Development District for single family uses on property zoned an IM Industrial Manufacturing District and an IR Industrial Research District south of the intersection of Duluth Street and Borger Street

TOTAL \$535,334,296.00

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): 2
DEPARTMENT: Aviation
CMO: Ryan S. Evans, 671-9837
MAPSCO: 34A B, F

SUBJECT

Signature Flight Support Corporation

- * Authorize the termination of Lease No. 1 with Signature Flight Support, upon termination of the lease, **(1)** that Hangar Building A and Building B and a parking area on the southeastern side of Building B shall revert to the City of Dallas; and **(2)** that Hangar C and the adjacent parking shall be annexed into Lease No. 2, all capital improvement obligations under Lease No. 1 shall be combined and applied to the capital improvement obligations under Lease No. 2, Signature Flight Support shall bear all costs and expenses associated with the change of address and separation of all utility meters - Estimated Revenue Foregone: \$1,372,586 (July 1, 2015 through November 1, 2023)
- * Authorize a fourth amendment to Lease No. 2 with Signature Flight Support to **(1)** annex Hangar C and adjacent parking into Lease No. 2 from Lease No. 1; **(2)** grant Signature Flight Support an access and use easement for the purposes of accessing the leased premises and for the maintenance of an electrical switchgear; and **(3)** extend the deadline to complete the initial \$2,000,000 capital improvement expenditure from December 31, 2015 to December 31, 2016 - Annual Revenue: \$1,439,552
- * Authorize a fourth amendment to Lease No. 3 with Signature Flight Support which requires **(1)** that the portion of Lease No. 3 that borders Lemmon Avenue (Hangars 1 and 4) and the adjacent parking to revert to the City of Dallas upon expiration of the current term of Lease No. 3 on April 30, 2022; **(2)** the extension of the term of Lease No. 3 from May 1, 2022 to October 31, 2043 to run coterminous with Lease No. 2; **(3)** the reduction of annual rent in the amount of \$600,000 to be applied retroactively from October 1, 2012 until the end of the Lease No. 3 term and a reimbursement to Signature Flight Support for rent overpayment of \$1,650,000 from October 1, 2012 thru June 30, 2015 in the form of monthly rent reduction/credits commencing July 1, 2015 and expiring December 31, 2016; and **(4)** modify Section 5 of the lease to be identical to the escalator language in the current Lease Nos. 1 and 2 - Annual Revenue: \$1,132,753 (Commencing January 2017, rent amount net of annual reduction amount); Foregone Revenue: \$1,650,000 (Rent overpayment-applied as monthly rental credit July 2015 through December 2016); and \$600,000 annual rental reduction

BACKGROUND

EXISTING LEASES

This item was placed on the addendum due to several pending terms and development of the lease. On June 10, 1992, the City Council approved Resolution No. 92-2174, which authorized the City Manager to enter into two ten-year leases ("Lease No. 1" and "Lease No. 2"), plus three ten-year options to extend the leases with Ryder Aviall, Inc. On February 8, 2005, the leases were assigned to Signature Flight Support Corporation. Subsequently, both leases have added one ten-year option which if all options are properly exercised will extend the lease terms to October 31, 2043.

Lease No. 1 contains approximately 225,097 square feet of land with approximately 95,448 square feet of improvements with a hangar, aircraft ramp, and office building/support facilities. Current annual rent is \$222,946.38.

Lease No. 2 contains approximately 1,546,571 square feet of land with approximately 439,439 square feet of improvements with multiple hangars, aircraft ramp and office buildings/support facilities. Current annual rent is \$1,381,315.40.

On June 10, 1955, the City Council approved Resolution No. 55-2693, which authorized the City Manager to enter into one thirty-year lease ("Lease No. 3"), plus one ten-year option to extend the lease with Braniff International Airways, Inc. On December 31, 2005, the lease was partially assigned to Signature Flight Support Corporation. The lease has been amended and supplemented multiple times to add additional options that, if properly exercised, would extend the lease term to April 30, 2022.

Lease No. 3 contains approximately 528,858 square feet of land improved with approximately 269,344 square feet of improvements with multiple hangars, aircraft ramp and office buildings/support facilities. Current annual rent is \$1,732,752.54.

PROPOSAL

Consistent with the Good Neighbor Plan for Dallas Love Field, airport frontage on Lemmon Avenue will ultimately be converted from an aviation use to non-aviation use including retail, commercial, office, restaurant and potentially other compatible uses. The Good Neighbor Plan is a long-range blueprint over a 30-year period. Over time as existing leases expire there will be opportunities for the City to adjust the leases to retain portions of land consistent with the Good Neighbor Plan.

BACKGROUND (Continued)

Lease No. 1

The current proposal will terminate Lease No. 1 which includes one two-story and one one-story office building fronting Lemmon Avenue located within the Good Neighbor Plan zone and Hangar C. These office buildings are old, in need of major renovations and have been vacant for many years. Signature currently pays the City annual rent for these two buildings in the amount of \$31,344.70 based on \$0.695/SF which is the current prevailing rental rate for improved ground with a 7.004% CPI increase in 2012, plus 50% of any sublease revenue. Terminating Lease No. 1 will ensure the City retains the two office buildings and adjacent land for future redevelopment consistent with the Good Neighbor Plan. The portion of Lease No. 1 which includes Hangar C and the adjacent automobile parking will be added to Lease No. 2 through a lease amendment. Both Lease No. 1 and Lease No. 2 have a current capital commitment from previous amendments to both leases of \$7 million to commence expenditure no later than November 1, 2018 and to be expended by December 31, 2019 on any combination of the two leases.

Lease No. 2

The current proposal will amend Lease No. 2 to annex from Lease No. 1 Hangar C and automobile parking. The City will grant Signature Flight Support an access easement across an existing access road adjacent to Building B for access to Lease No. 2 and Signature Flight Support will grant the City access to the airfield through Signature Flight Support's ramp space on Lease No. 2. The proposal will also add language in the amendment whereby the existing capital commitment of \$7,000,000 under both Lease No. 1 and Lease No. 2 shall be applied only to Lease No. 2 and the initial \$2,000,000 capital expenditure deadline shall be extended one year to December 31, 2016. The remaining capital commitment expenditures must commence no later than November 1, 2018 and be expended by December 31, 2019. As part of the future development of the adjacent former Dalfort Aerospace facility, access to Lease No. 2 may be modified at City's discretion.

BACKGROUND (Continued)

Lease No. 3

The current proposal will amend Lease No. 3 to: (1) reduce Signature Flight Support's annual rent in the amount of \$600,000.00 to be applied retroactively from October 1, 2012 until the end of the Lease No. 3 term; and (2) reimburse Signature Flight Support for rent overpayment of \$1,650,000 from October 1, 2012 thru June 30, 2015 in the form of monthly rent reduction/credits commencing July 1, 2015 and expiring December 31, 2016. Further, commencing May 1, 2022: **(1)** the portion of Lease No. 3 which borders Lemmon Avenue, currently represented by Hangars #1 and #4 and parking space on both ends, will revert to the City; and **(2)** all rent, including land and remaining improvements escalate to the then prevailing rental rates for similar premises. Lease No. 3 expiration date will be extended to October 31, 2043 in order to be coterminous with Lease No. 2. Lease No. 3 rental rate escalations will be converted from the current method of prevailing rates every three years with a 12% cap to the Consumer Price Index every three years with a 12% cap provided; there shall be no rent reduction in the event of a negative CPI. This rental rate escalation method is consistent with Lease No. 2. Rent shall adjust to the prevailing rates on May 1, 2022, May 1, 2029, and May 1, 2036. Signature Flight Support's south access to Lease No. 3 will remain at the same location after May 1, 2022.

PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Lease No. 1

Original lease approved on June 10, 1992, by Resolution No. 92-2174.

First Amendment approved on October 22, 2003, by Resolution No. 03-2872.

Second Amendment approved on December 8, 2010, by Resolution No. 10-2984.

Lease No. 2

Original Lease approved on June 10, 1992, by Resolution No. 92-2174.

First Amendment approved on May 24, 1995, by Resolution No. 95-1895.

Second Amendment approved on December 10, 1997, by Resolution No. 97-3896. (not executed)

Inducement Resolution approved on December 10, 1997, by Resolution No. 97-3895. (not executed)

Second Amendment approved on October 22, 2003, by Resolution No. 03-2873.

Third Amendment approved on December 8, 2010, by Resolution No. 10-2984.

PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

Lease No. 3

Original Lease approved on June 10, 1955, by Resolution No. 55-2693.

First Supplement approved August 27, 1956, by Resolution No. 56-3953.

Second Supplement approved on July 25, 1966, by Resolution No. 66-3497.

Partial Amendment approved on April 28, 1982, by Resolution No. 82-1549.

Letter of Understanding approved April 28, 1982, by Resolution No. 82-1549.

Amendment to Lease approved on March 7, 1979, by Resolution No. 79-0782.

Third Supplement approved on August 11, 1999, by Resolution No. 99-2284.

FISCAL INFORMATION

Lease No. 1 Estimated Revenue Foregone: \$1,372,585.47

Lease No. 2 Annual Revenue: \$1,439,551.53

Lease No. 3 Annual Revenue: \$1,132,752.54 commencing January 2017*

Lease No. 3 Rental Credit: \$1,650,000**

*Lease No. 3 rental amount net of annual \$600,000 reduction.

** Rental Credit to be applied as monthly credit starting July 2015 through December 2016.

OWNER

Signature Flight Support Corporation, a Delaware Corporation

Maria Sastre, President

Joseph I. Goldstein, Secretary

MAP

Attached.



Lease No. 3

Lease Nos. 1 & 2

Signature Flight Support
Lease Nos. 1, 2, & 3

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Google earth

Imagery Date: 3/28/2015 32°50'52.99" N 96°50'26.39" W elev 500 ft eye alt 5305 ft

1995

June 17, 2015

WHEREAS, on November 1, 1993, Ryder Aviall, Inc., entered into a lease, herein referred to as "Lease No. 1" and "Lease No. 2", containing a combined total of approximately 54.1 acres of land and improvements, for aviation related purposes at Dallas Love Field authorized by the Dallas City Council on June 10, 1992, by Resolution No. 92-2174; and,

WHEREAS, through multiple assignments, on February 8, 2005 Lease No. 1 and Lease No. 2 were assigned to Signature Flight Support Corporation ("Signature"); and,

WHEREAS, Lease No.1 and Lease No. 2 terms run coterminous and include ten-year primary terms plus four ten-year options each that, if properly exercised, will extend the leases to October 31, 2043; and,

WHEREAS, it is in the best interest of the City and Signature to terminate Lease No. 1.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That termination of Lease No. 1 is hereby approved and the City Manager is authorized to execute, on behalf of the City of Dallas, appropriate documentation to terminate Lease No. 1 with Signature Flight Support Corporation after approval as to form by the City Attorney.

Section 2. That Hangar C and the adjacent parking formerly a part of Lease No. 1 is now annexed into Lease No. 2.

Section 3. That all capital improvement obligations under Lease No. 1 shall be combined and applied to the capital improvement obligations under Lease No. 2.

Section 4. Signature will bear all costs and expenses associated with the change of address and separation of all utility meters.

Section 5. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

June 17, 2015

WHEREAS, on November 1, 1993, Ryder Aviall, Inc., entered into two leases, herein referred to as "Lease No. 1" and "Lease No. 2", containing a combined total of approximately 54.1 acres of land and improvements, for aviation related purposes at Dallas Love Field authorized by the Dallas City Council on June 10, 1992, by Resolution No. 92-2174; and,

WHEREAS, through multiple assignments, on February 8, 2005 Lease No. 1 and Lease No. 2 were assigned to Signature Flight Support Corporation ("Signature"); and,

WHEREAS, Lease No. 1 and Lease No. 2 terms run coterminous and include ten-year primary terms plus four ten-year options each that, if properly exercised, will extend the leases to October 31, 2043; and,

WHEREAS, it is in the best interest of the City and Signature amend Lease No. 2.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is authorized to negotiate and execute, on behalf of the City of Dallas, the proposed fourth amendment to Lease No. 2 with Signature Flight Support Corporation after approval as to form by the City Attorney.

Section 2. That Hangar C and the adjacent parking formerly a part of the Lease No. 1 agreement now be included as part of the Lease No. 2 agreement.

Section 3. That Signature be granted an access and use easement for the purposes of accessing the leased premises and for the maintenance of an electrical switchgear.

Section 4. That the deadline to complete that initial capital improvement expenditure be extended from December 31, 2015 to December 31, 2016 and that the remaining capital improvement amounts commence expenditure by November 1, 2018 and be expended by December 31, 2019.

Section 5. That the Chief Financial Officer is hereby authorized to deposit all revenues received under Lease No. 2, as amended, to: Aviation Operating Fund 0130; Dept. AVI; Unit 7722; Revenue Source 7814.

Section 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

June 17, 2015

WHEREAS, on June 10, 1955, Braniff Airways, Inc., entered into a lease referenced herein as Lease No. 3 containing a combined total of approximately 36.082 acres of land with an option to lease an additional 9.036 acres of land, for aviation related purposes at Dallas Love Field authorized by the Dallas City Council on June 10, 1955, by Resolution No. 55-2693; and,

WHEREAS, on July 25, 1966, Braniff Airways, Inc. leased the option property resulting in a total combined leased premises containing 45.11 acres of land; and,

WHEREAS, on April 28, 1982 18.3242 acres of land under Lease No. 3, was assigned to The Southland Corporation; and,

WHEREAS, through multiple assignments, on December 31, 2005 Lease No. 3 was assigned to Signature Flight Support Corporation ("Signature"); and,

WHEREAS, it is in the best interest of the City and Signature to amend Lease No. 3.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is authorized to negotiate and execute, on behalf of the City of Dallas, the proposed fourth amendment to Lease No. 3 with Signature Flight Support Corporation after approval as to form by the City Attorney.

Section 2. That upon completion of the current term of Lease No. 3 on April 30, 2022, the portion of land and facilities that border Lemmon Avenue (Hangars 1 and 4) and the adjacent parking be reverted back to the City of Dallas.

Section 3. That the term of Lease No. 3 be extended from May 1, 2022 to October 31, 2043 to run coterminous with Lease No. 2.

Section 4. That the rental amount received be reduced by: 1) an annual amount of \$600,000 to be applied retroactively from October 1, 2012 until the end of Lease No. 3 term and 2) reimbursement to Signature for rent overpayment in the amount of \$1,650,000 from October 1, 2012 through June 30, 2015 in the form of monthly rent reduction/credits commence on July 1, 2015 through December 31, 2016.

June 17, 2015

Section 5. That Article VII, Paragraph 4 of Lease No. 3 be modified to be consistent with the escalator language in the current Signature Lease No. 2 to read as follows:

Commencing May 1, 2022 and every three years thereafter, including option periods, the annual improved ground and improvement rental rates for the Revised Leased Premises shall be subject to increase based on the CPI (hereinafter defined) in the manner hereinafter set forth; provided, however, that any increase in the rental rates based on the CPI adjustment described below shall not exceed twelve percent (12%) of the then existing rental rate. Rates shall adjust to the Airport's then-prevailing rates on May 1, 2022, May 1, 2029 and May 1, 2036. In any time of adjustment, the new proposed rate shall never be less than the existing rate.

Section 6. That the Chief Financial Officer is hereby authorized to deposit all revenues received under Lease No. 3, as amended, to: Aviation Operating Fund 0130; Dept. AVI; Unit 7722; Revenue Source 7814.

Section 7. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Public Safety

AGENDA DATE: June 17, 2015

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
Fire
Police

CMO: Jeanne Chipperfield, 670-7804
Eric Campbell, 670-3255

MAPSCO: N/A

SUBJECT

Authorize a three-year service contract for veterinary services for Police canine and equine units and Fire-Rescue canine unit - East Lake Veterinary Hospital, P.C. in the amount of \$235,000 and Cedar Hill Veterinary Clinic in the amount of \$70,000, most qualified respondents of three - Total not to exceed \$305,000 - Financing: Current Funds (subject to annual appropriations)

BACKGROUND

This item was placed on the addendum due to the current contract expiring on July 31, 2015.

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis.

This service contract will provide veterinary services for Police canine and equine units and Fire-Rescue canine unit to include exams, special procedures, pharmacy costs, injections and vaccinations. These services are necessary in providing health care and vital in providing emergency care to maintain the animals' health.

The police dogs of the Canine Squad are a specialized European breed and require the veterinarian to be specialized in the care of European dogs. The services are provided for 23 police dogs including: 11 police dogs of the Tactical Canine Squad with dual training in narcotics detection, tracking and apprehension; 6 police dogs of the Narcotics Love Field and DFW Airport Task Forces trained in narcotics detection; and, 6 police dogs of the Love Field FAA Bomb Dog Program trained in explosives detection.

BACKGROUND (Continued)

Fire-Rescue maintains 10 canines in two areas of operations - Texas Task Force 2 Urban Search and Rescue Team and in Fire Arson and Investigation. The services are provided for 9 Search and Rescue dogs of Texas Task Force 2 (TXTF-2), which are highly trained in the detection of human scent and are vital to the successful rescue of victims during a disaster. The Arson and Investigation canine is an accelerant detection dog specially trained to sniff out minute traces of accelerants used to set fire. Medical care is paramount to ensure this vital resource is available to respond with Texas Task Force 2 to local emergencies and state-deployed disasters and fire investigations.

Additionally, these services are provided for the Mounted Squad's 23 horses stabled at Fair Park. In addition to being a tremendous public relations asset, the horses are used for crowd control, patrol and for various other tactical needs. The Mounted Squad exhibits visibility in shopping center parking lots and high profile presence in neighborhoods resulting in a reduction in crime. As a result of the functions of the horses, veterinary services must be available 24 hours, 7 days a week.

A six member committee from the following departments reviewed and evaluated the proposals:

- Business Development & Procurement Services (1)*
- Police (2)
- Fire-Rescue (1)
- Code Compliance (1)
- Park & Recreation (1)

*Business Development and Procurement Services only evaluated the Business Inclusion & Development Plan.

The successful respondents were selected by the committee on the basis of demonstrated competence and qualifications under the following criteria:

- Experience/Qualifications 40%
- Service plan 30%
- Business Inclusion & Development Plan 15%
- Client work history 10%
- Board certification 5%

BACKGROUND (Continued)

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 259 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the Business Development and Procurement Services' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 27, 2009, City Council authorized a thirty-six-month service contract for veterinary services for Dallas Police canine and equine units by Resolution No. 09-1311.

On June 8, 2015, the Public Safety Committee was briefed via memorandum.

FISCAL INFORMATION

\$305,000.00 - Current Funds (subject to annual appropriations)

M/WBE INFORMATION

- 30 - Vendors contacted
- 30 - No response
 - 0 - Response (Bid)
 - 0 - Response (No bid)
 - 0 - Successful

259 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardees have fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

East Lake Veterinary Hospital, P.C.

White Male	7	White Female	33
Black Male	1	Black Female	2
Hispanic Male	4	Hispanic Female	14
Other Male	1	Other Female	0

ETHNIC COMPOSITION (Continued)

Cedar Hill Veterinary Clinic

White Male	3	White Female	5
Black Male	0	Black Female	0
Hispanic Male	1	Hispanic Female	2
Other Male	0	Other Female	1

RESPONDENT INFORMATION

The following responses were received from solicitation number BAZ1512 and opened on April 22, 2015. This service contract is being awarded by group to the most qualified respondent.

*Denotes successful respondent

<u>Respondents</u>	<u>Address</u>	<u>Score</u>
* East Lake Veterinary Hospital, P.C.	10101 E. Northwest Hwy. Dallas, TX 75238	Group 1 - 83 Group 2 - No Bid
*Cedar Hill Veterinary Clinic	1026 N. Hwy. 67 Cedar Hill, TX 75104	Group 1 - No Bid Group 2 - 80
Casa Linda Animal Clinic, Inc.	11434 Garland Rd. Dallas, TX 75218	Group 1 - 79 Group 2 - No Bid

OWNERS

East Lake Veterinary Hospital, P.C.

Karen Fling, DVM, President

Cedar Hill Veterinary Clinic

Anthony D. Ellis, DVM, President

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a three-year service contract for veterinary services for Police canine and equine units and Fire-Rescue canine unit - East Lake Veterinary Hospital, P.C. in the amount of \$235,000 and Cedar Hill Veterinary Clinic in the amount of \$70,000, most qualified respondents of three - Total not to exceed \$305,000 - Financing: Current Funds (subject to annual appropriations)

East Lake Veterinary Hospital, P.C. and Cedar Hill Veterinary Clinic are local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and propose to use their own workforces.

PROJECT CATEGORY: Other Services

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$305,000.00	100.00%
Total non-local contracts	\$0.00	0.00%
TOTAL CONTRACT	\$305,000.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$0.00	0.00%	\$0.00	0.00%

June 17, 2015

WHEREAS, on May 27, 2009, City Council authorized a thirty-six-month service contract for veterinary services for Dallas Police canine and equine units by Resolution No. 09-1311; and,

WHEREAS, on August 25, 2014, Administrative Action No. 14-6532 authorized supplemental agreement no. 1 to the service contract to extend the contract term from July 31, 2014 to January 31, 2015 and to increase funds in an amount not to exceed \$34,000.00, increasing the service contract amount from \$136,397.00 to \$170,397; and,

WHEREAS, on August 25, 2014, Administrative Action No. 14-6533 authorized supplemental agreement no. 1 to the service contract to extend the contract term from July 31, 2014 to January 31, 2015 and to increase the funds in an amount not to exceed \$50,000.00, increasing the service contract amount from \$286,243.00 to \$336,243.00; and,

WHEREAS, on February 25, 2015, Administrative Action Nos. 15-5457 and 15-5458 authorized supplemental agreement no. 2 to the service contract to extend the contract term from January 31, 2015 to July 31, 2015;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is authorized to execute a service contract with East Lake Veterinary Hospital, P.C. (VC0000002122) in the amount of \$235,000.00 and Cedar Hill Veterinary Clinic (503346) in the amount of \$70,000.00 for veterinary services for Police canine and equine units and Fire Rescue canine unit for a term of three years, in a total amount not to exceed \$305,000.00, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to East Lake Veterinary Hospital, P.C. and Cedar Hill Veterinary Clinic shall be based only on the amount of services directed to be performed by the City and properly performed by East Lake Veterinary Hospital, P.C. and Cedar Hill Veterinary Clinic under the contract.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$305,000.00 (subject to annual appropriations).

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

ADDENDUM ITEM # 5

KEY FOCUS AREA: Clean, Healthy Environment

AGENDA DATE: June 17, 2015

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
Code Compliance
Water Utilities

CMO: Jeanne Chipperfield, 670-7804
Joey Zapata, 670-3009
Mark McDaniel, 670-3256

MAPSCO: N/A

SUBJECT

Authorize a three-year service contract for grounds maintenance services at various Dallas Water Utilities' properties and the Dallas Animal Shelter – Weldon's Lawn and Tree in the amount of \$828,335, Urban Landscaping & Irrigation in the amount of \$84,625 and JBa Land Management, LLC in the amount of \$18,780, lowest responsible bidders of six - Total not to exceed \$931,740 - Financing: Current Funds (\$2,800) and Water Utilities Current Funds (\$928,940) (subject to annual appropriations)

BACKGROUND

This item was placed on the addendum in order to avoid delays in service.

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis.

This service contract will provide grounds maintenance for approximately 175 acres of Dallas Water Utilities properties. This contract will allow for grounds maintenance on a predetermined maintenance schedule and cycles established by the City. Cycles may be adjusted as growing conditions change.

The services under this contract will include mowing, edging, trimming around trees, shrubs, buildings and fences, sweeping and disposing of clippings. The contractor will furnish all personnel, labor, tools and supplies necessary to perform this service.

BACKGROUND (Continued)

This service contract will provide grounds maintenance for approximately 70 Dallas Water Utilities properties, including:

- 57 pump stations, elevated tanks and meter vaults
- Two wastewater treatment plants
- Three water purification plants

This service contract will provide grounds maintenance for the Dallas Animal Shelter located at 1818 Westmoreland Road, Dallas, Texas.

The services under this contract will include mowing, edging, weed-eating, trimming of ornamental grass, weeding of shrubs and flower beds and edging and trimming of sidewalk and pavement. The contractor will furnish all personnel, labor, tools and supplies necessary to perform this service.

This solicitation was structured in a manner which required bidders to submit a response using unit pricing. This bid resulted in a 25% decrease on comparable unit prices for the bid awarded in 2012.

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 370 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the BDPS' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council - Southwest, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 25, 2012, City Council authorized a three-year service contract for grounds maintenance services at various Water Utilities' properties by Resolution No. 12-1168.

FISCAL INFORMATION

\$ 2,800.00 - Current Funds (subject to annual appropriations)

\$928,940.00 - Water Utilities Current Funds (subject to annual appropriations)

M/WBE INFORMATION

52 - Vendors contacted
50 - No response
2 - Response (Bid)
0 - Response (No Bid)
2 - Successful

370 M/WBE and Non-M/WBE vendors were contacted

The recommended awardees have fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

Weldon's Lawn and Tree

White Male	12	White Female	2
Black Male	2	Black Female	0
Hispanic Male	7	Hispanic Female	0
Other Male	0	Other Female	0

Urban Landscaping & Irrigation

White Male	0	White Female	0
Black Male	4	Black Female	0
Hispanic Male	7	Hispanic Female	1
Other Male	0	Other Female	0

JBa Land Management, LLC

White Male	8	White Female	0
Black Male	9	Black Female	0
Hispanic Male	19	Hispanic Female	1
Other Male	0	Other Female	0

BID INFORMATION

The following bids were received from solicitation number BF1506 and opened on April 23, 2015. This service contract is being awarded to the lowest responsive and responsible bidders by group. Information related to this solicitation is available upon request.

BID INFORMATION (Continued)

*Denotes successful bidders

<u>Bidders</u>	<u>Address</u>	<u>Amount of Bid</u>
*Weldon's Lawn and Tree	2460 Shore Crest Dr. Rockwall, TX 75087	Multiple Groups
*Urban Landscaping & Irrigation	700 S. Dallas Ave. Lancaster, TX 75146	Multiple Groups
*JBa Land Management, LLC	10875 Jupiter Rd. Dallas, TX 75218	Multiple Groups
Good Earth Corporation Corporation	8020 Heinen Dr. Dallas, TX 75227	Multiple Groups
Ferreira Holding Group, LLC	9330 LBJ Frwy. Suite 900 Dallas, TX 75243	Multiple Groups
Texas Blooms Organic Landscape Co., Inc.	6490 Ridgemont Dr. Dallas, TX 75214	Multiple Groups

OWNERS

Weldon's Lawn and Tree

Jimmy Weldon, President
Brandon Weldon, Vice President
Nikki Weldon, Secretary

Urban Landscaping & Irrigation

Dexter Payne, President

JBa Land Management, LLC

John Battle, President

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a three-year service contract for grounds maintenance services at various Dallas Water Utilities' properties and the Dallas Animal Shelter – Weldon's Lawn and Tree in the amount of \$828,335, Urban Landscaping & Irrigation in the amount of \$84,625 and JBa Land Management, LLC in the amount of \$18,780, lowest responsible bidders of six - Total not to exceed \$931,740 - Financing: Current Funds (\$2,800) and Water Utilities Current Funds (\$928,940) (subject to annual appropriations)

Weldon's Lawn and Tree is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce. Urban Landscaping & Irrigation and JBa Land Management, LLC are local, minority firms, have signed the "Business Inclusion & Development" documentation, and propose to use their own workforces.

PROJECT CATEGORY: Other Services

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$83,263.54	8.94%
Total non-local contracts	\$848,476.46	91.06%
TOTAL CONTRACT	\$931,740.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Urban Landscaping & Irrigation	BMMB63836N1216	\$64,483.54	77.45%
JBA Land Management, LLC	BMDB62986Y0316	\$18,780.00	22.55%
Total Minority - Local		\$83,263.54	100.00%

Non-Local Contractors / Sub-Contractors

<u>Non-local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Ricochet Fuel Distributors, Inc	WFWBC421070715	\$197,143.73	23.24%
Irrigators Supply Inc.	WFWB61642Y0516	\$20,141.46	2.37%
Total Minority - Non-local		\$217,285.19	25.61%

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$83,263.54	100.00%	\$83,263.54	8.94%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$217,285.19	23.32%
Total	<u>\$83,263.54</u>	<u>100.00%</u>	<u>\$300,548.73</u>	<u>32.26%</u>

June 17, 2015

WHEREAS, on April 25, 2012, City Council authorized a three-year service contract for grounds maintenance services at various Water Utilities' properties by Resolution No. 12-1168;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is authorized to execute a service contract with Weldon's Lawn and Tree (VS0000072995) in the amount of \$828,335.00, Urban Landscaping & Irrigation (514920) in the amount of \$84,625.00 and JBa Land Management, LLC (355524) in the amount of \$18,780.00 for grounds maintenance services at various Dallas Water Utilities' properties and the Dallas Animal Shelter for a term of three years in a total amount not to exceed \$931,740.00, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Weldon's Lawn and Tree, Urban Landscaping & Irrigation and JBa Land Management, LLC shall be based only on the amount of the services directed to be performed by the City and properly performed by Weldon's Lawn and Tree, Urban Landscaping & Irrigation and JBa Land Management, LLC under the contract.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$931,740.00 (subject to annual appropriations).

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Public Safety

AGENDA DATE: June 17, 2015

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
Equipment & Building Services
Police

CMO: Jeanne Chipperfield, 670-7804
Jill A. Jordan, P.E., 670-5299
Eric Campbell, 670-3255

MAPSCO: N/A

SUBJECT

Authorize **(1)** an increase in appropriations in the amount of \$2,427,915, from \$438,059,929 to \$440,487,844 in the Dallas Police Department budget; and **(2)** the purchase of 105 squad cars for Police in the amount of \$2,427,915 - Chaperral Dodge, Inc. dba Dallas Dodge Chrysler Jeep through the Houston-Galveston Area Council of Governments - Total not to exceed \$2,427,915 - Financing: Contingency Reserve Funds

BACKGROUND

This item was placed on the addendum to provide for a portion of the FY 2015-16 fleet needs and to allow for the opportunity to obtain vehicles at a \$3,219 per vehicle discounted rate compared to future 2016 fleet pricing.

This action will allow for the purchase of 105 squad cars for Police. These cars will be used by Police throughout the City in their daily activities.

All 105 squad cars are replacements to the fleet. Vehicles being replaced have gone through an evaluation process using an established criterion to ensure that only vehicles that have exceeded their useful life are replaced. The vehicle evaluation includes life-to-date maintenance costs, recommended replacement mileage and recommended replacement life. Police equipment and decals from replaced vehicles will be removed prior to vehicle being sold at auction.

Houston-Galveston Area Council of Governments (H-GAC) conforms to the requirements of Texas Statutes that are applicable for competitive bids and proposals, in accordance with the Interlocal Cooperation Act, Chapter 791, Texas Government Code. In addition, H-GAC receives bids from manufacturers and dealers throughout the United States.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On January 11, 2012, City Council authorized a one-year master agreement for the purchase of one hundred ninety-six pieces of fleet equipment and a one-year master agreement for the purchase of one hundred three pieces of fleet equipment by Resolution No. 12-0162.

On September 12, 2012, City Council authorized a one-year master agreement for the purchase of squad cars for Police by Resolution No. 12-2229.

On December 11, 2013, City Council authorized the purchase of seven super-duty trucks and four sport utility vehicles for Fire-Rescue by Resolution No. 13-2054.

On June 12, 2013, City Council authorized a one-year master agreement for the purchase of two hundred seventy-two pieces of fleet equipment; a one-year master agreement for the purchase of eight pieces of fleet equipment; and a one-year master agreement for the purchase of four pieces of fleet equipment by Resolution No. 13-0936.

On October 22, 2014, City Council authorized the purchase of 137 squad cars for Police by Resolution No. 14-1781.

On June 8, 2015, the Public Safety Committee was briefed via memorandum.

FISCAL INFORMATION

\$2,427,915.00 - Contingency Reserve Funds

ETHNIC COMPOSITION

Chaperral Dodge, Inc. dba Dallas Dodge Chrysler Jeep

White Male	57	White Female	13
Black Male	20	Black Female	0
Hispanic Male	41	Hispanic Female	9
Other Male	4	Other Female	0

OWNER

Chaperral Dodge, Inc. dba Dallas Dodge Chrysler Jeep

Frank Grese, President
John C. Rickel, Vice President
Beth Sibley, Secretary
Robert J. Kenedy, Treasurer

June 17, 2015

WHEREAS, on January 11, 2012, City Council authorized a one-year master agreement for the purchase of one hundred ninety-six pieces of fleet equipment and a one-year master agreement for the purchase of one hundred three pieces of fleet equipment by Resolution No. 12-0162; and,

WHEREAS, on September 12, 2012, City Council authorized a one-year master agreement for the purchase of squad cars for Police by Resolution No. 12-2229; and,

WHEREAS, on December 11, 2013, City Council authorized the purchase of seven super-duty trucks and four sport utility vehicles for Fire-Rescue by Resolution No. 13-2054; and,

WHEREAS, on June 12, 2013, City Council authorized a one-year master agreement for the purchase of two hundred seventy-two pieces of fleet equipment; a one-year master agreement for the purchase of eight pieces of fleet equipment; and a one-year master agreement for the purchase of four pieces of fleet equipment by Resolution No. 13-0936; and,

WHEREAS, on October 22, 2014, City Council authorized the purchase of 137 squad cars for Police by Resolution No. 14-1781;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the Chief Financial Officer is hereby authorized to transfer funds in an amount not to exceed \$2,427,915.00 from Fund 0001, Dept. NBG, Unit 1000, Revenue Source RTRF, to Fund 0001, Dept. DPD, Unit 2121, Revenue Source 9229; and a clearing entry, in an amount not to exceed \$2,427,915.00, to Fund 0001, Dept. BMS, BSA 0991 (Debit) and to Fund 0001, Dept. BMS, BSA 0950 (Credit).

Section 2. That the City Manager is hereby authorized to increase the Police Department appropriations in an amount not to exceed \$2,427,915.00 from \$438,059,929 to \$440,487,844 in Fund 0001, Dept. DPD, 2121, Object 3620; increase the total General Fund expenditure appropriations by \$2,427,915.00 from \$1,167,935,186.00 to \$1,170,363,101.00; and increase total General Fund revenue appropriations by \$2,427,915.00, from \$1,167,935,186.00 to \$1,170,363,101.00.

Section 3. That the purchase of 105 squad cars for Police is authorized with Chaperral Dodge, Inc. dba Dallas Dodge Chrysler Jeep (519732) through the Houston-Galveston Area Council of Governments in an amount not to exceed \$2,427,915.00.

June 17, 2015

Section 4. That the Purchasing Agent is authorized, upon appropriate requisition, to issue a purchase order for 105 squad cars for Police. If a formal contract is required for this purchase instead of a purchase order, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

Section 5. That the Chief Financial Officer is hereby authorized to disburse funds from the following appropriation in an amount not to exceed \$2,427,915.00:

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Object</u>	<u>Amount</u>	<u>FY</u>	<u>Encumbrance</u>
0196	EBS	1721	4740	\$2,427,915.00	2015	POEBS00000119854

Section 6. That the Chief Financial Officer is hereby authorized to reimburse Equipment and Building Services from the General Fund for the purchase of 105 squad cars for Police in an amount not to exceed \$2,427,915.00. The reimbursement proceeds shall come from Fund 0001, Dept DPD, Unit 2121, Object 3620, and shall be deposited in Fund 0196, Dept EBS, Unit 1721, Object Code 5011.

Section 7. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Clean, Healthy Environment

AGENDA DATE: June 17, 2015

COUNCIL DISTRICT(S): 4, 8

DEPARTMENT: Business Development & Procurement Services
Water Utilities

CMO: Jeanne Chipperfield, 670-7804
Mark McDaniel, 670-3256

MAPSCO: 56 J 69 A-X

SUBJECT

Liquid Polymer

- * Authorize an increase to the master agreement with Polydyne, Inc. in the amount of \$590,321, from \$4,540,927 to \$5,131,248 and Kemira Chemicals, Inc. in the amount of \$164,736, from \$1,267,200 to \$1,431,936 for liquid polymer for wastewater treatment - Total not to exceed \$755,057, from \$5,808,127 to \$6,563,184 - Financing: Water Utilities Current Funds
- * Authorize a five-year master agreement for liquid polymer for wastewater treatment - Polydyne, Inc., only responsive bidder - Not to exceed \$6,414,077 - Financing: Water Utilities Current Funds

BACKGROUND

This item is on the addendum for an increase in funds in order to avoid disruption in the delivery of liquid polymer for wastewater treatment.

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered as needed.

The increase to the master agreement is necessary in order to allow sufficient time to transition from the existing contractor to the awarded vendor for the new contract. The vendor, under this agreement, must provide chemical feed and mixing equipment which requires time for the manufacturing of the equipment as well as delivery, install and setup. Therefore additional funds are needed in order to ensure delivery of polymer during this transition.

BACKGROUND (Continued)

The new master agreement will provide for the purchase of liquid polymer to two City wastewater treatment plants. Liquid polymer is necessary for the efficient removal of water from the bio-solids (sludge). The water removal assist with the effective transport, conditioning, processing and disposal of bio-solids. Bio-solids are a by-product of treating wastewater prior to the discharge of clean water to the Trinity River.

Water Utilities provides wastewater treatment services to approximately 1,295,000 customers in Dallas and surrounding communities. The City treats approximately 53 billion gallons of wastewater per year.

This solicitation was structured in a manner which required bidders to submit a response using unit pricing. This bid resulted in a 3.30% decrease on comparable unit prices for the bid awarded in 2011.

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 322 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the BDPS' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council - Southwest, to ensure maximum vendor outreach.

PRIOR ACTION / REVIEW (COUNCIL BOARDS, COMMISSIONS)

On November 7, 2011, City Council authorized a five-year master agreement for liquid polymer for wastewater treatment by Resolution No. 11-2953.

FISCAL INFORMATION

\$7,169,134.00 - Water Utilities Current Funds

Subject 1

<u>Council District</u>	<u>Amount</u>
4	\$312,316.00
8	\$442,741.00
Total	\$755,057.00

FISCAL INFORMATION (Continued)

Subject 2

<u>Council District</u>	<u>Amount</u>
4	\$ 797,449.00
8	<u>\$5,616,628.00</u>
Total	\$6,414,077.00

M/WBE INFORMATION

- 30 - Vendors contacted
- 30 - No response
- 0 - Response (Bid)
- 0 - Response (No Bid)
- 0 - Successful

322 M/WBE and Non-M/WBE vendors were contacted

The recommended awardee has fulfilled the requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

Polydyne, Inc.

White Male	479	White Female	75
Black Male	446	Black Female	92
Hispanic Male	41	Hispanic Female	7
Other Male	30	Other Female	7

Kemira Chemicals, Inc.

White Male	23	White Female	4
Black Male	7	Black Female	1
Hispanic Male	0	Hispanic Female	3
Other Male	0	Other Female	0

BID INFORMATION

The following bids were received from solicitation number BP1505 and were opened on March 12, 2015. This master agreement is being awarded to the only responsive bidder by facility. Information related to this solicitation is available upon request.

*Denotes successful bidder

<u>Bidder</u>	<u>Address</u>	<u>Amount of Bid</u>
*Polydyne, Inc.	One Chemical Plant Rd. Riceboro, GA 31323	Multiple Lines

Note: Pursuant to Business Development and Procurement Services' (BDPS) request, the Auditor's office has reviewed the single bid item and submitted related documentation and has determined BDPS followed Administrative Directive 4-05 provisions for processing this single bid item and made reasonable efforts to increase bid participation. This proposed procurement meets the requirements for a single bid.

OWNERS

Polydyne, Inc.

Peter Nichols, President
James R. Carlson, Vice President

Kemira Chemicals, Inc.

Tom Prevost, President

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize an increase to the master agreement with Polydyne, Inc. in the amount of \$590,321, from \$4,540,927 to \$5,131,248 and Kemira Chemicals, Inc. in the amount of \$164,736, from \$1,267,200 to \$1,431,936 for liquid polymer for wastewater treatment - Total not to exceed \$755,057, from \$5,808,127 to \$6,563,184 - Financing: Water Utilities Current Funds

Polydyne, Inc. and Kemira Chemicals, Inc. are non-local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.

PROJECT CATEGORY: Goods

LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY

	<u>Amount</u>	<u>Percent</u>
Local contracts	\$0.00	0.00%
Non-local contracts	\$755,057.00	100.00%
TOTAL THIS ACTION	\$755,057.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE PARTICIPATION

	<u>This Action</u>		<u>Participation to Date</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$0.00	0.00%	\$0.00	0.00%

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a five-year master agreement for liquid polymer for wastewater treatment - Polydyne, Inc., only responsive bidder - Not to exceed \$6,414,077 - Financing: Water Utilities Current Funds

Polydyne, Inc. is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.

PROJECT CATEGORY: Goods

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$0.00	0.00%
Total non-local contracts	\$6,414,077.00	100.00%
TOTAL CONTRACT	\$6,414,077.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	<u>\$0.00</u>	<u>0.00%</u>	<u>\$0.00</u>	<u>0.00%</u>

June 17, 2015

WHEREAS, on November 7, 2011, City Council authorized a five-year master agreement for liquid polymer for wastewater treatment by Resolution No. 11-2953; and,

WHEREAS, on January 23, 2014, Administrative Action No. 14-5213 authorized the assignment of master agreement #BD1126 from 3F Chimica Americas, Inc. to Kemira Chemicals, Inc.;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That following approval as to form by the City Attorney, the City Manager is hereby authorized to increase the master agreement with Polydyne, Inc. (341124) in the amount of \$590,321.00, from \$4,540,927.80 to \$5,131,248.80 and Kemira Chemicals, Inc. (VS0000083376) in the amount of \$164,736.00, from \$1,267,200.00 to \$1,431,936.00 for liquid polymer for wastewater treatment, in a total amount not to exceed \$755,057.00, increasing the master agreement from \$5,808,127.80 to \$6,563,184.80.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$755,057.00.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

June 17, 2015

WHEREAS, on November 7, 2011, City Council authorized a five-year master agreement for liquid polymer for wastewater treatment by Resolution No. 11-2953;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That a master agreement for the purchase of liquid polymer for wastewater treatment is authorized with Polydyne, Inc. (341124) for a term of five years in an amount not to exceed \$6,414,077.00.

Section 2. That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for liquid polymer for wastewater treatment. If a written contract is required or requested for any or all purchases of liquid polymer for wastewater treatment under the master agreement instead of individual purchase orders, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

Section 3. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$6,414,077.00.

Section 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: E-Gov

AGENDA DATE: June 17, 2015

COUNCIL DISTRICT(S): N/A

DEPARTMENT: City Attorney's Office
Police

CMO: Warren M.S. Ernst, 670-3491
Eric Campbell, 670-3255

MAPSCO: N/A

SUBJECT

Authorize settlement of the lawsuit styled Damon Williams v. Micheal D. Waldroup and Jeffrey Kaiser, Civil Action No. 3:14-CV-4160-P - Not to exceed \$125,000 - Financing: Current Funds

BACKGROUND

Damon Williams sued Dallas police officer Micheal D. Waldroup and police sergeant Jeffrey Kaiser in federal court, alleging that officer Waldroup violated Williams' right to be free from excessive force in the course of a detention, and that Sgt. Kaiser failed to adequately train or supervise Waldroup. The plaintiff and the defendants have reached a settlement, subject to city council approval, that resolves all claims against all parties, including any potential attorney's fees and costs of suit. Plaintiff is represented by the Law Offices of Don Tittle, PLLC.

This item is on the addendum because a proposed settlement agreement was just reached. The District Court has given the parties 60 days, or until July 10, 2015, within which to finalize their settlement agreement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Council was briefed in Executive Session on June 10, 2015.

FISCAL INFORMATION

Funding for this item is budgeted in the current fiscal year.

\$125,000.00 - Current Funds

June 17, 2015

WHEREAS, a lawsuit styled Damon Williams v. Micheal D. Waldroup and Jeffrey Kaiser, Civil Action No. 3:14-CV-4160-P, was filed by the plaintiff alleging that officer Waldroup violated Williams' right to be free from excessive force in the course of a detention, and that Sgt. Kaiser failed to adequately train or supervise Waldroup; and,

WHEREAS, the parties have agreed to a settlement of the case whereby the City will pay Damon Williams and his attorney, Don Tittle, the amount of \$125,000.00; and,

WHEREAS, it is in the best interest of the City of Dallas to settle this case; **Now, Therefore,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the settlement in the lawsuit, styled Damon Williams v. Micheal D. Waldroup and Jeffrey Kaiser, Civil Action No. 3:14-CV-4160-P, in an amount not to exceed \$125,000.00 is hereby approved.

Section 2. That the Chief Financial Officer is authorized to pay to Damon Williams and his attorney, Law Offices of Don Tittle, PLLC, the amount of \$125,000.00 from Fund 0192, Department ORM, Unit 3890, Obj. 3521, Vendor CTORM001.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: E-Gov

AGENDA DATE: June 17, 2015

COUNCIL DISTRICT(S): N/A

DEPARTMENT: City Attorney's Office
Police

CMO: Warren M.S. Ernst, 670-3491
Eric Campbell, 670-3255

MAPSCO: N/A

SUBJECT

Authorize settlement of the lawsuit styled Levi Jones and Larry Jones v. City of Dallas, Cause No. CC-14-04697-D - Not to exceed \$190,000 - Financing: Current Funds

BACKGROUND

Plaintiffs filed a lawsuit against the City of Dallas seeking compensation for alleged bodily injuries sustained in an automobile accident on September 8, 2014, involving a Police Department vehicle. The City and the plaintiffs reached a proposed settlement prior to court-ordered mediation. Plaintiffs are represented by the Carse Law Firm.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Council will be briefed in Executive Session on June 17, 2015.

FISCAL INFORMATION

Funding for this item is budgeted in the current fiscal year.

\$190,000.00 - Current Funds

June 17, 2015

WHEREAS, a lawsuit styled Levi Jones and Larry Jones v. City of Dallas, Cause No. CC-14-04697-D, was filed by the plaintiffs seeking compensation from the City of Dallas for alleged bodily injuries sustained while Levi Jones was operating a 2013 Ford Fusion which collided with a Dallas Police Department vehicle on September 8, 2014; and,

WHEREAS, the plaintiffs have agreed to settle their claim whereby the City will pay Levi Jones and Larry Jones, their attorney, and all other parties having an interest in the settlement proceeds, the total amount of \$190,000.00; and,

WHEREAS, it is in the best interest of the City to settle the claims of Levi Jones and Larry Jones in this case; **Now, Therefore**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the settlement in the lawsuit, styled Levi Jones and Larry Jones v. City of Dallas, Cause No. CC-14-04697-D, in an amount not to exceed \$190,000.00 is hereby approved.

Section 2. That the Chief Financial Officer is authorized to pay Levi Jones, his attorney, Tom Carse, and all other persons having an interest in the settlement, the amount of \$90,000.00 from Fund 0192, Department ORM, Unit 3890, Obj. 3521, Vendor CTORM001.

Section 3. That the Chief Financial Officer is authorized to pay Larry Jones, his attorney, Tom Carse, and all other persons having an interest in the settlement, the amount of \$100,000.00 from Fund 0192, Department ORM, Unit 3890, Obj. 3521, Vendor CTORM001.

Section 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): 1, 2, 3, 4, 5, 6, 7, 8
DEPARTMENT: Office of Economic Development
CMO: Ryan S. Evans, 671-9837
MAPSCO: Various

SUBJECT

Authorize the expansion of the Southern Dallas Adaptive Reuse Grant Program (Adaptive Reuse Program) which will provide funding for building improvements to new owners of certain commercial buildings to encourage reuse of underperforming and vacant buildings pursuant to Chapter 380 of the Texas Local Government Code and the City's Public/Private Partnership Program as a means of promoting economic development in southern Dallas – Financing: No cost consideration to the City

BACKGROUND

This item has been placed on the addendum because program capacity has been fully utilized and several viable projects are in the pipeline and are in need of funding support.

The Adaptive Reuse Grant Pilot Program was approved by Resolution No. 14-0703, dated April 23, 2014 and funded at a level of \$150,000 by the City's Public/Private Partnership Fund (PPPF). Established to award building improvement grants to eligible commercial building owners who operate businesses in the building being improved, the program's objective is to repurpose underutilized buildings in southern Dallas and/or to support new and expanded uses as an alternative to demolition or vacancy (See attached program statement and eligibility criteria).

Program highlights are as follows:

- Buildings must be located in southern Dallas (The South Dallas Fair Park area has a specially designated adaptive reuse initiative and is not included in the geography of this program)
- Maximum grant/project: \$30,000
- Minimum owner investment: \$150,000

BACKGROUND (Continued)

- Grant recipient must own the building and utilize a minimum of 51% for business operations
- Maximum building size: 10,000 square feet
- Grant payment tied to verification of code compliance and certificate of occupancy

The pilot program has been a success and current funding is now fully utilized. Three grants, totaling \$90,000, have been approved and funded, with two additional grants applications totaling \$60,000, pending final approval. There are a significant number of existing occupied or vacant small buildings in southern Dallas that have fallen into disrepair and have become eyesores in their communities. Many are boarded and have code violations. There are opportunities to transform this existing building stock to better serve needs of the community, while removing urban blight. Adaptive reuse of these existing buildings contributes to economic vitality, aesthetic appeal and a more vibrant community and complements grow South and Neighborhood Plus objectives.

Additional Public/Private Partnership funding for the program in an amount not to exceed \$150,000 will be awarded on a project by project basis via Administrative Actions, approved by the City Manager, in accordance with the attached program eligibility criteria. A grant agreement will define and secure obligations of the grantee.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

April 21, 2014, a memo was submitted to the Economic Development Committee recommending approval of the Southern Dallas Adaptive Reuse Pilot Program.

On April 23, 2014, City Council authorized (1) the Southern Dallas Adaptive Reuse Pilot Program (Adaptive Reuse Program) to encourage reuse of underperforming and vacant buildings, maintenance, code compliance and job creation in southern Dallas pursuant to Chapter 380 of the Texas Local Government Code and the City's Public/Private Partnership Program; and (2) the City Manager to execute economic development grant agreements approved as to form by the City Attorney in accordance with the requirements in the Southern Dallas Adaptive Reuse Pilot Program Statement to promote local economic development.

On June 15, 2015, a memo will be presented to the Economic Development Committee regarding authorizing the expansion of the Southern Dallas Adaptive Reuse Grant Program (Adaptive Reuse Program).

FISCAL INFORMATION

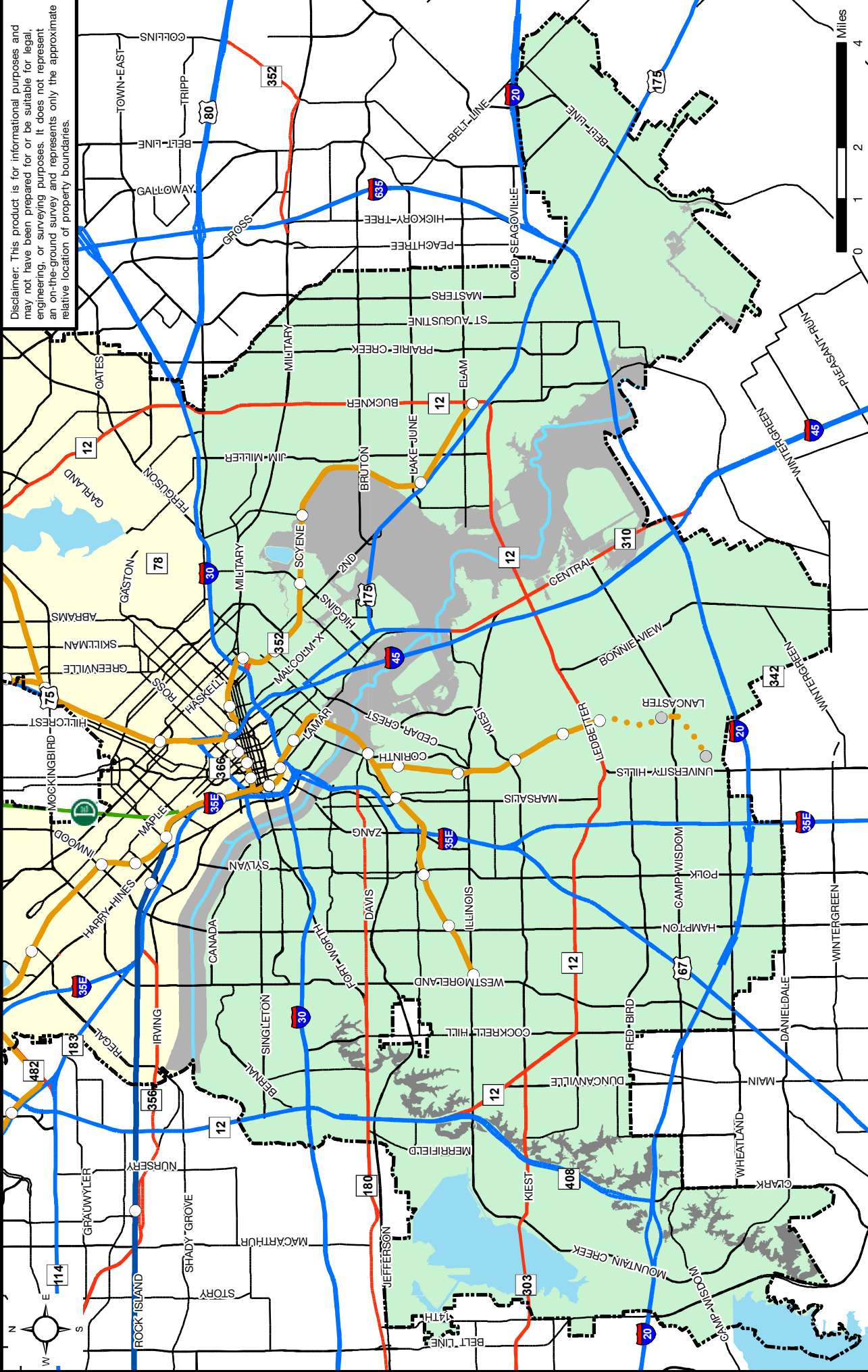
No cost consideration to the City

MAP

Attached.

Adaptive Reuse Grant Program

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



Legend

- Program Eligible Area
- Rail Station
- Future Station
- Flood Plain
- Lake
- City of Dallas
- DART Light Rail
- Commuter Rail
- Future DART Light Rail
- Freeway
- Tollway
- Highway
- Arterial
- Trinity River

Miles

DALLAS ECONOMIC DEVELOPMENT
 Research & Information Division
 214.670.1685
 dallas-ecodev.org

Source: City of Dallas, 2015
 Created 4.15.14, Last Updated 6.8.15 - AdaptiveReuse.TCG

June 17, 2015

WHEREAS, the City Council recognizes the importance of economic development in southern Dallas; and

WHEREAS, consistent with the authority granted under Chapter 380 of the Texas Local Government Code, and the City's Program for Loans, Grants, and providing personnel and services of the City (Public/Private Partnership Program), it is in the best interest of the City to enter into agreements as a part of the City's ongoing program to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, the Adaptive Reuse Program could transform certain underperforming buildings and meet needs in underserved communities; and

WHEREAS, the Adaptive Reuse Program will support the City's goals for development in southern Dallas.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager, upon approval as to the form by the City Attorney's Office is hereby authorized to execute the expansion of the Southern Dallas Adaptive Reuse Grant Program (Adaptive Reuse Program) which will provide funding for building improvements to new owners of certain commercial buildings to encourage reuse of underperforming and vacant buildings pursuant to Chapter 380 of the Texas Local Government Code and the City's Public/Private Partnership Program as a means of promoting economic development in southern Dallas

Section 2. That the Director of the Office of Economic Development is hereby authorized to execute the program and to enter into grant agreements in a total amount not to exceed \$30,000 per project and \$150,000 total for the expanded program and to execute all documents, after approval as to form by the City Attorney, with commercial building owners operating businesses therein selected in accordance with the eligibility and criteria set forth in **Attachment A - Southern Dallas Adaptive Reuse Grant Program Statement.**

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

ATTACHMENT A

Southern Dallas Adaptive Reuse Grant Program Statement

Award Adaptive Reuse Grant Program (Adaptive Reuse Program) building improvement grants up to \$30,000 from Public/Private Partnership funds to eligible commercial building owners who are business operators in the building being improved to repurpose underutilized buildings in southern Dallas to support new and/or expanded uses as an alternative to demolition, vacancy and/or undesirable uses.

- The Office of Economic Development (OED) will manage the Adaptive Reuse Program on behalf of the City of Dallas. The OED will:
- Post the Program on the City's Web Site
- Screen grant applicants for eligibility
- Award improvement grants up to \$30,000 per business, and execute grant agreements with the approved grant applicant
- Conduct annual environmental and code compliance reviews for each approved property/business assisted
- Conduct improvement site visits and coordinate code inspections
- Process payments upon verification of code compliance, maintenance of the improvements and certificate of occupancy
- Maintain all relevant project documentation

Eligibility and Criteria

- Program period until depletion of funds
- Maximum Grant amount \$30,000 approved by Administrative Action
- Minimum project investment \$150,000
- Document code compliance and maintenance of improvements for a period of 5 years
- Grant recipient must be owner of repurposed building
- Recipient must utilize 51% of building for owner business operation
- Building must be located in southern Dallas (south of the Trinity River and south of I 30 from downtown to the Dallas east boundary). Excludes South/Dallas Fair Park area which will have a program designated for this geography

ATTACHMENT A

Southern Dallas Adaptive Reuse Grant Program Statement

- Maximum building size 10,000 square feet
- Payment of Grant proceeds made to Grantee with Invoice for payment and approval from Code Compliance for the building and job creation requirements met and documented
- If requested, ECO to verify funds availability to Contractor prior to work starting
- Funds may be used for permitted uses under the Dallas Development Code on the property, but no event may they include any use that requires a sexually oriented business license under Chapter 41A of the Dallas City Code, or a liquor store, a pawn shop, a body piercing studio, or a tattoo studio as those terms are defined by the Dallas Development Code.

KEY FOCUS AREA: Economic Vibrancy
E-Gov

AGENDA DATE: June 17, 2015

COUNCIL DISTRICT(S): All

DEPARTMENT: Equipment & Building Services
Aviation
Convention and Event Services
Trinity Watershed Management
Water Utilities

CMO: Jill A. Jordan, P.E., 670-5299
Mark McDaniel, 670-3256
Ryan S. Evans, 671-9837

MAPSCO: N/A

SUBJECT

Authorize an amendment and extension of the current electric services contract for up to an additional 84-months with TXU Energy Retail Company, LLC, resulting in a new contract term of October 1, 2015 up to May 31, 2023 - Not to exceed \$450,000,000 - Financing: Water Utilities Current Funds (\$186,841,353), Convention and Event Services Current Funds (\$23,418,080), Aviation Current Funds (\$19,590,239), Stormwater Drainage Management Current Funds (\$7,798,200) and Current Funds (\$212,352,128) (subject to annual appropriations)

BACKGROUND

The electricity market is very dynamic and recently entered a historically low price range. This item was placed on the Addendum in order to allow the City to take advantage of low electricity prices prior to August.

The City entered into the current electric services contract with TXU Energy Retail Company, LLC, on July 7, 2010 for a thirty-six (36) month term from January 1, 2011 through December 31, 2013. This contract included purchasing 40% renewable energy annually in support of the City's sustainability goals.

On December 19, 2012, the City amended and extended the 2010 contract with TXU Energy Retail Company, LLC for an additional twenty nine months resulting in a new contract term from January 1, 2013 up to May 31, 2016. In 2014, in a separate contract the City increased renewable energy to 50%.

BACKGROUND (Continued)

This agenda item authorizes the City Manager to amend and extend the current contract with TXU Energy Retail Company, LLC, up to an additional 84 months, resulting in a new contract term from October 1, 2015 up to May 31, 2023.

According to Texas State Law, electricity is not subject to the normal purchasing procedures. The City's typical procurement and approval processes are not utilized due to the nature of the energy market. Instead, a process with greater flexibility is necessary that authorizes the City Manager to negotiate the final process and enter into an electric services contract.

The amended and extended contract reduces electricity rates beginning October 1, 2015. It also increases renewable energy to 100% through the term of the contract. Approval of this agenda item allows the City to take advantage of lower electricity rates currently available in the market. As part of the amendment, TXU Energy Retail Company, LLC will provide up to \$1.65 million over the new term for City facilities. Priority Power Management, LLC, the City's electricity procurement consultant, will evaluate the final terms of the proposed amendment and extension for market competitiveness.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 24, 2010, the Budget, Finance, and Audit Committee was briefed on the electricity program.

On May 26, 2010, City Council was briefed on the electricity program.

On June 16, 2010, City Council authorized the City Manager to accept the best and final pricing offers from electric providers and enter into an electric services contract with the preferred provider, by Resolution No. 10-1570.

On December 3, 2012, the Budget, Finance, and Audit Committee was briefed on electricity procurement.

On December 12, 2012, City Council authorized the City Manager to negotiate final prices and enter into an electric services contract, by Resolution No. 12-3051.

On December 19, 2012, the City amended and extended the 2010 contract with TXU Energy Retail Company, LLC for an additional twenty nine months.

On June 15, 2015, the Budget, Finance and Audit Committee is scheduled to be briefed on electricity procurement.

FISCAL INFORMATION

\$186,841,353.00 - Water Utilities Current Funds (subject to annual appropriations)

\$23,418,080.00 - Convention and Event Services Current Funds (subject to annual appropriations)

\$19,590,239.00 - Aviation Current Funds (subject to annual appropriations)

\$7,798,200.00 - Stormwater Drainage Management Current Funds (subject to annual appropriations)

\$212,352,128.00 - Current Funds (subject to annual appropriations)

OWNER

TXU Energy Retail Company, LLC

James Burke, President and Chief Executive Officer

June 17, 2015

WHEREAS, the State of Texas has deregulated electricity and established the Texas Electric Choice Act; and,

WHEREAS, the City's current electric services contract expires on May 31, 2016; and,

WHEREAS, amending and extending the existing contract with TXU Energy Retail Company, LLC, allows the City the opportunity to take advantage of lower prices beginning on October 1, 2015 and avoid potential higher prices for the contract period; and,

WHEREAS, TXU Energy Retail Company, LLC, offered to fund energy efficiency related projects at no cost to the City;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is authorized to execute an amendment and extension of the current electric services contract for up to an additional 84-months with TXU Energy Retail Company, LLC, resulting in a new contract term of October 1, 2015 up to May 31, 2023 in an amount not to exceed \$450,000,000 (subject to annual appropriations), after it has been approved as to form by the City Attorney.

Section 2. That the City Manager is authorized to enter into an electric services contract with TXU Energy Retail Company, LLC (Vendor #VS0000016088).

Section 3. That the City Manager is authorized to accept up to \$1.65 million in energy related projects for City facilities from TXU Energy Retail Company, LLC.

Section 4. That the Chief Financial Officer is authorized to disburse funds in an amount not to exceed \$450,000,000.00 for the contract term (subject to annual appropriations): from Fund 0001, Department BMS, Clearing Account BS 0541, and reimburse the clearing account from various other funds object code 2140.

Section 5. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: E-Gov
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): N/A
DEPARTMENT: Human Resources
CMO: A. C. Gonzalez, 670-3302
MAPSCO: N/A

SUBJECT

Authorize **(1)** approval of the proposed plan design changes effective January 1, 2016; **(2)** approval of the proposed health coverage contribution and premium rates; **(3)** a Master Plan Document that includes all of the separate health benefit plans for the City employees and their families including the cafeteria plan, health plans, dental and vision plans; and **(4)** a Master Plan Document that includes all of the separate health benefit plans for retirees and their families including the self-insured health plans, insured Medicare Supplement Plans, Medicare Advantage Plans, Prescription Drug Plans, dental and vision - Total cost based on the number of employee/retiree participants in the plan - Financing: Employee Benefits Current Funds (subject to appropriations)

BACKGROUND

The City of Dallas Health Benefits Plan provides both self-funded and fully-insured medical plans to its plan members (active employees, retirees and their eligible dependents). The Plan provides health coverage to approximately 26,664 employees, retirees and their dependents. The employee and retiree Master Plans govern the administration of both the self-insured and fully insured medical plans for the plan members.

In 2016, the City will offer two in-network plans. The plans include the Exclusive Provider Organization (EPO) 75/25 Plan with a Health Reimbursement Account (HRA) and the 70/30 EPO Plan with a \$3,000 medical deductible and a separate pharmacy deductible of \$750. Members enrolled in the HRA Plan with “member only” coverage will receive a \$700 allocation, while members who cover one or more dependents will receive a \$1,700 allocation. Health Reimbursement Account participants have an opportunity to earn an additional \$300 towards their HRA allocation by earning 250 WellPoints. The WellPoints are awarded for wellness activities that employees participated in throughout the year.

BACKGROUND (Continued)

Any unused HRA allocation balances can be rolled over from year-to-year up to a maximum of \$6,000.

Employees and Retirees enrolled in the self-funded medical plans and who are Tobacco Users will continue to experience a premium increase of \$20 per month. Participants will be asked to attest whether they are a tobacco user. Participants who attest to being a tobacco user will be eligible to participate in \$240 worth of nicotine replacement therapy at no cost.

The WellPoints Program will continue to reward participants points for things such as taking an annual physical, completing a health assessment, exercising in a fitness center, educational seminars or completing an online coaching program. Through implementing the additional wellness programming the City has noted a shift in the engagement and level of participation of City employees in wellness activities.

The 2016 Master Plan for the employees defines the City's health coverage for the self-insured Exclusive Provider Organization (EPO), third-party administered employee/benefits plans. The EPO plans are provided to active employees and their eligible dependents. As a Section 125 Plan employees have the ability to have payroll deductions for their medical care, vision coverage, and dental coverage made on a pre-tax basis.

The 2016 Master Plan for retirees defines the City's health coverage for the self-insured non-medicare eligible health plans, fully-insured Medicare Supplement, Medicare Advantage and Medicare Part D Prescription plans, which are administered by a third party. The fully-insured Medicare Supplement, Medicare HMO and Medicare Part D plans are provided to certain Medicare eligible retirees and their eligible dependents.

Concentra's on-site medical clinic will also continue to provide primary care and preventive services to all employees and their dependents, and non-medicare eligible retirees enrolled in the City's health plan and their dependents. Services are free to all plan members and a minimum fee or co-pay will be charged to employees who are non-plan members and choose to utilize Concentra's City Hall clinic. Employees and retirees, who are enrolled in the City's self-insured plan, have the option of utilizing Concentra's additional 15 DFW metropolitan locations. There is a small copayment of \$25 or \$35 depending on plan, for people who utilize offsite facilities. These plans will be effective for a twelve (12) month period from January 1, 2016 through December 31, 2016.

BACKGROUND (Continued)

2016 Plan Changes

The following plan changes are being recommended to City Council for implementation for the 2016 plan year:

- **Health Plan Changes**

- Enhanced Benefit Tier - Provide improved benefit to employees by paying 90% coinsurance for certain procedures performed at the enhanced tier facilities, with additional discounts from local major health systems. The facilities included are: Acute Care Hospitals, Surgery Centers, Free Standing Emergency rooms, Rehabilitation Hospitals, Freestanding Imaging centers. No physician or professional contracts are included.
- Reduction in the Shared Savings Percentage - reducing the shared savings percentage for out of network claims from 35% without a maximum cap per claim, to 29% with a maximum cap in of \$50k per claim. (This is a common practice from the carriers to provide some savings by accessing an alternative discounting approach for out-of-network claims that are not in the UHC network). Shared savings fees are paid through the claims process.

- **Pharmacy Programs**

- Generic Step Therapy – program requires the use of a generic drug when available, before a brand drug is covered. Currently, participants can select generic or brand drugs from the formulary. Generic alternatives that are therapeutic equivalents to brand drugs will be used with this program
- Advanced Control Specialty Formulary – program incorporates a specialty drug step therapy program to ensure appropriate utilization of specialty drugs. The program will exclude classes of specialty drugs where a therapeutic equivalent is available
- Dispense as Written Penalty (DAW) - This program will charge the member a brand copay plus the cost difference between the brand and generic medications when the member chooses brand and/or when the doctor writes a prescription for the brand name medication that has a generic equivalent available
- Medical Carve Out – prescriptions currently provided through the medical plan will be transitioned to be purchased through the pharmacy plan

BACKGROUND(Continued)

● **Premium Increase**

- \$25 monthly premium increase for spousal coverage to employees and Non-Medicare eligible retirees that cover a spouse or domestic partner through the self-funded medical plans
- \$5 increase to employees enrolled in the 70/30 Plan with the \$3,000 deductible.

Plan Costs

See attached rate sheets for 2016 contribution rates for employees and retirees.

Voluntary Benefits Administration

In 2016, Voluntary Benefits will continue to be administered by Homeland Healthcare

Provision of Services

The Employees and Retirees will receive services as follows:

The Benefits Service Center located on the first floor in Room 1DS will be available to complete in-person enrollments or accept phone enrollments through the on-site Benefits Service Center.

The benefit elections made by Employees in the 2016 plan year, will be passive for medical, dental, and vision which means if they are satisfied with their elections, no further action is necessary. The benefit elections will automatically roll-over with the exception of flexible spending account. Per Federal law flexible spending account elections must be made each year. Retirees will automatically roll over for the 2016 plan year. Retirees not desiring to make any changes will automatically be enrolled for 2016.

The enrollment process will take place through the following methods: online through HRIS; call center; or by visiting the Benefits Service Center in 1DS.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized adoption of the 2005 Employee and Retiree Health Benefit Plans on October 13, 2004, by Resolution No. 04-2985.

Authorized adoption of the 2006 Employee and Retiree Health Benefit Plans on December 14, 2005, by Resolution No. 05-3545.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)(Continued)

Authorized adoption of the 2007 Employee and Retiree Health Benefit Plans on September 27, 2006, by Resolution No. 06-2640.

Authorized adoption of the 2008 Employee and Retiree Health Benefit Plans on September 26, 2007, by Resolution No. 07-3828.

Authorized adoption of the 2009 Employee and Retiree Health Benefit Plans on September 24, 2008, by Resolution No. 08-2620.

Authorized adoption of the 2010 Employee and Retiree Health Benefit Plans on October 14, 2009, by Resolution No. 09-2566.

Authorized adoption of the 2011 Employee and Retiree Health Benefit Plans on September 22, 2010, by Resolution No. 10-2460.

Authorized adoption of the 2012 Employee and Retiree Health Benefit Plans on September 28, 2011, by Resolution No. 11-2617.

Authorized adoption of the 2014 Employee and Retiree Health Benefit Plan on December 11, 2013, by Resolution No. 13-2150.

Authorized adoption of the 2015 Employee and Retiree Health Benefit Plan on December 10, 2014, by Resolution No. 14-2195.

FISCAL INFORMATION

Total cost based on the number of employee/retiree participants in the plan

Employee Benefits Current Funds (subject to appropriations)

June 17, 2015

WHEREAS, the City of Dallas desires to continue the self-funded Exclusive Provider Organizations, third-party administered employee and retiree health benefits plans and the pharmacy benefits program, fully insured Medicare Supplement, Medicare HMO and Part D Prescription plans for active employees, retirees, and their eligible dependents for the 2016 Benefit Plan Year; and

WHEREAS, the 2016 Employee and Retiree Health Benefits Plans (self-funded Preferred Provider Organizations and fully-insured Medicare Supplement, Medicare HMO and Medicare Part D Prescription plans) and the Section 125 Plan are necessary to support the City of Dallas' Employee and Retiree Health Benefits plans; and

WHEREAS, the City of Dallas desires to change the employees and retirees contribution per the attached rate sheets; and

WHEREAS, the City of Dallas desires to adopt the 2016 Plan Changes and to offer two EPO Plans, vision, dental, two flexible spending account plans and employee assistance program; and

WHEREAS, the City of Dallas desires the administration of the medical, dental, vision, and flexible spending account services to be provided by UnitedHealthcare and administration of pharmacy services to be provided by CVS/Caremark for these offerings to be performed to commence on January 1, 2016 through December 31, 2016.

WHEREAS, the City of Dallas desires to continue as part of the employee Master Plan for eligible employees to receive favorable tax treatment of premiums or medical expenses paid for employee health care, dependent health care, vision and dental coverage, dependent care and non-reimbursed medical expenses; and

WHEREAS, the City of Dallas desires to adopt the employee 2016 Master Plan (self-funded Exclusive Provider Organizations) and the 2016 retiree Master Plan to include self-funded Exclusive Provider Organizations for non-medicare eligible retirees and fully-insured Medicare Supplement, Medicare HMO and Medicare Part D Prescription plans) for medicare eligible.

June 17, 2015

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the 2016 Employee and Retiree Health Benefits Plans, plan changes and health coverage premium rates be approved.

Section 2. That the 2016 employee and retiree Master Plans (self-funded Exclusive Provider Organizations and fully-insured Medicare Supplement, Medicare HMO and Medicare Part D Prescription plans) to offer employees and retirees health benefits and first dollar coverage for urgent care services at Concentra locations be approved.

Section 3. That this resolution shall take effect January 1, 2016 after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Proposed FY15-16 Rate Sheet

	<u>2015 Monthly Premium</u>	<u>2016 Proposed Monthly Premium</u>
Active Full-Time Employees		
75/25 HRA Plan		
Employee (EE) Only	\$75.00	\$75.00
EE + Spouse	\$468.00	\$493.00
EE + Child(ren)	\$221.00	\$221.00
EE + Family	\$593.00	\$618.00
70/30 \$3,000 Plan		
Employee (EE) Only	\$44.00	\$49.00
EE + Spouse	\$376.00	\$406.00
EE + Child(ren)	\$119.00	\$124.00
EE + Family	\$484.00	\$514.00
Active Permanent Part-Time Employees		
75/25 HRA Plan		
Employee (EE) Only	\$226.00	\$226.00
EE + Spouse	\$632.00	\$657.00
EE + Child(ren)	\$446.00	\$446.00
EE + Family	\$817.00	\$842.00
70/30 \$3,000 Plan		
Employee (EE) Only	\$107.00	\$112.00
EE + Spouse	\$360.00	\$390.00
EE + Child(ren)	\$221.00	\$226.00
EE + Family	\$505.00	\$535.00
<p>A \$20 increase in monthly benefit premiums is applied if wellpoints are not earned A \$20 surcharge is applied to the premiums of tobacco users</p>		

Proposed FY15-16 Retiree Health Premiums Rate Sheet

	2015 Monthly Retiree Premiums	2016 Proposed Monthly Retiree Premiums
75/25 HRA Plan		
Retiree (RET) Only	\$534	\$559
RET + Spouse	\$1,191	\$1,216
RET + Child(ren)	\$837	\$862
RET + Family	\$1,464	\$1,489
Spouse (SP) Only	\$810	\$835
SP + Child(ren)	\$1,083	\$1,108
70/30 3000 Plan		
Retiree (RET) Only	\$459	\$484
RET + Spouse	\$1,078	\$1,103
RET + Child(ren)	\$700	\$725
RET + Family	\$1,311	\$1,336
Spouse (SP) Only	\$797	\$822
SP + Child(ren)	\$1,038	\$1,063
Retirees hired after 2010		
75/25 HRA Plan		
Retiree (RET) Only	\$534	\$893
RET + Spouse	\$1,191	\$1,990
RET + Child(ren)	\$837	\$1,401
RET + Family	\$1,464	\$2,446
Spouse (SP) Only	\$810	\$1,357
SP + Child(ren)	\$1,083	\$1,812
70/30 3000 Plan		
Retiree (RET) Only	\$459	\$795
RET + Spouse	\$1,078	\$1,774
RET + Child(ren)	\$700	\$1,249
RET + Family	\$1,311	\$2,179
Spouse (SP) Only	\$797	\$1,209
SP + Child(ren)	\$1,038	\$1,615

Note: The rates for the fully-insured Medicare Supplement Plans and Medicare Advantage Plans are being approved by the Centers for Medicare & Medicaid Services. We are requesting approval for the same plans that were offered in 2015 at a premium rate that will not exceed a 9% increase.

Summary Plan Description

City of Dallas HRA Choice

Effective: January 1, 2015
Group Number: 708872



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SECTION 1 - WELCOME

Quick Reference Box

- Member services, claim inquiries, Personal Health Support and Mental Health/Substance Use Disorder Administrator: (800) 846-4678;
- Claims submittal address: UnitedHealthcare - Claims, P.O. Box 30555, Salt Lake City, Utah 84130-0555; and
- Online assistance: www.myuhc.com.

City of Dallas is pleased to provide you with this Summary Plan Description (SPD), which describes the health Benefits available to you and your covered family members. It includes summaries of:

- who is eligible;
- services that are covered, called Covered Health Services;
- services that are not covered, called Exclusions;
- how Benefits are paid; and
- your rights and responsibilities under the Plan.

This SPD is designed to meet your informational needs. It supersedes any previous printed or electronic SPD for this Plan.

All benefits provided under the terms and provisions of this Plan shall be provided as prescribed by the person's healthcare provider without regard for the individual's race, color, age, religion, sex, marital status, sexual orientation, gender identity, gender expression, national origin, disability, political opinions or affiliations. Nothing in this subsection extends any additional benefits to any individual who is ineligible for those benefits under any provisions of this Plan or under any other city ordinance or resolution or state or federal law.

City of Dallas intends to continue this Plan, but reserves the right, in its sole discretion, to modify, change, revise, amend or terminate the Plan at any time, for any reason, and without prior notice. This SPD is not to be construed as a contract of or for employment. If there should be an inconsistency between the contents of this summary and the contents of the Plan, your rights shall be determined under the Plan and not under this summary.

UnitedHealthcare is a private healthcare claims administrator. UnitedHealthcare's goal is to give you the tools you need to make wise healthcare decisions. UnitedHealthcare also helps your employer to administer claims. Although UnitedHealthcare will assist you in many ways, it does not guarantee any Benefits. City of Dallas is solely responsible for paying Benefits described in this SPD.

Please read this SPD thoroughly to learn how the City of Dallas Health Plan works. If you have questions contact City of Dallas Benefits Service Center or call the number on the back of your ID card.

How To Use This SPD

- Read the entire SPD, and share it with your family. Then keep it in a safe place for future reference.
- Many of the sections of this SPD are related to other sections. You may not have all the information you need by reading just one section.
- You can request printed copies of the SPD by contacting City of Dallas Benefit Service Center.
- Capitalized words in the SPD have special meanings and are defined in Section 14, *Glossary*.
- If eligible for coverage, the words "you" and "your" refer to Covered Persons as defined in Section 14, *Glossary*.
- City of Dallas is also referred to as Company.
- If there is a conflict between this SPD and any benefit summaries (other than Summaries of Material Modifications) provided to you, this SPD will control.

SECTION 2 - INTRODUCTION

What this section includes:

- Who's eligible for coverage under the Plan;
- The factors that impact your cost for coverage;
- Instructions and timeframes for enrolling yourself and your eligible Dependents;
- When coverage begins; and
- When you can make coverage changes under the Plan.

Eligibility

You are eligible to enroll in the Plan if you are a regular full-time or permanent part-time Participant who is scheduled to work at least 20 hours per week or a person who retires while covered under the Plan.

Your eligible Dependents may also participate in the Plan. An eligible Dependent is considered to be:

- your Spouse, as defined in Section 14, *Glossary*;
- you or your Spouse's child who is under age 26, including a natural child, stepchild, a legally adopted child, a child placed for adoption or a child for whom you or your Spouse are the legal guardian or a tax dependent grandchild;
- a child age 26 or over who is or becomes disabled and dependent upon you.
- Certain survivors (see Survivorship Coverage in Section 12)

To be eligible for coverage under the Plan, a Dependent must reside within the United States.

Note: Your Dependents may not enroll in the Plan unless you are also enrolled. If you and your Spouse are both covered under the City of Dallas Benefit Plan, you may each be enrolled as a Participant or be covered as a Dependent of the other person, but not both. In addition, if you and your Spouse are both covered under the City of Dallas Benefit Plan, only one parent may enroll your child as a Dependent.

A Dependent also includes a child for whom health care coverage is required through a Qualified Medical Child Support Order or other court or administrative order, as described in Section 13, *Other Important Information*.

Cost of Coverage

You and City of Dallas share in the cost of the Plan. Your contribution amount depends on the Plan you select and the family members you choose to enroll.

Your contributions are deducted from your paychecks on a before-tax basis. Before-tax dollars come out of your pay before federal income and Social Security taxes are withheld -

and in most states, before state and local taxes are withheld. This gives your contributions a special tax advantage and lowers the actual cost to you.

Note: The Internal Revenue Service generally does not consider Domestic Partners and their eligible Dependents. Therefore, the value of City of Dallas' cost in covering a Domestic Partner may be imputed to the Participant as income. In addition, the share of the Participant's contribution that covers a Domestic Partner and their children may be paid using after-tax payroll deductions.

Your contributions are subject to review and the City Council reserves the right to change contributions required by the Plan.

You can obtain current contribution rates by calling City of Dallas Benefit Service Center.

How to Enroll

To enroll, call City of Dallas Benefit Service Center within 30 days of the date you first become eligible for medical Plan coverage. If you do not enroll within 30 days, you will need to wait until the next annual Open Enrollment to make your benefit elections.

Each year during annual Open Enrollment, you have the opportunity to review and change your medical election. Any changes you make during Open Enrollment will become effective the following January 1. Retirees who previously waived coverage cannot re-enroll.

Important

If you wish to change your benefit elections following your marriage, birth, adoption of a child, placement for adoption of a child or other family status change, you must contact City of Dallas Benefit Service Center within 30 days of the event. Otherwise, you will need to wait until the next annual Open Enrollment to change your elections.

When Coverage Begins

Once City of Dallas Benefit Service Center receives your properly completed enrollment, coverage will begin on your date of hire. Coverage for your Dependents will start on the date your coverage begins, provided you have enrolled them in a timely manner.

Coverage for a Spouse or Dependent stepchild that you acquire via marriage becomes effective the first of the month following the date City of Dallas Benefit Service Center receives notice of your marriage, provided you notify City of Dallas Benefit Service Center within 30 days of your marriage. Coverage for Dependent children acquired through birth, adoption, or placement for adoption is effective the date of the family status change, provided you notify City of Dallas Benefit Service Center within 30 days of the birth, adoption, or placement.

Changing Your Coverage

You may make coverage changes during the year only if you experience a change in family status. The change in coverage must be consistent with the change in status (e.g., you cover your Spouse following your marriage, your child following an adoption, etc.). The following are considered family status changes for purposes of the Plan:

- your marriage, divorce, legal separation or annulment;
- registering a Domestic Partner;
- the birth, adoption, placement for adoption or legal guardianship of a child;
- a change in your Spouse's employment or involuntary loss of health coverage (other than coverage under the Medicare or Medicaid programs) under another employer's plan;
- loss of coverage due to the exhaustion of another employer's COBRA benefits, provided you were paying for premiums on a timely basis;
- the death of a Dependent;
- your Dependent child no longer qualifying as an eligible Dependent;
- a change in your or your Spouse's position or work schedule that impacts eligibility for health coverage;
- contributions were no longer paid by the employer (This is true even if you or your eligible Dependent continues to receive coverage under the prior plan and to pay the amounts previously paid by the employer);
- you or your eligible Dependent who were enrolled in an HMO no longer live or work in that HMO's service area and no other benefit option is available to you or your eligible Dependent;
- benefits are no longer offered by the Plan to a class of individuals that include you or your eligible Dependent;
- termination of your or your Dependent's Medicaid or Children's Health Insurance Program (CHIP) coverage as a result of loss of eligibility (you must contact City of Dallas Benefit Service Center within 60 days of termination);
- you or your Dependent become eligible for a premium assistance subsidy under Medicaid or CHIP (you must contact City of Dallas Benefit Service Center within 60 days of determination of subsidy eligibility);
- a strike or lockout involving you or your Spouse; or
- a court or administrative order.

Unless otherwise noted above, if you wish to change your elections, you must contact City of Dallas Benefit Service Center within 30 days of the change in family status. Otherwise, you will need to wait until the next annual Open Enrollment.

While some of these changes in status are similar to qualifying events under COBRA, you, or your eligible Dependent, do not need to elect COBRA continuation coverage to take

advantage of the special enrollment rights listed above. These will also be available to you or your eligible Dependent if COBRA is elected.

Note: Any child under age 26 who is placed with you for adoption will be eligible for coverage on the date the child is placed with you, even if the legal adoption is not yet final. If you do not legally adopt the child, all medical Plan coverage for the child will end when the placement ends. No provision will be made for continuing coverage (such as COBRA coverage) for the child.

SECTION 3 - HOW THE PLAN WORKS

What this section includes:

- Network and Non-Network Benefits;
- Eligible Expenses;
- Annual Deductible;
- Out-of-Pocket Maximum;
- Coinsurance.

Network and Non-Network Benefits

As a participant in this Plan, you have the freedom to choose the Network Physician or health care professional you prefer each time you need to receive Covered Health Services.

You are eligible for Benefits under this Plan when you receive Covered Health Services from Physicians and other health care professionals who have contracted with UnitedHealthcare to provide those services. Except as specifically described within the SPD benefits are not available for services provided by a non-Network provider.

Benefits apply to Covered Health Services that are provided by a Network Physician or other Network provider. Benefits for facility services apply when Covered Health Services are provided at a Network facility. Benefits include Physician services provided in a Network facility by a Network or a non-Network anesthesiologist, Emergency room Physician, consulting Physician, pathologist and radiologist. Emergency Health Services and Covered Health Services received at an Urgent Care Center outside your geographic area are always paid as Network Benefits.

Network Providers

UnitedHealthcare or its affiliates arrange for health care providers to participate in a Network. At your request, UnitedHealthcare will send you a directory of Network providers free of charge. Keep in mind, a provider's Network status may change. To verify a provider's status or request a provider directory, you can call UnitedHealthcare at the toll-free number on your ID card or log onto www.myuhc.com.

Network providers are independent practitioners and are not employees of City of Dallas or UnitedHealthcare.

UnitedHealthcare's credentialing process confirms public information about the providers' licenses and other credentials, but does not assure the quality of the services provided.

Looking for a Network Provider?

In addition to other helpful information, www.myuhc.com, UnitedHealthcare's consumer website, contains a directory of health care professionals and facilities in UnitedHealthcare's Network. While Network status may change from time to time, www.myuhc.com has the most current source of Network information. Use www.myuhc.com to search for Physicians available in your Plan.

Possible Limitations on Provider Use

If UnitedHealthcare determines that you are using health care services in a harmful or abusive manner, you may be required to select a Network Physician to coordinate all of your future Covered Health Services. If you don't make a selection within 31 days of the date you are notified, UnitedHealthcare will select a Network Physician for you. In the event that you do not use the Network Physician to coordinate all of your care, any Covered Health Services you receive will not be paid.

Health Services from Non-Network Providers Paid as Network Benefits

If specific Covered Health Services are not available from a Network provider, you may be eligible to receive Network Benefits from a non-Network provider. In this situation, your Network Physician will notify Personal Health Support, and they will work with you and your Network Physician to coordinate care through a non-Network provider.

When you receive Covered Health Services through a Network Physician, the Plan will pay Network Benefits for those Covered Health Services, even if one or more of those Covered Health Services is received from a non-Network provider.

Eligible Expenses

City of Dallas has delegated to the Claims Administrator the initial discretion and authority to decide whether a treatment or supply is a Covered Health Service and how the Eligible Expenses will be determined and otherwise covered under the Plan.

Eligible Expenses are the amount the Claims Administrator determines that the Claims Administrator will pay for Benefits. For Network Benefits, you are not responsible for any difference between Eligible Expenses and the amount the provider bills. Eligible Expenses are determined solely in accordance with the Claims Administrator's reimbursement policy guidelines, as described in the SPD.

For Network Benefits, Eligible Expenses are based on the following:

- When Covered Health Services are received from a Network provider, Eligible Expenses are the Claims Administrator's contracted fee(s) with that provider.

When Covered Health Services are received from a non-Network provider as a result of an Emergency or as arranged by the Claims Administrator, Eligible Expenses are billed charges unless a lower amount is negotiated or authorized by law.

Don't Forget Your ID Card

Remember to show your UnitedHealthcare ID card every time you receive health care services from a Network provider. If you do not show your ID card, a Network provider has no way of knowing that you are enrolled under the Plan.

Annual Deductible

The Annual Deductible is the amount of Eligible Expenses you must pay each calendar year for Covered Health Services Expenses before you are eligible to begin receiving Benefits. The amounts you pay toward your Annual Deductible accumulate over the course of the calendar year. The Annual Deductible applies to all Covered Health Services under the Plan, including Covered Health Services provided in Section 15, *Prescription Drugs*.

Amounts paid toward the Annual Deductible for Covered Health Services that are subject to a visit or day limit will also be calculated against that maximum benefit limit. As a result, the limited benefit will be reduced by the number of days or visits you used toward meeting the Annual Deductible.

When a Covered Person was previously covered under a benefit plan that was replaced by the Plan, any amount already applied to that annual deductible provision of the prior plan will apply to the Annual Deductible provision under this Plan.

Coinsurance

Coinsurance is the percentage of Eligible Expenses that you are responsible for paying. Coinsurance is a fixed percentage that applies to certain Covered Health Services after you meet the Annual Deductible.

Coinsurance - Example

Let's assume that you receive Plan Benefits for outpatient surgery from a Network provider. Since the Plan pays 75%, you are responsible for paying the other 25%. This 25% is your Coinsurance.

Out-of-Pocket Maximum

The annual Out-of-Pocket Maximum is the most you pay each calendar year for Covered Health Services. If your eligible out-of-pocket expenses in a calendar year exceed the annual maximum, the Plan pays 100% of Eligible Expenses for Covered Health Services through the end of the calendar year. The Out-of-Pocket Maximum applies to all Covered Health Services under the Plan, including Covered Health Services provided in Section 15, *Prescription Drugs*.

The Out-of-Pocket Maximum applies to all Covered Health Services under the Plan, including prescription drugs covered under the outpatient prescription drug plan.

The following table identifies what does and does not apply toward your Out-of-Pocket Maximum:

Plan Features	Applies to the Out-of-Pocket Maximum?
Copays , including prescription drugs covered under the outpatient prescription drug plan.	Not Applicable
Payments toward the Annual Deductible	Yes
Coinsurance Payments	Yes
Charges for non-Covered Health Services	No

Lifetime Maximum Benefit

The Lifetime Maximum Benefit is the most the Plan will pay for Benefits during the entire period you are enrolled under this Plan offered by City of Dallas.

SECTION 4 - PERSONAL HEALTH SUPPORT

What this section includes:

- An overview of the Personal Health Support program; and
- Covered Health Services for which you need to contact Personal Health Support.

UnitedHealthcare provides a program called Personal Health Support designed to encourage personalized, efficient care for you and your covered Dependents.

Personal Health Support Nurses center their efforts on prevention, education, and closing any gaps in your care. The goal of the program is to ensure you receive the most appropriate and cost-effective services available. A Personal Health Support Nurse is notified when you or your provider calls the toll-free number on your ID card regarding an upcoming treatment or service.

If you are living with a chronic condition or dealing with complex health care needs, UnitedHealthcare may assign to you a primary nurse, referred to as a Personal Health Support Nurse to guide you through your treatment. This assigned nurse will answer questions, explain options, identify your needs, and may refer you to specialized care programs. The Personal Health Support Nurse will provide you with their telephone number so you can call them with questions about your conditions, or your overall health and well-being.

Personal Health Support Nurses will provide a variety of different services to help you and your covered family members receive appropriate medical care. Program components and notification requirements are subject to change without notice. As of the publication of this SPD, the Personal Health Support program includes:

- **Admission counseling** - For upcoming inpatient Hospital admissions for certain conditions, a Treatment Decision Support Nurse may call you to help answer your questions and to make sure you have the information and support you need for a successful recovery.
- **Inpatient care management** - If you are hospitalized, a nurse will work with your Physician to make sure you are getting the care you need and that your Physician's treatment plan is being carried out effectively.
- **Readmission Management** - This program serves as a bridge between the Hospital and your home if you are at high risk of being readmitted. After leaving the Hospital, if you have a certain chronic or complex condition, you may receive a phone call from a Personal Health Support Nurse to confirm that medications, needed equipment, or follow-up services are in place. The Personal Health Support Nurse will also share important health care information, reiterate and reinforce discharge instructions, and support a safe transition home.
- **Risk Management** - Designed for participants with certain chronic or complex conditions, this program addresses such health care needs as access to medical specialists, medication information, and coordination of equipment and supplies.

Participants may receive a phone call from a Personal Health Support Nurse to discuss and share important health care information related to the participant's specific chronic or complex condition.

If you do not receive a call from a Personal Health Support Nurse but feel you could benefit from any of these programs, please call the toll-free number on your ID card.

Requirements for Notifying Personal Health Support

In most cases, Network providers are responsible for notifying Personal Health Support before they provide these services to you. However, you are responsible for notifying the Personal Health Support staff prior to receiving a service for:

- dental services - accident only;
- obesity surgery;
- transplantation services;
- treatment of Gender Identity Disorder/dysphoria as described under *Transgender Services*, in Section 6, *Additional Coverage Details*;
- Cancer Resource Services;
- Kidney Resource Services;
- reconstructive procedures.

Contacting Personal Health Support is easy.
Simply call the toll-free number on your ID card.

Special Note Regarding Medicare

If you are enrolled in Medicare on a primary basis and Medicare pays benefits before the Plan, you are not required to notify Personal Health Support before receiving Covered Health Services. Since Medicare pays benefits first, the Plan will pay Benefits second as described in Section 10, *Coordination of Benefits (COB)*.

SECTION 5 - PLAN HIGHLIGHTS

The table below provides an overview of the coinsurance percentage that applies when you receive certain Covered Health Services, and outlines the Plan's Annual Deductible and Out-of-Pocket Maximum.

Plan Features	Network
<p>Annual Deductible¹</p> <ul style="list-style-type: none"> ■ Individual ■ Family (not to exceed \$2,500 per Covered Person) 	<p>\$2,500</p> <p>\$5,000</p>
<p>Annual Out-of-Pocket Maximum¹</p> <ul style="list-style-type: none"> ■ Individual ■ Family (not to exceed \$6,350 per Covered Person) 	<p>\$6,350</p> <p>\$12,700</p>
<p>Lifetime Maximum Benefit</p> <p>There is no dollar limit to the amount the Plan will pay for essential Benefits during the entire period you are enrolled in this Plan.</p>	<p>Unlimited</p>

¹The Annual Deductible applies toward the Out-of-Pocket Maximum for all Covered Health Services.

This table provides an overview of the Plan's coverage levels. For detailed descriptions of your Benefits, refer to Section 6, *Additional Coverage Details*.

Covered Health Services ¹	Percentage of Eligible Expenses Payable by the Plan:
	Network
Acupuncture Services	75% after you meet the Annual Deductible
Ambulance Services ■ Emergency Ambulance	75% after you meet the Annual Deductible
Cancer Resource Services (CRS) ■ Hospital Inpatient Stay	75% after you meet the Annual Deductible
Clinical Trials	75% after you meet the Annual Deductible
Congenital Heart Disease (CHD) Surgeries	75% after you meet the Annual Deductible
Dental Services - Accident Only	75% after you meet the Annual Deductible
Diabetes Services ■ Diabetes Self-Management Items	Depending upon where the Covered Health Service is provided, Benefits for diabetes self-management items will be the same as those stated under <i>Durable Medical Equipment</i> in this section and in Section 15, <i>Prescription Drugs</i> .
Durable Medical Equipment (DME)	75% after you meet the Annual Deductible
Emergency Health Services - Outpatient Emergency services received at a non-Network Hospital are covered at the Network level.	75% after you meet the Annual Deductible
Extreme Vision	75% after you meet the Annual Deductible

Covered Health Services ¹	Percentage of Eligible Expenses Payable by the Plan:
	Network
Home Health Care Up to 30 visits per calendar year	75% after you meet the Annual Deductible
Hospice Care	75% after you meet the Annual Deductible
Hospital - Inpatient Stay	75% after you meet the Annual Deductible
Kidney Resource Services (KRS) (These Benefits are for Covered Health Services provided through KRS only)	75% after you meet the Annual Deductible
Lab, X-Ray and Diagnostics – Outpatient	75% after you meet the Annual Deductible
Lab, X-Ray and Major Diagnostics - CT, PET, MRI, MRA and Nuclear Medicine – Outpatient	75% after you meet the Annual Deductible
Mental Health Services	
■ Hospital - Inpatient Stay	75% after you meet the Annual Deductible
■ Physician's Office Services	75% after you meet the Annual Deductible
Neurobiological Disorders - Mental Health Services for Autism Spectrum Disorders	
■ Hospital - Inpatient Stay	75% after you meet the Annual Deductible
■ Physician's Office Services	75% after you meet the Annual Deductible
Nutritional Counseling	75% after you meet the Annual Deductible
Obesity Surgery	
■ Physician's Office Services	
■ Physician Fees for Surgical and Medical Services	75% after you meet the Annual Deductible
■ Hospital - Inpatient Stay	
See Section 6, <i>Additional Coverage Details</i> for limits	

Covered Health Services ¹	Percentage of Eligible Expenses Payable by the Plan:
	Network
Ostomy Supplies	75% after you meet the Annual Deductible
Pharmaceutical Products – Outpatient	75% after you meet the Annual Deductible
Physician Fees for Surgical and Medical Services	75% after you meet the Annual Deductible
Physician's Office Services - Sickness and Injury	75% after you meet the Annual Deductible
<p>Pregnancy - Maternity Services</p> <p>A Deductible will not apply for a newborn child whose length of stay in the Hospital is the same as the mother's length of stay.</p>	Benefits will be the same as those stated under each Covered Health Service category in this section.
<p>Preventive Care Services</p> <ul style="list-style-type: none"> ■ Breast Pump ■ Physician Office Services ■ Lab, X-ray or Other Preventive Tests 	<p>100%</p> <p>100%</p> <p>100%</p>
<p>Private Duty Nursing - Outpatient</p> <p>Up to 30 visits per calendar year</p>	75% after you meet the Annual Deductible
Prosthetic Devices	75% after you meet the Annual Deductible
<p>Reconstructive Procedures</p> <ul style="list-style-type: none"> ■ Physician's Office Services ■ Hospital - Inpatient Stay ■ Physician Fees for Surgical and Medical Services ■ Prosthetic Devices ■ Surgery - Outpatient 	<p>75% after you meet the Annual Deductible</p> <p>75% after you meet the Annual Deductible</p> <p>75% after you meet the Annual Deductible</p> <p>75% after you meet the Annual Deductible</p> <p>75% after you meet the Annual Deductible</p>

Covered Health Services ¹	Percentage of Eligible Expenses Payable by the Plan:
	Network
Rehabilitation Services - Outpatient Therapy and Manipulative Treatment See Section 6, <i>Additional Coverage Details</i> , for visit limits	75% after you meet the Annual Deductible
Scopic Procedures - Outpatient Diagnostic and Therapeutic	75% after you meet the Annual Deductible
Skilled Nursing Facility/Inpatient Rehabilitation Facility Services Up to 120 days per calendar year	75% after you meet the Annual Deductible
Substance Use Disorder Services <ul style="list-style-type: none"> ■ Hospital - Inpatient Stay ■ Physician's Office Services 	75% after you meet the Annual Deductible 75% after you meet the Annual Deductible
Surgery – Outpatient	75% after you meet the Annual Deductible
Temporomandibular Joint (TMJ) Services	75% after you meet the Annual Deductible
Therapeutic Treatments – Outpatient	75% after you meet the Annual Deductible
Transgender Services	75% after you meet the Annual Deductible
Transplantation Services (If services rendered by a Designated Facility)	75% after you meet the Annual Deductible
Travel and Lodging (If services rendered by a Designated Facility)	For patient and companion(s) of patient undergoing cancer, Congenital Heart Disease treatment or transplant procedures
Urgent Care Center Services	75% after you meet the Annual Deductible

Covered Health Services ¹	Percentage of Eligible Expenses Payable by the Plan:
	Network
Wigs Up to \$300 per calendar year.	75% after you meet the Annual Deductible

¹In general, your Network provider must notify Personal Health Support, as described in Section 4, before you receive certain Covered Health Services. There are some Network Benefits, however, for which you are responsible for notifying Personal Health Support. See Section 6, *Additional Coverage Details* for further information.

²These Benefits are for Covered Health Services provided through CRS at a Designated Facility. For oncology services not provided through CRS, the Plan pays Benefits as described under *Physician's Office Services -Sickness and Injury, Physician Fees for Surgical and Medical Services, Hospital - Inpatient Stay, Surgery - Outpatient, Scopic Procedures - Outpatient Diagnostic and Therapeutic, Lab, X-Ray and Diagnostics - Outpatient, and Lab, X-Ray and Major Diagnostics - CT, PET, MRI, MRA and Nuclear Medicine – Outpatient.*

SECTION 6 - ADDITIONAL COVERAGE DETAILS

What this section includes:

- Covered Health Services for which the Plan pays Benefits; and
- Covered Health Services that require you to notify Personal Health Support before you receive them, and any reduction in Benefits that may apply if you do not call Personal Health Support.

This section supplements the second table in Section 5, *Plan Highlights*.

While the table provides you with benefit limitations along with Copayment, Coinsurance and Annual Deductible information for each Covered Health Service, this section includes descriptions of the Benefits. These descriptions include any additional limitations that may apply, as well as Covered Health Services for which you must call Personal Health Support. The Covered Health Services in this section appear in the same order as they do in the table for easy reference. Services that are not covered are described in Section 8, *Exclusions*.

Acupuncture Services

The Plan pays for acupuncture services for pain therapy when both of the following are true:

- another method of pain management has failed; and
- the service is performed by an MD in the provider's office.

Ambulance Services

The Plan covers Emergency ambulance services and transportation provided by a licensed ambulance service to the nearest Hospital that offers Emergency Health Services. See Section 14, *Glossary* for the definition of Emergency.

Ambulance service by air is covered in an Emergency if ground transportation is impossible, or would put your life or health in serious jeopardy. If special circumstances exist, UnitedHealthcare may pay Benefits for Emergency air transportation to a Hospital that is not the closest facility to provide Emergency Health Services.

Cancer Resource Services (CRS)

The Plan pays Benefits for oncology services provided by Designated Facilities participating in the Cancer Resource Services (CRS) program. Designated Facility is defined in Section 14, *Glossary*.

For oncology services and supplies to be considered Covered Health Services, they must be provided to treat a condition that has a primary or suspected diagnosis relating to cancer. If you or a covered Dependent has cancer, you may:

- be referred to CRS by a Personal Health Support Nurse;
- call CRS toll-free at (866) 936-6002; or

- visit www.urncrs.com.

To receive Benefits for a cancer-related treatment, you are not required to visit a Designated Facility. If you receive oncology services from a facility that is not a Designated Facility, the Plan pays Benefits for Network services as described under:

- Physician's Office Services - Sickness and Injury;
- Physician Fees for Surgical and Medical Services;
- Scopic Procedures - Outpatient Diagnostic and Therapeutic;
- Therapeutic Treatments - Outpatient;
- Hospital - Inpatient Stay; and
- Surgery - Outpatient.

Note: The services described under *Travel and Lodging* are Covered Health Services only in connection with cancer-related services received at a Designated Facility.

To receive Benefits under the CRS program, you must contact CRS prior to obtaining Covered Health Services. The Plan will only pay Benefits under the CRS program if CRS provides the proper notification to the Designated Facility provider performing the services (even if you self-refer to a provider in that Network).

Clinical Trials

Benefits are available for routine patient care costs incurred during participation in a qualifying clinical trial for the treatment of:

- cancer or other life-threatening disease or condition. For purposes of this benefit, a life-threatening disease or condition is one from which the likelihood of death is probable unless the course of the disease or condition is interrupted;
- cardiovascular disease (cardiac/stroke) which is not life threatening, for which, as UnitedHealthcare determines, a clinical trial meets the qualifying clinical trial criteria stated below;
- surgical musculoskeletal disorders of the spine, hip and knees, which are not life threatening, for which, as UnitedHealthcare determines, a clinical trial meets the qualifying clinical trial criteria stated below; and
- other diseases or disorders which are not life threatening for which, as UnitedHealthcare determines, a clinical trial meets the qualifying clinical trial criteria stated below.

Benefits include the reasonable and necessary items and services used to prevent, diagnose and treat complications arising from participation in a qualifying clinical trial.

Benefits are available only when the Covered Person is clinically eligible for participation in the qualifying clinical trial as defined by the researcher.

Routine patient care costs for qualifying clinical trials include:

- Covered Health Services for which Benefits are typically provided absent a clinical trial;
- Covered Health Services required solely for the provision of the investigational item or service, the clinically appropriate monitoring of the effects of the item or service, or the prevention of complications; and
- Covered Health Services needed for reasonable and necessary care arising from the provision of an Investigational item or service.

Routine costs for clinical trials do not include:

- the Experimental or Investigational Service or item. The only exceptions to this are:
 - certain Category B devices;
 - certain promising interventions for patients with terminal illnesses; and
 - other items and services that meet specified criteria in accordance with our medical and drug policies;
- items and services provided solely to satisfy data collection and analysis needs and that are not used in the direct clinical management of the patient;
- a service that is clearly inconsistent with widely accepted and established standards of care for a particular diagnosis; and
- items and services provided by the research sponsors free of charge for any person enrolled in the trial.

With respect to cancer or other life-threatening diseases or conditions, a qualifying clinical trial is a Phase I, Phase II, Phase III, or Phase IV clinical trial that is conducted in relation to the prevention, detection or treatment of cancer or other life-threatening disease or condition and which meets any of the following criteria in the bulleted list below.

With respect to cardiovascular disease or musculoskeletal disorders of the spine and hip and knees and other diseases or disorders which are not life-threatening, a qualifying clinical trial is a Phase I, Phase II, or Phase III clinical trial that is conducted in relation to the detection or treatment of such non-life-threatening disease or disorder and which meets any of the following criteria in the bulleted list below.

- Federally funded trials. The study or investigation is approved or funded (which may include funding through in-kind contributions) by one or more of the following:
 - National Institutes of Health (NIH). (Includes National Cancer Institute (NCI));
 - Centers for Disease Control and Prevention (CDC);
 - Agency for Healthcare Research and Quality (AHRQ);
 - Centers for Medicare and Medicaid Services (CMS);
 - a cooperative group or center of any of the entities described above or the Department of Defense (DOD) or the Veterans Administration (VA);
 - a qualified non-governmental research entity identified in the guidelines issued by the National Institutes of Health for center support grants; or

- The Department of Veterans Affairs, the Department of Defense or the Department of Energy as long as the study or investigation has been reviewed and approved through a system of peer review that is determined by the Secretary of Health and Human Services to meet both of the following criteria:
 - comparable to the system of peer review of studies and investigations used by the *National Institutes of Health*; and
 - ensures unbiased review of the highest scientific standards by qualified individuals who have no interest in the outcome of the review.
- the study or investigation is conducted under an investigational new drug application reviewed by the *U.S. Food and Drug Administration*;
- the study or investigation is a drug trial that is exempt from having such an investigational new drug application;
- the clinical trial must have a written protocol that describes a scientifically sound study and have been approved by all relevant institutional review boards (*IRBs*) before participants are enrolled in the trial. UnitedHealthcare may, at any time, request documentation about the trial; or
- the subject or purpose of the trial must be the evaluation of an item or service that meets the definition of a Covered Health Service and is not otherwise excluded under the Plan.

Please remember that you must notify Personal Health Support as soon as the possibility of participation in a clinical trial arises. If Personal Health Support is not notified, you will be responsible for paying all charges and no Benefits will be paid.

Congenital Heart Disease (CHD) Surgeries

The Plan pays Benefits for Congenital Heart Disease (CHD) services ordered by a Physician and received at a CHD Resource Services program. Benefits include the facility charge and the charge for supplies and equipment. Benefits are available for the following CHD services:

- outpatient diagnostic testing;
- evaluation;
- surgical interventions;
- interventional cardiac catheterizations (insertion of a tubular device in the heart);
- fetal echocardiograms (examination, measurement and diagnosis of the heart using ultrasound technology); and
- approved fetal interventions.

CHD services other than those listed above are excluded from coverage, unless determined by United Resource Networks or Personal Health Support to be proven procedures for the involved diagnoses. Contact United Resource Networks at (888) 936-7246 or Personal

Health Support at the toll-free number on your ID card for information about CHD services.

If you receive Congenital Heart Disease services from a facility that is not a Designated Facility, the Plan pays Benefits as described under:

- Physician's Office Services - Sickness and Injury;
- Physician Fees for Surgical and Medical Services;
- Scopic Procedures - Outpatient Diagnostic and Therapeutic;
- Therapeutic Treatments – Outpatient;
- Hospital - Inpatient Stay; and
- Surgery - Outpatient.

Note: The services described under *Travel and Lodging* are Covered Health Services only in connection with CHD services received at a Congenital Heart Disease Resource Services program.

Dental Services - Accident Only

Dental services are covered by the Plan when all of the following are true:

- treatment is necessary because of accidental damage;
- dental damage does not occur as a result of normal activities of daily living or extraordinary use of the teeth;
- dental services are received from a Doctor of Dental Surgery or a Doctor of Medical Dentistry; and
- the dental damage is severe enough that initial contact with a Physician or dentist occurs within 72 hours of the accident. (You may request an extension of this time period provided that you do so within 60 days of the Injury and if extenuating circumstances exist due to the severity of the Injury.)

The Plan also covers dental care (oral examination, X-rays, extractions and non-surgical elimination of oral infection) required for the direct treatment of a medical condition limited to:

- dental services related to medical transplant procedures;
- initiation of immunosuppressives (medication used to reduce inflammation and suppress the immune system); and
- direct treatment of acute traumatic Injury, cancer or cleft palate.

Dental services for final treatment to repair the damage caused by accidental Injury must be started within three months of the accident unless extenuating circumstances exist (such as prolonged hospitalization or the presence of fixation wires from fracture care) and completed within 12 months of the accident.

The Plan pays for treatment of accidental Injury only for:

- emergency examination;
- necessary diagnostic x-rays;
- endodontic (root canal) treatment;
- temporary splinting of teeth;
- prefabricated post and core;
- simple minimal restorative procedures (fillings);
- extractions;
- post-traumatic crowns if such are the only clinically acceptable treatment; and
- replacement of lost teeth due to the Injury by implant, dentures or bridges.

Please remember that you should notify Personal Health Support as soon as possible, but at least five business days before follow-up (post-Emergency) treatment begins. You do not have to provide notification before the initial Emergency treatment. If you don't notify Personal Health Support, Benefits will be reduced by \$250.

Diabetes Services

The Plan pays Benefits for the Covered Health Services identified below.

Covered Diabetes Services	
Diabetes Self-Management and Training/Diabetic Eye Examinations/Foot Care	<p>Benefits include outpatient self-management training for the treatment of diabetes, education and medical nutrition therapy services. These services must be ordered by a Physician and provided by appropriately licensed or registered healthcare professionals.</p> <p>Benefits under this section also include medical eye examinations (dilated retinal examinations) and preventive foot care for Covered Persons with diabetes.</p>
Diabetic Self-Management Items	<p>Insulin pumps and supplies for the management and treatment of diabetes, based upon the medical needs of the Covered Person. An insulin pump is subject to all the conditions of coverage stated under <i>Durable Medical Equipment</i> in this section.</p> <p>Benefits for blood glucose monitors, insulin syringes with needles, blood glucose and urine test strips, ketone test strips and tablets and lancets and lancet devices are described in Section 15, <i>Prescription Drugs</i>.</p>

Durable Medical Equipment (DME)

The Plan pays for Durable Medical Equipment (DME) that is:

- ordered or provided by a Physician for outpatient use;
- used for medical purposes;
- not consumable or disposable;
- not of use to a person in the absence of a Sickness, Injury or disability;
- durable enough to withstand repeated use; and
- appropriate for use in the home.

If more than one piece of DME can meet your functional needs, you will receive Benefits only for the most Cost-Effective piece of equipment. Benefits are provided for a single unit of DME (example: one insulin pump) and for repairs of that unit. If you rent or purchase a piece of Durable Medical Equipment that exceeds this guideline, you may be responsible for any cost difference between the piece you rent or purchase and the piece UnitedHealthcare has determined is the most Cost-Effective.

Examples of DME include but are not limited to:

- equipment to administer oxygen;
- equipment to assist mobility, such as a standard wheelchair;
- Hospital beds;
- delivery pumps for tube feedings;
- burn garments;
- filters for sleep apnea machines;
- insulin pumps and all related necessary supplies as described under *Diabetes Services* in this section;
- external cochlear devices and systems. Surgery to place a cochlear implant is also covered by the Plan. Cochlear implantation can either be an inpatient or outpatient procedure. See *Hospital - Inpatient Stay*, *Rehabilitation Services - Outpatient Therapy* and *Surgery - Outpatient* in this section;
- braces that stabilize an injured body part, including necessary adjustments to shoes to accommodate braces. Braces that stabilize an injured body part and braces to treat curvature of the spine are considered Durable Medical Equipment and are a Covered Health Service. Braces that straighten or change the shape of a body part are orthotic devices and are excluded from coverage. Dental braces are also excluded from coverage; and
- equipment for the treatment of chronic or acute respiratory failure or conditions.

The Plan also covers tubings, nasal cannulas, connectors and masks used in connection with DME.

Benefits also include speech aid devices and tracheo-esophageal voice devices required for treatment of severe speech impediment or lack of speech directly attributed to Sickness or Injury. Benefits for the purchase of speech aid devices and tracheo-esophageal voice devices are available only after completing a required three-month rental period. Benefits are limited as stated below.

Note: DME is different from prosthetic devices – see *Prosthetic Devices* in this section.

Benefits for speech aid devices and tracheo-esophageal voice devices are limited to the purchase of one device during the entire period of time a Covered Person is enrolled under the Plan.

Benefits are provided for the repair/replacement of a type of Durable Medical Equipment once every three calendar years.

At UnitedHealthcare's discretion, replacements are covered for damage beyond repair with normal wear and tear, when repair costs exceed new purchase price, or when a change in the Covered Person's medical condition occurs sooner than the three year timeframe. Repairs, including the replacement of essential accessories, such as hoses, tubes, mouth pieces, etc., for necessary DME are only covered when required to make the item/device serviceable and the estimated repair expense does not exceed the cost of purchasing or renting another item/device. Requests for repairs may be made at anytime and are not subject to the three year timeline for replacement.

Emergency Health Services - Outpatient

The Plan's Emergency services Benefit pays for outpatient treatment at a Hospital or Alternate Facility when required to stabilize a patient or initiate treatment.

If you are admitted as an inpatient to a Network Hospital directly from the Emergency room, you will not have to pay the Copay for Emergency Health Services. The Benefits for an Inpatient Stay in a Network Hospital will apply instead.

Network Benefits will be paid for an Emergency admission to a non-Network Hospital as long as Personal Health Support is notified within one business day of the admission or on the same day of admission if reasonably possible after you are admitted to a non-Network Hospital. If you continue your stay in a non-Network Hospital after the date your Physician determines that it is medically appropriate to transfer you to a Network Hospital, no Benefits will be paid.

Extreme Vision

The Plan's pays for Benefits for the following:

- necessary contact lenses or eyeglasses to correct vision problems following cataract surgery; and

- evaluation, fitting cost and purchase cost of contact lenses if there is a diagnosis of Karatoconus.

Benefits are limited to once every 12 months.

Home Health Care

Covered Health Services are services that a Home Health Agency provides if you need care in your home due to the nature of your condition. Services must be:

- ordered by a Physician;
- provided by or supervised by a registered nurse in your home, or provided by either a home health aide or licensed practical nurse and supervised by a registered nurse;
- not considered Custodial Care, as defined in Section 14, *Glossary*; and
- provided on a part-time, intermittent schedule when Skilled Care is required. Refer to Section 14, *Glossary* for the definition of Skilled Care.

Personal Health Support will decide if Skilled Care is needed by reviewing both the skilled nature of the service and the need for Physician-directed medical management. A service will not be determined to be "skilled" simply because there is not an available caregiver.

Benefits are limited to 30 visits per calendar year. One visit equals four hours of Skilled Care services. This visit limit does not include any service which is billed only for the administration of intravenous infusion.

Hospice Care

Hospice care is an integrated program recommended by a Physician which provides comfort and support services for the terminally ill. Hospice care can be provided on an inpatient or outpatient basis and includes physical, psychological, social, spiritual and respite care for the terminally ill person, and short-term grief counseling for immediate family members while the Covered Person is receiving hospice care. Benefits are available only when hospice care is received from a licensed hospice agency, which can include a Hospital.

Hospital - Inpatient Stay

Hospital Benefits are available for:

- non-Physician services and supplies received during an Inpatient Stay;
- room and board in a Semi-private Room (a room with two or more beds); and
- Physician service for radiologists, anesthesiologists, pathologists and Emergency room Physicians.

The Plan will pay the difference in cost between a Semi-private Room and a private room only if a private room is necessary according to generally accepted medical practice.

Benefits for an Inpatient Stay in a Hospital are available only when the Inpatient Stay is necessary to prevent, diagnose or treat a Sickness or Injury. Benefits for other Hospital-based Physician services are described in this section under *Physician Fees for Surgical and Medical Services*.

Benefits for Emergency admissions and admissions of less than 24 hours are described under *Emergency Health Services - Outpatient* and *Surgery - Outpatient, Scopic Procedures - Diagnostic and Therapeutic Services*, and *Therapeutic Treatments - Outpatient*, respectively.

Kidney Resource Services (KRS)

The Plan pays Benefits for Comprehensive Kidney Solution (CKS) that covers both chronic kidney disease and End Stage Renal Disease (ESRD) disease provided by Designated Facilities participating in the Kidney Resource Services (KRS) program. Designated Facility is defined in Section 14, *Glossary*.

In order to receive Benefits under this program, KRS must provide the proper notification to the Network provider performing the services. This is true even if you self-refer to a Network provider participating in the program. Notification is required:

- prior to vascular access placement for dialysis; and
- prior to any ESRD services.

You or a covered Dependent may:

- be referred to KRS by Personal Health Support; or
- call KRS toll-free at (888) 936-7246 and select the KRS prompt.

To receive Benefits related to ESRD and chronic kidney disease, you are not required to visit a Designated Facility. If you receive services from a facility that is not a Designated Facility, the Plan pays Benefits as described under:

- Physician's Office Services - Sickness and Injury;
- Physician Fees for Surgical and Medical Services;
- Scopic Procedures - Outpatient Diagnostic and Therapeutic;
- Therapeutic Treatments - Outpatient;
- Hospital - Inpatient Stay; and
- Surgery - Outpatient.

To receive Benefits under the KRS program, you must contact KRS prior to obtaining Covered Health Services. The Plan will only pay Benefits under the KRS program if KRS provides the proper notification to the Designated Facility provider performing the services (even if you self-refer to a provider in that Network).

Lab, X-Ray and Diagnostics - Outpatient

Services for Sickness and Injury-related diagnostic purposes, received on an outpatient basis at a Hospital or Alternate Facility or in a Physician's office include, but are not limited to:

- lab and radiology/x-ray; and
- mammography.

Benefits under this section include:

- the facility charge and the charge for supplies and equipment; and
- Physician services for radiologists, anesthesiologists and pathologists.

Benefits for other Physician services are described in this section under *Physician Fees for Surgical and Medical Services*. Lab, X-ray and diagnostic services for preventive care are described under *Preventive Care Services* in this section.

Lab, X-Ray and Major Diagnostics - CT, PET Scans, MRI, MRA and Nuclear Medicine - Outpatient

Services for CT scans, PET scans, MRI, MRA, nuclear medicine, and major diagnostic services received on an outpatient basis at a Hospital or Alternate Facility or in a Physician's office.

Benefits under this section include:

- the facility charge and the charge for supplies and equipment;
- Physician services for radiologists, anesthesiologists and pathologists.

When these services are performed in a Physician's office, Benefits are described under *Physician's Office Services - Sickness and Injury* in this section. Benefits for other Physician services are described in this section under *Physician Fees for Surgical and Medical Services*.

Mental Health Services

Mental Health Services include those received on an inpatient or outpatient basis in a Hospital and an Alternate Facility or in a provider's office.

Benefits include the following services:

- diagnostic evaluations and assessment;
- treatment planning;
- treatment and/or procedures;
- referral services;
- medication management;
- individual, family, therapeutic group and provider-based case management services;

- crisis intervention;
- Partial Hospitalization/Day Treatment;
- services at a Residential Treatment Facility; and
- Intensive Outpatient Treatment.

The Mental Health/Substance Use Disorder Administrator determines coverage for all levels of care. If an Inpatient Stay is required, it is covered on a Semi-private Room basis.

You are encouraged to contact the Mental Health/Substance Use Disorder Administrator for referrals to providers and coordination of care.

Special Mental Health Programs and Services

Special programs and services that are contracted under the Mental Health/Substance Use Disorder Administrator may become available to you as part of your Mental Health Services benefit. The Mental Health Services Benefits and financial requirements assigned to these programs or services are based on the designation of the program or service to inpatient, Partial Hospitalization/Day Treatment, Intensive Outpatient Treatment, outpatient or a Transitional Care category of Benefit use. Special programs or services provide access to services that are beneficial for the treatment of your Mental Illness which may not otherwise be covered under this Plan. You must be referred to such programs through the Mental Health/Substance Use Disorder Administrator, who is responsible for coordinating your care or through other pathways as described in the program introductions. Any decision to participate in such program or service is at the discretion of the Covered Person and is not mandatory.

Please remember you should notify the MH/SUD Administrator to receive these Benefits in advance of any treatment. Please call the phone number that appears on your ID card.

Neurobiological Disorders - Autism Spectrum Disorder Services

The Plan pays Benefits for psychiatric services for Autism Spectrum Disorder (otherwise known as neurodevelopmental disorders) that are both of the following:

- Provided by or under the direction of an experienced psychiatrist and/or an experienced licensed psychiatric provider; and
- Focused on treating maladaptive/stereotypic behaviors that are posing danger to self, others or property and impairment in daily functioning.

These Benefits describe only the psychiatric component of treatment for Autism Spectrum Disorders. Medical treatment of Autism Spectrum Disorders is a Covered Health Service for which Benefits are available under the applicable medical Covered Health Services categories as described in this section.

Benefits include the following services provided on either an outpatient or inpatient basis:

- diagnostic evaluations and assessment;

- treatment planning;
- treatment and/or procedures;
- referral services;
- medication management;
- individual, family, therapeutic group and provider-based case management services;
- crisis intervention;
- Partial Hospitalization/Day Treatment;
- services at a Residential Treatment Facility; and
- Intensive Outpatient Treatment.

The Mental Health/Substance Use Disorder Administrator determines coverage for all levels of care with regard to services for Autism Spectrum Disorder. If an Inpatient Stay is required, it is covered on a Semi-private Room basis.

You are encouraged to contact the Mental Health/Substance Use Disorder Administrator for referrals to providers and coordination of care.

Please remember you should notify the MH/SUD Administrator to receive the Benefits for Autism Spectrum Disorder in advance of any treatment. Please call phone number that appears on your ID card.

Nutritional Counseling

The Plan will pay for Covered Health Services for medical education services provided in a Physician's office by an appropriately licensed or healthcare professional for Covered Persons with diabetes that require a special diet.

When nutritional counseling services are billed as a preventive care service, these services will be paid as described under *Preventive Care Services* in this section.

Obesity Surgery

The Plan covers surgical treatment of obesity provided by or under the direction of a Physician.

Morbid obesity means morbid or clinically severe obesity correlated with a Body Mass Index (BMI) of 40 kg/m² or with being 100 pounds over ideal body weight and 30% over ideal body weight with underlying medical conditions

Benefits are available for obesity surgery services that meet the definition of a Covered Health Service, as defined in Section 14, *Glossary* and are not Experimental or Investigational or Unproven Services.

Surgery is limited to a lifetime benefit of \$5,000. There is no calendar year limit for non-surgical treatment.

Ostomy Supplies

Benefits for ostomy supplies are limited to:

- pouches, face plates and belts;
- irrigation sleeves, bags and ostomy irrigation catheters; and
- skin barriers.

Pharmaceutical Products - Outpatient

The Plan pays for Pharmaceutical Products that are administered on an outpatient basis in a Hospital, Alternate Facility, Physician's office, or in a Covered Person's home. Examples of what would be included under this category are antibiotic injections in the Physician's office or inhaled medication in an Urgent Care Center for treatment of an asthma attack.

Benefits under this section are provided only for Pharmaceutical Products which, due to their characteristics (as determined by UnitedHealthcare), must typically be administered or directly supervised by a qualified provider or licensed/certified health professional. Benefits under this section do not include medications that are typically available by prescription order or refill at a pharmacy.

Physician Fees for Surgical and Medical Services

The Plan pays Physician fees for surgical procedures and other medical care received from a Physician in a Hospital, Skilled Nursing Facility, Inpatient Rehabilitation Facility, Alternate Facility, or for Physician house calls.

Physician's Office Services - Sickness and Injury

Benefits are paid by the Plan for Covered Health Services received in a Physician's office for the evaluation and treatment of a Sickness or Injury. Benefits are provided under this section regardless of whether the Physician's office is free-standing, located in a clinic or located in a Hospital. Benefits under this section include allergy injections and hearing exams in case of Injury or Sickness.

Benefits for preventive services are described under *Preventive Care* in this section

Pregnancy - Maternity Services

Employee and Dependent Spouse Only

Benefits for Pregnancy will be paid at the same level as Benefits for any other condition, Sickness or Injury. This includes all maternity-related medical services for postnatal care, delivery, and any related complications.

The Plan will pay Benefits for an Inpatient Stay of at least:

- 48 hours for the mother and newborn child following a vaginal delivery; or
- 96 hours for the mother and newborn child following a cesarean section delivery.

These are federally mandated requirements under the Newborns' and Mothers' Health Protection Act of 1996 which apply to this Plan. The Hospital or other provider is not required to get authorization for the time periods stated above. Authorizations are required for longer lengths of stay. If the mother agrees, the attending Physician may discharge the mother and/or the newborn child earlier than these minimum timeframes.

Both before and during a Pregnancy, Benefits include the services of a genetic counselor when provided or referred by a Physician. These Benefits are available to all Covered Persons in the immediate family. Covered Health Services include related tests and treatment.

For Dependent Children Only

Pregnancy Benefits for Dependent children are limited to Covered Health Services for Complications of Pregnancy. For a complete definition of Complications of Pregnancy, see Section 14, *Glossary*.

Benefits are payable for Covered Health Services for the treatment of Complications of Pregnancy given to a Dependent child while covered under this Plan.

Benefits for Complications of Pregnancy are paid in the same way as benefits are paid for Sickness.

Benefits for Complications of Pregnancy which result in the delivery of a child are payable for at least:

- 48 hours of inpatient care for the mother and newborn child following a normal vaginal delivery; and
- 96 hours of inpatient care for the mother and newborn child following a cesarean section.

The following are not considered Complications of Pregnancy:

- false labor;
- occasional spotting;
- rest prescribed by a Physician;
- morning sickness; and
- other conditions that may be connected with a difficult pregnancy but are not a classifiably distinct complication.

Healthy moms and babies

The Plan provides a special prenatal program to help during Pregnancy. Participation is voluntary and free of charge. See Section 7, *Resources to Help you Stay Healthy*, for details.

Preventive Care Services

Preventive care services provided on an outpatient basis at a Physician's office, an Alternate Facility or a Hospital encompass medical services that have been demonstrated by clinical evidence to be safe and effective in either the early detection of disease or in the prevention of disease, have been proven to have a beneficial effect on health outcomes and include the following as required under applicable law:

- evidence-based items or services that have in effect a rating of "A" or "B" in the current recommendations of the United States Preventive Services Task Force;
- immunizations that have in effect a recommendation from the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention;
- with respect to infants, children and adolescents, evidence-informed preventive care and screenings provided for in the comprehensive guidelines supported by the Health Resources and Services Administration; and
- with respect to women, such additional preventive care and screenings as provided for in comprehensive guidelines supported by the Health Resources and Services Administration.

Benefits are only available if breast pumps are obtained from a DME provider or Physician.

If more than one breast pump can meet your needs, Benefits are available only for the most cost effective pump. The Claims Administrator will determine the following:

- which pump is the most cost effective;
- whether the pump should be purchased or rented;
- duration of a rental; and
- timing of an acquisition.

For questions about your preventive care Benefits under this Plan call the number on the back of your ID card.

Private Duty Nursing - Outpatient

The Plan covers Private Duty Nursing care given on an outpatient basis by a licensed nurse such as a Registered Nurse (R.N.), Licensed Practical Nurse (L.P.N.), or Licensed Vocational Nurse (L.V.N.).

Benefits are limited to 30 visits per Covered Person per calendar year.

Prosthetic Devices

Benefits are paid by the Plan for prosthetic devices and appliances that replace a limb or body part, or help an impaired limb or body part work. Examples include, but are not limited to:

- artificial arms, legs, feet and hands;

- artificial face, eyes, ears and nose; and
- breast prosthesis following mastectomy as required by the Women's Health and Cancer Rights Act of 1998, including mastectomy bras and lymphedema stockings for the arm.

Benefits under this section are provided only for external prosthetic devices and do not include any device that is fully implanted into the body other than breast prostheses.

If more than one prosthetic device can meet your functional needs, Benefits are available only for the most Cost-Effective prosthetic device. The device must be ordered or provided either by a Physician, or under a Physician's direction. If you purchase a prosthetic device that exceeds these minimum specifications, the Plan may pay only the amount that would have paid for the prosthetic that meets the minimum specifications, and you may be responsible for paying any difference in cost.

Benefits are provided for the replacement of a type of prosthetic device once every three calendar years.

At UnitedHealthcare's discretion, prosthetic devices may be covered for damage beyond repair with normal wear and tear, when repair costs are less than the cost of replacement or when a change in the Covered Person's medical condition occurs sooner than the three year timeframe. Replacement of artificial limbs or any part of such devices may be covered when the condition of the device or part requires repairs that cost more than the cost of a replacement device or part.

Note: Prosthetic devices are different from DME - see *Durable Medical Equipment (DME)* in this section.

Reconstructive Procedures

Reconstructive Procedures are services performed when the primary purpose of the procedure is either to treat a medical condition or to improve or restore physiologic function for an organ or body part. Reconstructive procedures include surgery or other procedures which are associated with an Injury, Sickness or Congenital Anomaly. The primary result of the procedure is not a changed or improved physical appearance.

Improving or restoring physiologic function means that the organ or body part is made to work better. An example of a Reconstructive Procedure is surgery on the inside of the nose so that a person's breathing can be improved or restored.

Benefits for Reconstructive Procedures include breast reconstruction following a mastectomy and reconstruction of the non-affected breast to achieve symmetry. Replacement of an existing breast implant is covered by the Plan if the initial breast implant followed mastectomy. Other services required by the Women's Health and Cancer Rights Act of 1998, including breast prostheses and treatment of complications, are provided in the same manner and at the same level as those for any other Covered Health Service. You can contact UnitedHealthcare at the telephone number on your ID card for more information about Benefits for mastectomy-related services.

There may be times when the primary purpose of a procedure is to make a body part work better. However, in other situations, the purpose of the same procedure is to improve the appearance of a body part. Cosmetic procedures are excluded from coverage. Procedures that correct an anatomical Congenital Anomaly without improving or restoring physiologic function are considered Cosmetic Procedures. A good example is upper eyelid surgery. At times, this procedure will be done to improve vision, which is considered a Reconstructive Procedure. In other cases, improvement in appearance is the primary intended purpose, which is considered a Cosmetic Procedure. This Plan does not provide Benefits for Cosmetic Procedures, as defined in Section 14, *Glossary*.

The fact that a Covered Person may suffer psychological consequences or socially avoidant behavior as a result of an Injury, Sickness or Congenital Anomaly does not classify surgery (or other procedures done to relieve such consequences or behavior) as a reconstructive procedure.

Please remember that you should notify Personal Health Support five business days before undergoing a Reconstructive Procedure. When you provide notification, Personal Health Support can determine whether the service is considered reconstructive or cosmetic. Cosmetic Procedures are always excluded from coverage.

Rehabilitation Services - Outpatient Therapy and Manipulative Treatment

The Plan provides short-term outpatient rehabilitation services for the following types of therapy:

- physical therapy;
- occupational therapy;
- Manipulative Treatment;
- speech therapy;
- pulmonary rehabilitation;
- post-cochlear implant aural therapy; and
- cardiac rehabilitation.

For all rehabilitation services, a licensed therapy provider, under the direction of a Physician (when required by state law), must perform the services. Benefits under this section include rehabilitation services provided in a Physician's office or on an outpatient basis at a Hospital or Alternate Facility.

Habilitative Services

Benefits are provided for habilitative services provided on an outpatient basis for Covered Persons with a congenital, genetic, or early acquired disorder when both of the following conditions are met:

- The treatment is administered by a licensed speech-language pathologist, licensed audiologist, licensed occupational therapist, licensed physical therapist, Physician,

licensed nutritionist, licensed social worker or licensed psychologist.

- The initial or continued treatment must be proven and not Experimental or Investigational.

Benefits for habilitative services do not apply to those services that are solely educational in nature or otherwise paid under state or federal law for purely educational services. Custodial Care, respite care, day care, therapeutic recreation, vocational training and residential treatment are not habilitative services. A service that does not help the Covered Person to meet functional goals in a treatment plan within a prescribed time frame is not a habilitative service. When the Covered Person reaches his/her maximum level of improvement or does not demonstrate continued progress under a treatment plan, a service that was previously habilitative is no longer habilitative.

The Plan may require that a treatment plan be provided, request medical records, clinical notes, or other necessary data to allow the Plan to substantiate that initial or continued medical treatment is needed and that the Covered Person's condition is clinically improving as a result of the habilitative service. When the treating provider anticipates that continued treatment is or will be required to permit the Covered Person to achieve demonstrable progress, we may request a treatment plan consisting of diagnosis, proposed treatment by type, frequency, anticipated duration of treatment, the anticipated goals of treatment, and how frequently the treatment plan will be updated.

For purposes of this benefit, the following definitions apply:

- "Habilitative services" means occupational therapy, physical therapy and speech therapy prescribed by the Covered Person's treating Physician pursuant to a treatment plan to develop a function not currently present as a result of a congenital, genetic, or early acquired disorder.
- A "congenital or genetic disorder" includes, but is not limited to, hereditary disorders.
- An "early acquired disorder" refers to a disorder resulting from Sickness, Injury, trauma or some other event or condition suffered by a Covered Person prior to that Covered Person developing functional life skills such as, but not limited to, walking, talking, or self-help skills.

Other than as described under Habilitative Services above, please note that the Plan will pay Benefits for speech therapy for the treatment of disorders of speech, language, voice, communication and auditory processing only when the disorder results from Injury, Sickness, stroke, cancer, Congenital Anomaly, Autism Spectrum Disorders, or when needed following the placement of a cochlear implant.

Benefits can be denied or shortened for Covered Persons who are not progressing in goal-directed rehabilitation services or if rehabilitation goals have previously been met. Benefits can be denied or shortened for Covered Persons who are not progressing in goal-directed Manipulative Treatment or if treatment goals have previously been met. Benefits under this section are not available for maintenance/preventive Manipulative Treatment.

Benefits are limited to:

- 20 visits per calendar year for physical therapy;
- 20 visits per calendar year for occupational therapy;
- 20 visits per calendar year for speech therapy;
- 30 visits per calendar year for post-cochlear implant aural therapy; and
- 20 visits per calendar year for Manipulative Treatment.

Scopic Procedures - Outpatient Diagnostic and Therapeutic

The Plan pays for diagnostic and therapeutic scopic procedures and related services received on an outpatient basis at a Hospital or Alternate Facility or in a Physician's office.

Diagnostic scopic procedures are those for visualization, biopsy and polyp removal. Examples of diagnostic scopic procedures include colonoscopy, sigmoidoscopy, and endoscopy.

Benefits under this section include:

- the facility charge and the charge for supplies and equipment; and
- Physician services for radiologists, anesthesiologists and pathologists.

Please note that Benefits under this section do not include surgical scopic procedures, which are for the purpose of performing surgery. Benefits for surgical scopic procedures are described under *Surgery - Outpatient*. Examples of surgical scopic procedures include arthroscopy, laparoscopy, bronchoscopy, hysteroscopy.

Skilled Nursing Facility/Inpatient Rehabilitation Facility Services

Facility services for an Inpatient Stay in a Skilled Nursing Facility or Inpatient Rehabilitation Facility are covered by the Plan. Benefits include:

- non-Physician services and supplies received during the Inpatient Stay;
- room and board in a Semi-private Room (a room with two or more beds); and
- Physicians services for radiologists, anesthesiologists and pathologists.

Benefits are available when skilled nursing and/or Inpatient Rehabilitation Facility services are needed on a daily basis. Benefits are also available in a Skilled Nursing Facility or Inpatient Rehabilitation Facility for treatment of a Sickness or Injury that would have otherwise required an Inpatient Stay in a Hospital.

Benefits for other Physician services, including anesthesiologists, consulting Physicians, pathologists and radiologists, are described in this section under *Physician Fees for Surgical and Medical Services*.

UnitedHealthcare will determine if Benefits are available by reviewing both the skilled nature of the service and the need for Physician-directed medical management. A service will not be determined to be "skilled" simply because there is not an available caregiver.

Benefits are available only if:

- the initial confinement in a Skilled Nursing Facility or Inpatient Rehabilitation Facility was or will be a cost-effective alternative to an Inpatient Stay in a Hospital; and
- you will receive skilled care services that are not primarily Custodial Care.

Skilled care is skilled nursing, skilled teaching, and skilled rehabilitation services when:

- it is delivered or supervised by licensed technical or professional medical personnel in order to obtain the specified medical outcome, and provide for the safety of the patient;
- it is ordered by a Physician;
- it is not delivered for the purpose of assisting with activities of daily living, including but not limited to dressing, feeding, bathing or transferring from a bed to a chair; and
- it requires clinical training in order to be delivered safely and effectively.

You are expected to improve to a predictable level of recovery. Benefits can be denied or shortened for Covered Persons who are not progressing in goal-directed rehabilitation services or if discharge rehabilitation goals have previously been met.

Note: The Plan does not pay Benefits for Custodial Care or Domiciliary Care, even if ordered by a Physician, as defined in Section 14, *Glossary*.

Benefits are limited to 120 days per calendar year.

Substance Use Disorder Services

Substance Use Disorder Services (also known as substance-related and addictive disorders services) include those received on an inpatient or outpatient basis in a Hospital, an Alternate Facility, or in a provider's office.

Benefits include the following services:

- diagnostic evaluations and assessment;
- treatment planning;
- treatment and/or procedures;
- referral services;
- medication management;
- individual, family, therapeutic group and provider-based case management services;
- crisis intervention;

- Partial Hospitalization/Day Treatment;
- services at a Residential Treatment Facility; and
- Intensive Outpatient Treatment.
-

The Mental Health/Substance Use Disorder Administrator determines coverage for all levels of care. If an Inpatient Stay is required, it is covered on a Semi-private Room basis.

You are encouraged to contact the Mental Health/Substance Use Disorder Administrator for referrals to providers and coordination of care.

Special Substance Use Disorder Programs and Services

Special programs and services that are contracted under the Mental Health/Substance Use Disorder Administrator may become available to you as part of your Substance Use Disorder Services benefit. The Substance Use Disorder Benefits and financial requirements assigned to these programs or services are based on the designation of the program or service to inpatient, Partial Hospitalization/Day Treatment, Intensive Outpatient Treatment, outpatient or a Transitional Care category of Benefit use. Special programs or services provide access to services that are beneficial for the treatment of your substance use disorder which may not otherwise be covered under this Plan. You must be referred to such programs through the Mental Health/Substance Use Disorder Administrator, who is responsible for coordinating your care or through other pathways as described in the program introductions. Any decision to participate in such program or service is at the discretion of the Covered Person and is not mandatory.

Please remember you should notify the MH/SUD Administrator to receive these Benefits in advance of any treatment. Please call phone number that appears on your ID card.

Surgery - Outpatient

The Plan pays for surgery and related services received on an outpatient basis at a Hospital or Alternate Facility.

Benefits under this section include:

- the facility charge and the charge for supplies and equipment;
- certain surgical scopic procedures (examples of surgical scopic procedures include arthroscopy, laparoscopy, bronchoscopy, hysteroscopy); and
- Physician services for radiologists, anesthesiologists and pathologists.

Benefits for other Physician services, including anesthesiologists, consulting Physicians, pathologists and radiologists, are described in this section under *Physician Fees for Surgical and Medical Services*.

Temporomandibular Joint (TMJ) Services

The Plan covers diagnostic and surgical and non-surgical treatment of conditions affecting the temporomandibular joint when provided by or under the direction of a Physician. Coverage includes necessary treatment required as a result of accident, trauma, a Congenital Anomaly, developmental defect, or pathology.

Diagnostic treatment includes examination, radiographs and applicable imaging studies and consultation. Non-surgical treatment includes clinical examinations, oral appliances (orthotic splints), arthrocentesis and trigger-point injections.

Benefits are provided for surgical treatment if:

- there is clearly demonstrated radiographic evidence of significant joint abnormality;
- non-surgical treatment has failed to adequately resolve the symptoms; and
- pain or dysfunction is moderate or severe.

Benefits for surgical services include arthrocentesis, arthroscopy, arthroplasty, arthrotomy, open or closed reduction of dislocations. Benefits for surgical services also include *U.S. Food and Drug Administration (FDA)*-approved TMJ implants only when all other treatment has failed.

Benefits for an Inpatient Stay in a Hospital and Hospital-based Physician services are described in this section under *Hospital – Inpatient Stay* and *Physician Fees for Surgical and Medical Services*, respectively.

Therapeutic Treatments - Outpatient

The Plan pays Benefits for therapeutic treatments received on an outpatient basis at a Hospital or Alternate Facility or in a Physician's office, including but not limited to dialysis (both hemodialysis and peritoneal dialysis), intravenous chemotherapy or other intravenous infusion therapy and radiation oncology.

Covered Health Services include medical education services that are provided on an outpatient basis at a Hospital or Alternate Facility by appropriately licensed or registered healthcare professionals when:

- education is required for a disease in which patient self-management is an important component of treatment; and
- there exists a knowledge deficit regarding the disease which requires the intervention of a trained health professional.

Benefits under this section include:

- the facility charge and the charge for related supplies and equipment; and
- Physician services for anesthesiologists, pathologists and radiologists. Benefits for other Physician services are described in this section under *Physician Fees for Surgical and Medical*

Services.

Transgender Services

The Plan will pay for the following transgender services:

- **psychotherapy** for gender identity disorders/dysphoria and associated co-morbid psychiatric diagnoses as described under Mental Health Services in Section 6, *Additional Coverage Details*;
- **continuous hormone replacement** – hormones of the desired gender injected by a medical provider (self-administered hormones are covered under the CVS Caremark plan); and
- genital surgery and surgery to change secondary sex characteristics (including thyroid chondroplasty, bilateral mastectomy, and augmentation mammoplasty).
 - The treatment plan must conform to the most recent edition of the *World Professional Association for Transgender Health (WPATH), Standards of Care for the Health of Transsexual, Transgender, and Gender Nonconforming People*; and
 - For irreversible surgical interventions, the patient must be age 18 years or older; and
 - Prior to surgery, the patient must complete 12 months of successful continuous full time real life experience in the desired gender.

Important:

- Certain patients will be required to complete continuous hormone therapy prior to surgery. In consultation with the patient's physician, this will be determined on a case-by-case basis through the Prior Authorization process.
- Augmentation mammoplasty is allowed if the Physician prescribing hormones and the surgeon have documented that breast enlargement after undergoing hormone treatment for 18 months is not sufficient for comfort in the social role; and
- **laboratory testing** to monitor the safety of the continuous hormone therapy.

The Plan will pay for preventive care, including evidence-based items or services as required by law. See *Preventive Care Services* for additional information on what services are covered. During your annual preventive care visit, the plan will pay for laboratory testing to monitor hormone therapy, for transgender persons.

Any subsequent or follow-up diagnostic testing performed as a result of findings indicated by the preventive care visit will not be paid at the Preventive Care Services level, but will be paid as stated under each Covered Health Service category in Section 5, *Plan Highlights*.

The Claims Administrator has specific guidelines regarding Benefits for Treatment of Gender Identity Disorder. Contact the Claims Administrator at the telephone number on your ID card for information about these guidelines.

Transplantation Services

Inpatient facility services (including evaluation for transplant, organ procurement and donor searches) for transplantation procedures must be ordered by a Network provider and

received at a Designated Facility. Benefits are available to the donor and the recipient when the recipient is covered under this Plan. The transplant must meet the definition of a Covered Health Service and cannot be Experimental or Investigational, or Unproven. Examples of transplants for which Benefits are available include but are not limited to:

- heart;
- heart/lung;
- lung;
- kidney;
- kidney/pancreas;
- liver;
- liver/kidney;
- liver/intestinal;
- pancreas;
- intestinal; and
- bone marrow (either from you or from a compatible donor) and peripheral stem cell transplants, with or without high dose chemotherapy. Not all bone marrow transplants meet the definition of a Covered Health Service

Benefits are also available for cornea transplants that are provided by a Network provider at a Network Hospital. You are not required to notify United Resource Networks or Personal Health Support of a cornea transplant nor is the cornea transplant required to be performed at a Designated Facility.

Donor costs that are directly related to organ removal are Covered Health Services for which Benefits are payable through the organ recipient's coverage under the Plan.

The Plan has specific guidelines regarding Benefits for transplant services. Contact United Resource Networks at (888) 936-7246 or Personal Health Support at the telephone number on your ID card for information about these guidelines.

Note: The services described under *Travel and Lodging* are Covered Health Services only in connection with transplant services received at a Designated Facility.

Travel and Lodging

United Resource Networks or Personal Health Support will assist the patient and family with travel and lodging arrangements related to:

- Congenital Heart Disease (CHD);
- transplantation services; and
- cancer-related treatments.

For travel and lodging services to be covered, the patient must be receiving services at a Designated Facility through United Resource Networks.

The Plan covers expenses for travel and lodging for the patient, provided he or she is not covered by Medicare, and a companion as follows:

- transportation of the patient and one companion who is traveling on the same day(s) to and/or from the site of the cancer-related treatment, the CHD service, or the transplant for the purposes of an evaluation, the procedure or necessary post-discharge follow-up;
- Eligible Expenses for lodging for the patient (while not a Hospital inpatient) and one companion. Benefits are paid at a per diem (per day) rate of up to \$75 per day for the patient or up to \$100 per day for the patient plus one companion; or
- if the patient is an enrolled Dependent minor child, the transportation expenses of two companions will be covered and lodging expenses will be reimbursed at a per diem rate up to \$100 per day.

Travel and lodging expenses are only available if the recipient lives more than 50 miles from the Designated Facility (for CRS and transplantation) or the CHD facility. UnitedHealthcare must receive valid receipts for such charges before you will be reimbursed. Examples of travel expenses may include:

- airfare at coach rate;
- taxi or ground transportation; or
- mileage reimbursement at the IRS rate for the most direct route between the patient's home and the Designated Facility.

Support in the event of serious illness

If you or a covered family member has cancer or needs an organ or bone marrow transplant, UnitedHealthcare can put you in touch with quality treatment centers around the country.

Urgent Care Center Services

The Plan provides Benefits for services, including professional services, received at an Urgent Care Center, as defined in Section 14, *Glossary*. When Urgent Care services are provided in a Physician's office, the Plan pays Benefits as described under *Physician's Office Services - Sickness and Injury* earlier in this section.

Wigs

The Plan pays Benefits for wigs and other scalp hair prosthesis regardless of the reason of hair loss.

Benefits are limited to \$300 per calendar year.

SECTION 7 - RESOURCES TO HELP YOU STAY HEALTHY

What this section includes:

Health and well-being resources available to you, including:

- Consumer Solutions and Self-Service Tools;
- Disease and Condition Management Services; and
- Wellness Programs.

City of Dallas believes in giving you the tools you need to be an educated health care consumer. To that end, City of Dallas has made available several convenient educational and support services, accessible by phone and the Internet, which can help you to:

- take care of yourself and your family members;
- manage a chronic health condition; and
- navigate the complexities of the health care system.

NOTE:

Information obtained through the services identified in this section is based on current medical literature and on Physician review. It is not intended to replace the advice of a doctor. The information is intended to help you make better health care decisions and take a greater responsibility for your own health. UnitedHealthcare and City of Dallas are not responsible for the results of your decisions from the use of the information, including, but not limited to, your choosing to seek or not to seek professional medical care, or your choosing or not choosing specific treatment based on the text.

Consumer Solutions and Self-Service Tools

Employee Assistance Program (EAP)

UnitedHealthcare offers free counseling and referral services nationwide through the Employee Assistance Program (EAP). Using a solution focused approach to care, they tailor their interventions to meet your individual needs. The program can help you and your immediate family members cope with issues such as:

- family or relationship problems;
- parenting difficulties;
- work-related problems;
- financial and legal issues;
- substance use or abuse;
- grief and loss; and
- anxiety.

Call the toll-free phone number on the back of your ID card to speak to a specially trained, master's-level specialist who will recommend the right resources for your specific life

concern. Services are available any time, 24 hours a day, seven days per week and are strictly confidential in accordance with state and federal laws.

Health Assessment

You are invited to learn more about your health and wellness at **www.myuhc.com** and are encouraged to participate in the online health assessment. The health assessment is an interactive questionnaire designed to help you identify your healthy habits as well as potential health risks.

Your health assessment is kept confidential. Completing the assessment will not impact your Benefits or eligibility for Benefits in any way, except as stated in Section 17.

To find the health assessment, log in to **www.myuhc.com**. After logging in, access your personalized *Health & Wellness* page and click the *Health Assessment* link. If you need any assistance with the online assessment, please call the number on the back of your ID card.

Health Improvement Plan

You can start a Health Improvement Plan at any time. This plan is created just for you and includes information and interactive tools, plus online health coaching recommendations based on your profile.

Online coaching is available for:

- nutrition;
- exercise;
- weight management;
- stress;
- smoking cessation;
- diabetes; and
- heart health.

To help keep you on track with your Health Improvement Plan and online coaching, you'll also receive personalized messages and reminders – City of Dallas' way of helping you meet your health and wellness goals.

NurseLineSM

NurseLine is a toll-free telephone service that puts you in immediate contact with an experienced registered nurse any time, 24 hours a day, seven days a week. Nurses can provide health information for routine or urgent health concerns. When you call, a registered nurse may refer you to any additional resources that City of Dallas has available to help you improve your health and well-being or manage a chronic condition. Call any time when you want to learn more about:

- a recent diagnosis;

- a minor Sickness or Injury;
- men's, women's, and children's wellness;
- how to take Prescription Drugs safely;
- self-care tips and treatment options;
- healthy living habits; or
- any other health related topic.

NurseLine gives you another convenient way to access health information. By calling the same toll-free number, you can listen to one of the Health Information Library's over 1,100 recorded messages, with over half in Spanish.

NurseLine is available to you at no cost.

Note: If you have a medical emergency, call 911 instead of calling NurseLine.

Your child is running a fever and it's 1:00 AM. What do you do?

Call NurseLine toll-free, any time, 24 hours a day, seven days a week. You can count on NurseLine to help answer your health questions.

With NurseLine, you also have access to nurses online. To use this service, log onto www.myuhc.com and click "Live Nurse Chat" in the top menu bar. You'll instantly be connected with a registered nurse who can answer your general health questions any time, 24 hours a day, seven days a week. You can also request an e-mailed transcript of the conversation to use as a reference.

Note: If you have a medical emergency, call 911 instead of logging onto www.myuhc.com.

Treatment Decision Support

In order to help you make informed decisions about your health care, UnitedHealthcare has a program called Treatment Decision Support. This program targets specific conditions as well as the treatments and procedures for those conditions.

This program offers:

- access to accurate, objective and relevant health care information;
- coaching by a nurse through decisions in your treatment and care;
- expectations of treatment; and
- information on high quality providers and programs.

Conditions for which this program is available include:

- back pain;
- knee & hip replacement;

- prostate disease;
- prostate cancer;
- benign uterine conditions;
- breast cancer;
- coronary disease; and
- bariatric surgery.

Participation is completely voluntary and without extra charge. If you think you may be eligible to participate or would like additional information regarding the program, please contact the number on the back of your ID card.

UnitedHealth PremiumSM Program

UnitedHealthcare designates Network Physicians and facilities as UnitedHealth Premium Program Physicians or facilities for certain medical conditions. Physicians and facilities are evaluated on two levels - quality and efficiency of care. The UnitedHealth Premium Program was designed to:

- help you make informed decisions on where to receive care;
- provide you with decision support resources; and
- give you access to Physicians and facilities across areas of medicine that have met UnitedHealthcare's quality and efficiency criteria.

For details on the UnitedHealth Premium Program including how to locate a UnitedHealth Premium Physician or facility, log onto **www.myuhc.com** or call the toll-free number on your ID card.

www.myuhc.com

UnitedHealthcare's member website, **www.myuhc.com**, provides information at your fingertips anywhere and anytime you have access to the Internet. **www.myuhc.com** opens the door to a wealth of health information and convenient self-service tools to meet your needs.

With **www.myuhc.com** you can:

- research a health condition and treatment options to get ready for a discussion with your Physician;
- search for Network providers available in your Plan through the online provider directory;
- access all of the content and wellness topics from NurseLine including Live Nurse Chat 24 hours a day, seven days a week;
- complete a health risk assessment to identify health habits you can improve, learn about healthy lifestyle techniques and access health improvement resources;

- use the treatment cost estimator to obtain an estimate of the costs of various procedures in your area; and
- use the Hospital comparison tool to compare Hospitals in your area on various patient safety and quality measures.

Registering on www.myuhc.com

If you have not already registered as a **www.myuhc.com** subscriber, simply go to **www.myuhc.com** and click on "Register Now." Have your UnitedHealthcare ID card handy. The enrollment process is quick and easy.

Visit **www.myuhc.com** and:

- make real-time inquiries into the status and history of your claims;
- view eligibility and Plan Benefit information, including Copays and Annual Deductibles;
- view and print all of your Explanation of Benefits (EOBs) online; and
- order a new or replacement ID card or, print a temporary ID card.

Want to learn more about a condition or treatment?

Log on to **www.myuhc.com** and research health topics that are of interest to you. Learn about a specific condition, what the symptoms are, how it is diagnosed, how common it is, and what to ask your Physician.

Disease and Condition Management Services

Diabetes Prevention and Control

UnitedHealthcare provides two programs that identify, assess, and support members over the age of 18 living with diabetes or pre-diabetes. The program is designed to support members in preventing pre-diabetics from progressing to diabetes and assist members living with diabetes in controlling their condition and from developing complications.

The Diabetes Prevention Program (DPP) is available for members living with pre-diabetes and offers a 16 session lifestyle intervention that addresses diet, activity and behavior modification. The goal of this program is to slow and/or prevent the development of Type 2 diabetes through lifestyle management and weight loss and is available at local YMCAs.

The Diabetes Control Program (DCP) is available to members living with diabetes and offers face-to-face consultations with trained local pharmacists who will review diabetes history and medication, provide diabetes management education materials and assist individuals living with diabetes with managing their condition. The goal of this program is to reduce the risk of serious health complications through medication management and ongoing monitoring for complications.

Participation is completely voluntary and without extra charge. There are no Copays, Coinsurance or Deductibles that need to be met when services are received as part of the DPP or DCP programs. If you think you may be eligible to participate or would like additional information regarding the programs, please call the DPCA call center directly at 1-888-688-4019.

Disease Management Services

If you have been diagnosed with or are at risk for developing certain chronic medical conditions you may be eligible to participate in a disease management program at no cost to you. The heart failure, coronary artery disease, diabetes and asthma programs are designed to support you. This means that you will receive free educational information through the mail, and may even be called by a registered nurse who is a specialist in your specific medical condition. This nurse will be a resource to advise and help you manage your condition.

These programs offer:

- educational materials mailed to your home that provide guidance on managing your specific chronic medical condition. This may include information on symptoms, warning signs, self-management techniques, recommended exams and medications;
- access to educational and self-management resources on a consumer website;
- an opportunity for the disease management nurse to work with your Physician to ensure that you are receiving the appropriate care; and
- toll-free access to and one-on-one support from a registered nurse who specializes in your condition. Examples of support topics include:
 - education about the specific disease and condition,
 - medication management and compliance,
 - reinforcement of on-line behavior modification program goals,
 - preparation and support for upcoming Physician visits,
 - review of psychosocial services and community resources,
 - caregiver status and in-home safety,
 - use of mail-order pharmacy and Network providers.

Participation is completely voluntary and without extra charge. If you think you may be eligible to participate or would like additional information regarding the program, please contact the number on the back of your ID card.

HealtheNotesSM

UnitedHealthcare provides a service called HealtheNotes to help educate members and make suggestions regarding your medical care. HealtheNotes provides you and your Physician with suggestions regarding preventive care, testing or medications, potential interactions with medications you have been prescribed, and certain treatments. In addition, your HealtheNotes report may include health tips and other wellness information.

UnitedHealthcare makes these suggestions through a software program that provides retrospective, claims-based identification of medical care. Through this process patients are identified whose care may benefit from suggestions using the established standards of evidence based medicine as described in Section 14, *Glossary* under the definition of Covered Health Services.

If your Physician identifies any concerns after reviewing his or her HealtheNotes report, he or she may contact you if he or she believes it to be appropriate. In addition, you may use the information in your report to engage your Physician in discussions regarding your health

and the identified suggestions. Any decisions regarding your care, though, are always between you and your Physician.

If you have questions or would like additional information about this service, please call the number on the back of your ID card.

Wellness Programs

Healthy Pregnancy Program

If you are pregnant and enrolled in the medical Plan, you can get valuable educational information and advice by calling the toll-free number on your ID card. This program offers:

- pregnancy consultation to identify special needs;
- written and on-line educational materials and resources;
- 24-hour toll-free access to experienced maternity nurses;
- a phone call from a care coordinator during your Pregnancy, to see how things are going; and
- a phone call from a care coordinator approximately four weeks postpartum to give you information on infant care, feeding, nutrition, immunizations and more.

Participation is completely voluntary and without extra charge. To take full advantage of the program, you are encouraged to enroll within the first 12 weeks of Pregnancy. You can enroll any time, up to your 34th week. To enroll, call the toll-free number on the back of your ID card.

As a program participant, you can call any time, 24 hours a day, seven days a week, with any questions or concerns you might have.

SECTION 8 - EXCLUSIONS: WHAT THE MEDICAL PLAN WILL NOT COVER

What this section includes:

- Services, supplies and treatments that are not Covered Health Services, except as may be specifically provided for in Section 6, *Additional Coverage Details*.

The Plan does not pay Benefits for the following services, treatments or supplies even if they are recommended or prescribed by a provider or are the only available treatment for your condition.

When Benefits are limited within any of the Covered Health Services categories described in Section 6, *Additional Coverage Details*, those limits are stated in the corresponding Covered Health Service category in Section 5, *Plan Highlights*. Limits may also apply to some Covered Health Services that fall under more than one Covered Health Service category. When this occurs, those limits are also stated in Section 5, *Plan Highlights*. Please review all limits carefully, as the Plan will not pay Benefits for any of the services, treatments, items or supplies that exceed these benefit limits.

Please note that in listing services or examples, when the SPD says "this includes," or "including but not limiting to", it is not UnitedHealthcare's intent to limit the description to that specific list. When the Plan does intend to limit a list of services or examples, the SPD specifically states that the list "is limited to."

Alternative Treatments

1. acupressure
2. aromatherapy;
3. hypnotism;
4. massage therapy;
5. Rolfing (holistic tissue massage); and
6. art therapy, music therapy, dance therapy, horseback therapy and other forms of alternative treatment as defined by the National Center for Complementary and Alternative Medicine (NCCAM) of the National Institutes of Health. This exclusion does not apply to Manipulative Treatment and non-manipulative osteopathic care for which Benefits are provided as described in Section 6, *Additional Coverage Details*.

Dental

1. dental care, except as identified under *Dental Services - Accident Only* in Section 6, *Additional Coverage Details*;

Dental care that is required to treat the effects of a medical condition, but that is not necessary to directly treat the medical condition, is excluded. Examples include treatment

of dental caries resulting from dry mouth after radiation treatment or as a result of medication.

Endodontics, periodontal surgery and restorative treatment are excluded.

2. diagnosis or treatment of or related to the teeth, jawbones or gums. Examples include:
 - extractions (including wisdom teeth);
 - restoration and replacement of teeth;
 - medical or surgical treatments of dental conditions; and
 - services to improve dental clinical outcomes;

This exclusion does not apply to accident-related dental services for which Benefits are provided as described under *Dental Services – Accident Only* in Section 6, *Additional Coverage Details*.

3. dental implants, bone grafts, and other implant-related procedures;

This exclusion does not apply to accident-related dental services for which Benefits are provided as described under *Dental Services – Accident Only* in Section 6, *Additional Coverage Details*.

4. dental braces (orthodontics);
5. dental X-rays, supplies and appliances and all associated expenses, including hospitalizations and anesthesia; and

This exclusion does not apply to dental care (oral examination, X-rays, extractions and non-surgical elimination of oral infection) required for the direct treatment of a medical condition for which Benefits are available under the Plan, as identified in Section 6, *Additional Coverage Details*.

6. treatment of congenitally missing (when the cells responsible for the formation of the tooth are absent from birth), malpositioned or supernumerary (extra) teeth, even if part of a Congenital Anomaly such as cleft lip or cleft palate.

Devices, Appliances and Prosthetics

1. devices used specifically as safety items or to affect performance in sports-related activities;
2. orthotic appliances and devices that straighten or re-shape a body part, except as described under *Durable Medical Equipment (DME)* in Section 6, *Additional Coverage Details*:

Examples of excluded orthotic appliances and devices include but are not limited to, foot orthotics or any orthotic braces available over-the-counter.

3. cranial banding;
4. the following items are excluded, even if prescribed by a Physician:
 - blood pressure cuff/monitor;

- enuresis alarm;
 - non-wearable external defibrillator;
 - trusses;
 - ultrasonic nebulizers;
5. the repair and replacement of prosthetic devices when damaged due to misuse, malicious breakage or gross neglect;
 6. the replacement of lost or stolen prosthetic devices;
 7. devices and computers to assist in communication and speech except for speech aid devices and tracheo-esophageal voice devices for which Benefits are provided as described under *Durable Medical Equipment* in Section 6, *Additional Coverage Details* ; and
 8. oral appliances for snoring.

Drugs

The exclusions listed below apply to the medical portion of the Plan only. Prescription Drug coverage is excluded under the medical plan because it is a separate benefit. Coverage may be available under the prescription portion of the Plan, which is administered by Caremark. Please visit www.caremark.com or call the number on your ID Card for more information.

1. Prescription Drugs for outpatient use that are filled by a prescription order or refill;
2. self-injectable medications (This exclusion does not apply to medications which, due to their characteristics, as determined by UnitedHealthcare, must typically be administered or directly supervised by a qualified provider or licensed/certified health professional in an outpatient setting);
3. growth hormone therapy;
4. non-injectable medications given in a Physician's office except as required in an Emergency and consumed in the Physician's office; and
5. over the counter drugs and treatments.

Experimental or Investigational or Unproven Services

1. Experimental or Investigational Services or Unproven Services, unless the Plan has agreed to cover them as defined in Section 14, *Glossary*.

This exclusion applies even if Experimental or Investigational Services or Unproven Services, treatments, devices or pharmacological regimens are the only available treatment options for your condition.

Foot Care

1. routine foot care, except when needed for severe systemic disease or preventive foot care for Covered Persons with diabetes for which Benefits are provided as described under

Diabetes Services in Section 6, *Additional Coverage Details*. Routine foot care services that are not covered include:

- cutting or removal of corns and calluses;
- nail trimming or cutting; and
- debriding (removal of dead skin or underlying tissue);

2. hygienic and preventive maintenance foot care. Examples include:

- cleaning and soaking the feet;
- applying skin creams in order to maintain skin tone; and other services that are performed when there is not a localized Sickness, Injury or symptom involving the foot;

This exclusion does not apply to preventive foot care for Covered Persons who are at risk of neurological or vascular disease arising from diseases such as diabetes.

3. treatment of flat feet;
4. shoe inserts;
5. arch supports;
6. shoes (standard or custom), lifts and wedges; and
7. shoe orthotics.

Medical Supplies and Equipment

1. prescribed or non-prescribed medical supplies. Examples of supplies that are not covered include, but are not limited to:

- elastic stockings, ace bandages, diabetic strips, and syringes; and
- urinary catheters.

This exclusion does not apply to:

- ostomy bags and related supplies for which Benefits are provided as described under *Ostomy Supplies* in Section 6, *Additional Coverage Details*.
 - disposable supplies necessary for the effective use of Durable Medical Equipment for which Benefits are provided as described under *Diabetes Services* in Section 6, *Additional Coverage Details*; or
 - diabetic supplies for which Benefits are provided as described under *Diabetes Services* in Section 6, *Additional Coverage Details*.
2. tubings, nasal cannulas, connectors and masks except when used with Durable Medical Equipment;
 3. the repair and replacement of Durable Medical Equipment when damaged due to misuse, malicious breakage or gross neglect;

4. the replacement of lost or stolen Durable Medical Equipment; and
5. deodorants, filters, lubricants, tape, appliance cleaners, adhesive, adhesive remover or other items that are not specifically identified under *Ostomy Supplies* in Section 6, *Additional Coverage Details*.

Mental Health/Substance Use Disorder

In addition to all other exclusions listed in this Section 8, *Exclusions*, the exclusions listed directly below apply to services described under *Mental Health Services*, *Neurobiological Disorders - Autism Spectrum Disorder Services* and/or *Substance Use Disorder Services* in Section 6, *Additional Coverage Details*.

1. services performed in connection with conditions not classified in the current edition of the Diagnostic and Statistical Manual of the American Psychiatric Association;
2. services or supplies for the diagnosis or treatment of Mental Illness, alcoholism or substance-related and addictive disorders that, in the reasonable judgment of the Mental Health/Substance Use Disorder Administrator, are any of the following:
 - not consistent with generally accepted standards of medical practice for the treatment of such conditions;
 - not consistent with services backed by credible research soundly demonstrating that the services or supplies will have a measurable and beneficial health outcome, and therefore considered experimental;
 - not consistent with the Mental Health/Substance Use Disorder Administrator's level of care guidelines or best practices as modified from time to time; or
 - not clinically appropriate for the patient's Mental Illness, substance-related and addictive disorder or condition based on generally accepted standards of medical practice and benchmarks.
3. Mental Health Services as treatments for R and T-code conditions as listed within the current edition of the Diagnostic and Statistical Manual of the American Psychiatric Association;
4. Mental Health Services as treatment for a primary diagnosis of insomnia other sleep-wake disorders, feeding disorders, binge eating disorders, neurological disorders and other disorders with a known physical basis;
5. treatments for the primary diagnoses of learning disabilities, conduct and impulse control disorders, personality disorders and paraphilic disorders;
6. educational/behavioral services that are focused on primarily building skills and capabilities in communication, social interaction and learning;
7. tuition for or services that are school-based for children and adolescents under the Individuals with Disabilities Education Act;

8. learning, motor disorders and primary communication disorders as defined in the current edition of the Diagnostic and Statistical Manual of the American Psychiatric Association;
9. intellectual disabilities as a primary diagnosis defined in the current edition of the Diagnostic and Statistical Manual of the American Psychiatric Association;
14. Mental Health Services as a treatment for other conditions that may be a focus of clinical attention as listed in the current edition of the *Diagnostic and Statistical Manual of the American Psychiatric Association*.
15. All unspecified disorders in the current edition of the Diagnostic and Statistical Manual of the American Psychiatric Association.
16. methadone treatment as maintenance, L.A.A.M. (1-Alpha-Acetyl-Methadol), Cyclazocine, or their equivalents for drug addiction; and
17. any treatments or other specialized services designed for Autism Spectrum Disorder that are not backed by credible research demonstrating that the services or supplies have a measurable and beneficial health outcome and therefore considered Experimental or Investigational or Unproven Services.

Nutrition

1. nutritional or cosmetic therapy using high dose or mega quantities of vitamins, minerals or elements, and other nutrition based therapy;
2. nutritional counseling for either individuals or groups, except as identified under *Diabetes Services*, and except as defined under *Nutritional Counseling* in Section 6, *Additional Coverage Details*;
3. food of any kind. Foods that are not covered include:
 - enteral feedings and other nutritional and electrolyte formulas, including infant formula and donor breast milk, even if they are the only source of nutrition and even if they are specifically created to treat inborn errors of metabolism such as phenylketonuria (PKU). Infant formula available over the counter is always excluded;
 - foods to control weight, treat obesity (including liquid diets), lower cholesterol or control diabetes;
 - oral vitamins and minerals;
 - meals you can order from a menu, for an additional charge, during an Inpatient Stay; and
 - other dietary and electrolyte supplements; and
4. health education classes unless offered by UnitedHealthcare or its affiliates, including but not limited to asthma, smoking cessation, and weight control classes.

Personal Care, Comfort or Convenience

1. television;
2. telephone;
3. beauty/barber service;
4. guest service;
5. supplies, equipment and similar incidentals for personal comfort. Examples include:
 - air conditioners;
 - air purifiers and filters;
 - batteries and battery chargers;
 - dehumidifiers and humidifiers;
 - ergonomically correct chairs;
 - non-Hospital beds, comfort beds, motorized beds and mattresses;
 - breast pumps. This exclusion does not apply to breast pumps for which Benefits are provided under the Health Resources and Services Administration (HRSA) requirement;
 - car seats;
 - chairs, bath chairs, feeding chairs, toddler chairs, chair lifts and recliners;
 - electric scooters;
 - exercise equipment and treadmills;
 - hot tubs, Jacuzzis, saunas and whirlpools;
 - medical alert systems;
 - music devices;
 - personal computers;
 - pillows;
 - power-operated vehicles;
 - radios;
 - strollers;
 - safety equipment;
 - vehicle modifications such as van lifts;
 - video players; and
 - home modifications to accommodate a health need (including, but not limited to, ramps, swimming pools, elevators, handrails, and stair glides).

Physical Appearance

1. Cosmetic Procedures, as defined in Section 14, *Glossary*, are excluded from coverage. Examples include:
 - liposuction or removal of fat deposits considered undesirable, including fat accumulation under the male breast and nipple;
 - pharmacological regimens;
 - nutritional procedures or treatments;

- tattoo or scar removal or revision procedures (such as salabrasion, chemosurgery and other such skin abrasion procedures);
 - hair removal or replacement by any means;
 - treatments for skin wrinkles or any treatment to improve the appearance of the skin;
 - treatment for spider veins;
 - skin abrasion procedures performed as a treatment for acne;
 - treatments for hair loss;
 - varicose vein treatment of the lower extremities, when it is considered cosmetic; and
 - replacement of an existing intact breast implant if the earlier breast implant was performed as a Cosmetic Procedure;
2. physical conditioning programs such as athletic training, bodybuilding, exercise, fitness, flexibility, health club memberships and programs, spa treatments, and diversion or general motivation;
 3. weight loss programs whether or not they are under medical supervision or for medical reasons, even if for morbid obesity; and
 4. treatment of benign gynecomastia (abnormal breast enlargement in males).

Procedures and Treatments

1. biofeedback;
2. medical and surgical treatment of snoring, except when provided as a part of treatment for documented obstructive sleep apnea (a sleep disorder in which a person regularly stops breathing for 10 seconds or longer);
3. rehabilitation services and Manipulative Treatment to improve general physical condition that are provided to reduce potential risk factors, where significant therapeutic improvement is not expected, including but not limited to routine, long-term or maintenance/preventive treatment;;
4. speech therapy to treat stuttering, stammering, or other articulation disorders;
5. speech therapy, except when required for treatment of a speech impediment or speech dysfunction that results from Injury, stroke, cancer, a Congenital Anomaly or Autism Spectrum Disorders as identified under *Rehabilitation Services – Outpatient Therapy and Manipulative Treatment* in Section 6, *Additional Coverage Details*;
6. a procedure or surgery to remove fatty tissue such as panniculectomy, abdominoplasty, thighplasty, brachioplasty, or mastopexy;
7. excision or elimination of hanging skin on any part of the body (examples include plastic surgery procedures called abdominoplasty or abdominal panniculectomy and brachioplasty);
8. psychosurgery (lobotomy);

9. treatment of tobacco dependency;
10. chelation therapy, except to treat heavy metal poisoning;
11. Manipulative Treatment to treat a condition unrelated to spinal manipulation and ancillary physiologic treatment rendered to restore/improve motion, reduce pain and improve function, alignment of the vertebral column, such as asthma or allergies;
12. physiological modalities and procedures that result in similar or redundant therapeutic effects when performed on the same body region during the same visit or office encounter;
13. sex transformation operations;
14. the following treatments for obesity:
 - non-surgical treatment, even if for morbid obesity; and
 - surgical treatment of obesity unless there is a diagnosis of morbid obesity as described under *Obesity Surgery* in Section 6, *Additional Coverage Details*;
15. medical and surgical treatment of hyperhidrosis (excessive sweating);
16. the following services for the diagnosis and treatment of TMJ: surface electromyography; Doppler analysis; vibration analysis; computerized mandibular scan or jaw tracking; craniosacral therapy; orthodontics; occlusal adjustment; dental restorations;
17. upper and lower jawbone surgery except as required for direct treatment of acute traumatic Injury, dislocation, tumor or cancer. Orthognathic surgery (procedure to correct underbite or overbite) and jaw alignment, except as treatment of obstructive sleep apnea; and
18. breast reduction except as coverage is required by the Women's Health and Cancer Right's Act of 1998 for which Benefits are described under *Reconstructive Procedures* in Section 6, *Additional Coverage Details*.

Providers

Services:

1. performed by a provider who is a family member by birth or marriage, including your Spouse, brother, sister, parent or child;
2. a provider may perform on himself or herself;
3. performed by a provider with your same legal residence;
4. ordered or delivered by a Christian Science practitioner;
5. performed by an unlicensed provider or a provider who is operating outside of the scope of his/her license;

6. provided at a diagnostic facility (Hospital or free-standing) without a written order from a provider;
7. which are self-directed to a free-standing or Hospital-based diagnostic facility; and
8. ordered by a provider affiliated with a diagnostic facility (Hospital or free-standing), when that provider is not actively involved in your medical care:
 - prior to ordering the service; or
 - after the service is received.

This exclusion does not apply to mammography testing.

Reproduction

1. health services and associated expenses for infertility treatments, including assisted reproductive technology, regardless of the reason for the treatment

This exclusion does not apply to services required to treat or correct underlying causes of infertility.

2. storage and retrieval of all reproductive materials (examples include eggs, sperm, testicular tissue and ovarian tissue);
3. surrogate parenting, donor eggs, donor sperm and host uterus;
4. the reversal of voluntary sterilization;
5. artificial reproductive treatments done for genetic or eugenic (selective breeding) purposes;
6. prenatal, labor and delivery coverage for enrolled Dependent children except those that have Complications of Pregnancy as defined in Section 14, Glossary;
7. fetal reduction surgery;
8. elective surgical, non-surgical or drug induced Pregnancy termination;

This exclusion does not apply to treatment of a molar Pregnancy, ectopic Pregnancy, or missed abortion (commonly known as a miscarriage).

9. services provided by a doula (labor aide); and
10. parenting or birthing classes.

Services Provided under Another Plan

Services for which coverage is available:

1. under another plan, except for Eligible Expenses payable as described in Section 10, *Coordination of Benefits (COB)*;

2. under workers' compensation, no-fault automobile coverage or similar legislation if you could elect it, or could have it elected for you;
3. while on active military duty; and
4. for treatment of military service-related disabilities when you are legally entitled to other coverage, and facilities are reasonably accessible.

Transplants

1. health services for organ and tissue transplants, except as identified under *Transplantation Services* in Section 6, *Additional Coverage Details* unless UnitedHealthcare determines the transplant to be appropriate according to UnitedHealthcare's transplant guidelines;
2. mechanical or animal organ transplants, except services related to the implant or removal of a circulatory assist device (a device that supports the heart while the patient waits for a suitable donor heart to become available);
3. transplants that are not performed at a Designated Facility (this exclusion does not apply to cornea transplants); and
4. donor costs for organ or tissue transplantation to another person (these costs may be payable through the recipient's benefit plan).

Travel

1. health services provided in a foreign country, unless required as Emergency Health Services; and
2. travel or transportation expenses, even if ordered by a Physician, except as identified under *Travel and Lodging* in Section 6, *Additional Coverage Details*. Additional travel expenses related to Covered Health Services received from a Designated Facility or Designated Physician may be reimbursed at the Plan's discretion.

Treatment of Gender Identity Disorder

1. reversal of genital surgery or reversal of surgery to revise secondary sex characteristics;
2. sperm preservation in advance of hormone treatment or gender surgery;
3. cryopreservation of fertilized embryos;
4. voice modification surgery; and
5. facial feminization surgery, including but not limited to: facial bone reduction, face "lift," facial hair removal, and certain facial plastic procedures.

Types of Care

1. Custodial Care as defined in Section 14, *Glossary* or maintenance care;
2. Domiciliary Care, as defined in Section 14, *Glossary*;
3. multi-disciplinary pain management programs provided on an inpatient basis for acute pain or for exacerbation of chronic pain;
4. Private Duty Nursing received on an inpatient basis;
5. respite care. This exclusion does not apply to respite care that is part of an integrated hospice care program of services provided to a terminally ill person by a licensed hospice care agency for which Benefits are described under *Hospice Care* in Section 6, *Additional Coverage Details*;
6. rest cures;
7. services of personal care attendants; and
8. work hardening (individualized treatment programs designed to return a person to work or to prepare a person for specific work).

Vision and Hearing

1. routine vision examinations, including refractive examinations to determine the need for vision correction;
2. implantable lenses used only to correct a refractive error (such as Intacs corneal implants);
3. purchase cost and associated fitting charges for eyeglasses or contact lenses;
4. purchase cost and associated fitting and testing charges for hearing aids, Bone Anchor Hearing Aids (BAHA) and all other hearing assistive devices;
5. eye exercise or vision therapy; and
6. surgery and other related treatment that is intended to correct nearsightedness, farsightedness, presbyopia and astigmatism including, but not limited to, procedures such as laser and other refractive eye surgery and radial keratotomy.

All Other Exclusions

1. autopsies and other coroner services and transportation services for a corpse;
2. charges for:
 - missed appointments;
 - room or facility reservations;
 - completion of claim forms; or

- record processing.
3. charges prohibited by federal anti-kickback or self-referral statutes;
 4. diagnostic tests that are:
 - delivered in other than a Physician's office or health care facility; and
 - self-administered home diagnostic tests, including but not limited to HIV and Pregnancy tests;
 5. expenses for health services and supplies:
 - that do not meet the definition of a Covered Health Service in Section 14, Glossary;
 - that are received as a result of war or any act of war, whether declared or undeclared, while part of any armed service force of any country. This exclusion does not apply to Covered Persons who are civilians injured or otherwise affected by war, any act of war or terrorism in a non-war zone;
 - that are received after the date your coverage under this Plan ends, including health services for medical conditions which began before the date your coverage under the Plan ends;
 - for which you have no legal responsibility to pay, or for which a charge would not ordinarily be made in the absence of coverage under this Benefit Plan; or
 - that exceed Eligible Expenses or any specified limitation in this SPD;
 6. foreign language and sign language services;
 7. long term (more than 30 days) storage of blood, umbilical cord or other material. Examples include cryopreservation of tissue, blood and blood products; and
 8. physical, psychiatric or psychological exams, testing, vaccinations, immunizations or treatments when:
 - required solely for purposes of education, sports or camp, insurance, marriage or adoption; or as a result of incarceration;
 - conducted for purposes of medical research;
 - related to judicial or administrative proceedings or orders; or
 - required to obtain or maintain a license of any type.
 9. multi-disciplinary pain management programs provided on an inpatient basis for acute pain or for exacerbation of chronic pain.

SECTION 9 - CLAIMS PROCEDURES

What this section includes:

- How Network and non-Network claims work; and
- What to do if your claim is denied, in whole or in part.

Network Benefits

In general, if you receive Covered Health Services from a Network provider, UnitedHealthcare will pay the Physician or facility directly. If a Network provider bills you for any Covered Health Service other than your Copay or Coinsurance, please contact the provider or call UnitedHealthcare at the phone number on your ID card for assistance.

Keep in mind, you are responsible for meeting the Annual Deductible and paying any Copay or Coinsurance owed to a Network provider at the time of service, or when you receive a bill from the provider.

Non-Network Benefits

If you receive a bill for Covered Health Services from a non-Network provider as a result of an Emergency, you (or the provider if they prefer) must send the bill to UnitedHealthcare for processing. To make sure the claim is processed promptly and accurately, a completed claim form must be attached and mailed to UnitedHealthcare at the address on the back of your ID card.

Prescription Drug Benefit Claims

Prescription coverage is available through Caremark. For information on submitting your outpatient prescription drug claims, call the toll-free number on your ID Card or visit www.caremark.com.

If Your Provider Does Not File Your Claim

You can obtain a claim form by visiting www.myuhc.com, calling the toll-free number on your ID card or contacting City of Dallas Benefit Service Center. If you do not have a claim form, simply attach a brief letter of explanation to the bill, and verify that the bill contains the information listed below. If any of these items are missing from the bill, you can include them in your letter:

- your name and address;
- the patient's name, age and relationship to the Participant;
- the number as shown on your ID card;
- the name, address and tax identification number of the provider of the service(s);
- a diagnosis from the Physician;
- the date of service;

- an itemized bill from the provider that includes:
 - the Current Procedural Terminology (CPT) codes;
 - a description of, and the charge for, each service;
 - the date the Sickness or Injury began; and
 - a statement indicating either that you are, or you are not, enrolled for coverage under any other health insurance plan or program. If you are enrolled for other coverage you must include the name and address of the other carrier(s).

Failure to provide all the information listed above may delay any reimbursement that may be due you.

For medical claims, the above information should be filed with UnitedHealthcare[®] at the address on your ID card. When filing a claim for outpatient Prescription Drug Product Benefits, submit your claim to the pharmacy benefit manager claims address noted on your ID card.

After UnitedHealthcare has processed your claim, you will receive payment for Benefits that the Plan allows. It is your responsibility to pay the provider the charges you incurred, including any difference between what you were billed and what the Plan paid.

You may not assign your Benefits under the Plan to a provider without UnitedHealthcare's consent. When you assign your Benefits under the Plan to a provider with UnitedHealthcare's consent, and the provider submits a claim for payment, you and the provider represent and warrant that the Covered Health Services were actually provided and were medically appropriate.

When UnitedHealthcare has not consented to an assignment, UnitedHealthcare will send the reimbursement directly to you (the Participant) for you to reimburse the provider upon receipt of their bill. However, UnitedHealthcare reserves the right, in its discretion, to pay the provider directly for services rendered to you. When exercising its discretion with respect to payment, UnitedHealthcare may consider whether you have requested that payment of your Benefits be made directly to the provider. Under no circumstances will UnitedHealthcare pay Benefits to anyone other than you or, in its discretion, your provider. Direct payment to a provider shall not be deemed to constitute consent by UnitedHealthcare to an assignment or to waive the consent requirement. When UnitedHealthcare in its discretion directs payment to a provider, you remain the sole beneficiary of the payment, and the provider does not thereby become a beneficiary. Accordingly, legally required notices concerning your Benefits will be directed to you, although UnitedHealthcare may in its discretion send information concerning the Benefits to the provider as well. If payment to a provider is made, the Plan reserves the right to offset Benefits to be paid to the provider by any amounts that the provider owes the Plan, pursuant to *Refund of Overpayments* in Section 10, *Coordination of Benefits*.

Health Statements

Each month in which UnitedHealthcare processes at least one claim for you or a covered Dependent, you will receive a Health Statement in the mail. Health Statements make it easy for you to manage your family's medical costs by providing claims information in easy-to-understand terms.

If you would rather track claims for yourself and your covered Dependents online, you may do so at www.myuhc.com. You may also elect to discontinue receipt of paper Health Statements by making the appropriate selection on this site.

Explanation of Benefits (EOB)

You may request that UnitedHealthcare send you a paper copy of an Explanation of Benefits (EOB) after processing the claim. The EOB will let you know if there is any portion of the claim you need to pay. If any claims are denied in whole or in part, the EOB will include the reason for the denial or partial payment. If you would like paper copies of the EOBs, you may call the toll-free number on your ID card to request them. You can also view and print all of your EOBs online at www.myuhc.com. See Section 14, *Glossary* for the definition of Explanation of Benefits.

Important - Timely Filing of Claims

All claim forms must be submitted within 12 months after the date of service. Otherwise, the Plan will not pay any Benefits for that Eligible Expense, or Benefits will be reduced, as determined by City of Dallas. This 12-month requirement does not apply if you are legally incapacitated. If your claim relates to an Inpatient Stay, the date of service is the date your Inpatient Stay ends.

Claim Denials and Appeals

If Your Claim is Denied

If a claim for Benefits is denied in part or in whole, you may call UnitedHealthcare at the number on your ID card before requesting a formal appeal. If UnitedHealthcare cannot resolve the issue to your satisfaction over the phone, you have the right to file a formal appeal as described below.

How to Appeal a Denied Claim

If you wish to appeal a denied pre-service request for Benefits, post-service claim or a rescission of coverage determination as described below, you or your authorized representative must submit your appeal in writing within 180 days of receiving the denial. This written communication should include:

- the patient's name and ID number as shown on the ID card;
- the provider's name;
- the date of medical service;
- the reason you disagree with the denial; and
- any documentation or other written information to support your request.

You or your enrolled Dependent may send a written request for an appeal to:

UnitedHealthcare - Appeals
 P.O. Box 30432
 Salt Lake City, Utah 84130-0432

Customer Service: 800-736-1364

For Urgent Care requests for Benefits that have been denied, you or your provider can call UnitedHealthcare at the toll-free number on your ID card to request an appeal.

Types of claims

The timing of the claims appeal process is based on the type of claim you are appealing. If you wish to appeal a claim, it helps to understand whether it is an:

- urgent care request for Benefits;
- pre-service request for Benefits;
- post-service claim; or
- concurrent claim.

Review of an Appeal

UnitedHealthcare will conduct a full and fair review of your appeal. The appeal may be reviewed by:

- an appropriate individual(s) who did not make the initial benefit determination; and
- a health care professional with appropriate expertise who was not consulted during the initial benefit determination process.

Once the review is complete, if UnitedHealthcare upholds the denial, you will receive a written explanation of the reasons and facts relating to the denial.

Filing a Second Appeal

Your Plan offers two levels of appeal. If you are not satisfied with the first level appeal decision, you have the right to request a second level appeal from City of Dallas within 60 days from receipt of the first level appeal determination. City of Dallas must notify you of the appeal determination within 15 days after receiving the completed appeal for a pre-service denial and 30 days after receiving the completed post-service appeal.

Note: Upon written request and free of charge, any Covered Persons may examine documents relevant to their claim and/or appeals and submit opinions and comments. City of Dallas will review all claims in accordance with the rules established by the U.S. Department of Labor. City of Dallas's decision will be final.

Federal External Review Program

If, after exhausting your internal appeals, you are not satisfied with the determination made by City of Dallas, or if City of Dallas fails to respond to your appeal in accordance with

applicable regulations regarding timing, you may be entitled to request an external review of City of Dallas' determination. The process is available at no charge to you.

If one of the above conditions is met, you may request an external review of adverse benefit determinations based upon any of the following:

- clinical reasons;
- the exclusions for Experimental or Investigational Services or Unproven Services;
- rescission of coverage (coverage that was cancelled or discontinued retroactively); or
- as otherwise required by applicable law.

You or your representative may request a standard external review by sending a written request to the address set out in the determination letter. You or your representative may request an expedited external review, in urgent situations as detailed below, by calling the toll-free number on your ID card or by sending a written request to the address set out in the determination letter. A request must be made within four months after the date you received City of Dallas' decision.

An external review request should include all of the following:

- a specific request for an external review;
- the Covered Person's name, address, and insurance ID number;
- your designated representative's name and address, when applicable;
- the service that was denied; and
- any new, relevant information that was not provided during the internal appeal.

An external review will be performed by an Independent Review Organization (IRO). UnitedHealthcare has entered into agreements with three or more IROs that have agreed to perform such reviews. There are two types of external reviews available:

- a standard external review; and
- an expedited external review.

Standard External Review

A standard external review is comprised of all of the following:

- a preliminary review by UnitedHealthcare of the request;
- a referral of the request by UnitedHealthcare to the IRO; and
- a decision by the IRO.

Within the applicable timeframe after receipt of the request, UnitedHealthcare will complete a preliminary review to determine whether the individual for whom the request was submitted meets all of the following:

- is or was covered under the Plan at the time the health care service or procedure that is at issue in the request was provided;
- has exhausted the applicable internal appeals process; and
- has provided all the information and forms required so that UnitedHealthcare may process the request.

After UnitedHealthcare completes the preliminary review, UnitedHealthcare will issue a notification in writing to you. If the request is eligible for external review, UnitedHealthcare will assign an IRO to conduct such review. UnitedHealthcare will assign requests by either rotating claims assignments among the IROs or by using a random selection process.

The IRO will notify you in writing of the request's eligibility and acceptance for external review. You may submit in writing to the IRO within ten business days following the date of receipt of the notice additional information that the IRO will consider when conducting the external review. The IRO is not required to, but may, accept and consider additional information submitted by you after ten business days.

UnitedHealthcare will provide to the assigned IRO the documents and information considered in making City of Dallas' determination. The documents include:

- all relevant medical records;
- all other documents relied upon by City of Dallas; and
- all other information or evidence that you or your Physician submitted. If there is any information or evidence you or your Physician wish to submit that was not previously provided, you may include this information with your external review request and UnitedHealthcare will include it with the documents forwarded to the IRO.

In reaching a decision, the IRO will review the claim anew and not be bound by any decisions or conclusions reached by City of Dallas. The IRO will provide written notice of its determination (the "Final External Review Decision") within 45 days after it receives the request for the external review (unless they request additional time and you agree). The IRO will deliver the notice of Final External Review Decision to you and UnitedHealthcare, and it will include the clinical basis for the determination.

Upon receipt of a Final External Review Decision reversing City of Dallas' determination, the Plan will immediately provide coverage or payment for the benefit claim at issue in accordance with the terms and conditions of the Plan, and any applicable law regarding plan remedies. If the Final External Review Decision is that payment or referral will not be made, the Plan will not be obligated to provide Benefits for the health care service or procedure.

Expedited External Review

An expedited external review is similar to a standard external review. The most significant difference between the two is that the time periods for completing certain portions of the review process are much shorter, and in some instances you may file an expedited external review before completing the internal appeals process.

You may make a written or verbal request for an expedited external review if you receive either of the following:

- an adverse benefit determination of a claim or appeal if the adverse benefit determination involves a medical condition for which the time frame for completion of an expedited internal appeal would seriously jeopardize the life or health of the individual or would jeopardize the individual's ability to regain maximum function and you have filed a request for an expedited internal appeal; or
- a final appeal decision, if the determination involves a medical condition where the timeframe for completion of a standard external review would seriously jeopardize the life or health of the individual or would jeopardize the individual's ability to regain maximum function, or if the final appeal decision concerns an admission, availability of care, continued stay, or health care service, procedure or product for which the individual received emergency services, but has not been discharged from a facility.

Immediately upon receipt of the request, UnitedHealthcare will determine whether the individual meets both of the following:

- is or was covered under the Plan at the time the health care service or procedure that is at issue in the request was provided.
- has provided all the information and forms required so that UnitedHealthcare may process the request.

After UnitedHealthcare completes the review, UnitedHealthcare will immediately send a notice in writing to you. Upon a determination that a request is eligible for expedited external review, UnitedHealthcare will assign an IRO in the same manner UnitedHealthcare utilizes to assign standard external reviews to IROs. UnitedHealthcare will provide all necessary documents and information considered in making the adverse benefit determination or final adverse benefit determination to the assigned IRO electronically or by telephone or facsimile or any other available expeditious method. The IRO, to the extent the information or documents are available and the IRO considers them appropriate, must consider the same type of information and documents considered in a standard external review.

In reaching a decision, the IRO will review the claim anew and not be bound by any decisions or conclusions reached by City of Dallas. The IRO will provide notice of the final external review decision for an expedited external review as expeditiously as the claimant's medical condition or circumstances require, but in no event more than 72 hours after the IRO receives the request. If the initial notice is not in writing, within 48 hours after the date of providing the initial notice, the assigned IRO will provide written confirmation of the decision to you and to UnitedHealthcare.

You may contact UnitedHealthcare at the toll-free number on your ID card for more information regarding external review rights, or if making a verbal request for an expedited external review.

Timing of Appeals Determinations

Separate schedules apply to the timing of claims appeals, depending on the type of claim. There are three types of claims:

- Urgent Care request for Benefits - a request for Benefits provided in connection with Urgent Care services, as defined in Section 14, *Glossary*;
- Pre-Service request for Benefits - a request for Benefits which the Plan must approve or in which you must notify UnitedHealthcare before non-Urgent Care is provided; and
- Post-Service - a claim for reimbursement of the cost of non-Urgent Care that has already been provided.

The tables below describe the time frames which you and UnitedHealthcare are required to follow.

Pre-Service Request for Benefits	
Type of Request for Benefits or Appeal	Timing
If your request for Benefits is incomplete, UnitedHealthcare must notify you within:	15 days
You must then provide completed request for Benefits information to UnitedHealthcare within:	45 days
If UnitedHealthcare denies your initial request for Benefits, they must notify you of the denial:	
■ if the initial request for Benefits is complete, within:	15 days
■ after receiving the completed request for Benefits (if the initial request for Benefits is incomplete), within:	15 days
You must appeal the request for Benefits denial no later than:	180 days after receiving the denial
UnitedHealthcare must notify you of the first level appeal decision within:	15 days after receiving the first level appeal
You must appeal the first level appeal (file a second level appeal) within:	60 days after receiving the first level appeal decision

Pre-Service Request for Benefits	
Type of Request for Benefits or Appeal	Timing
City of Dallas must notify you of the second level appeal decision within:	15 days after receiving the second level appeal**

*UnitedHealthcare may require a one-time extension of no more than 15 days only if more time is needed due to circumstances beyond their control.

**City of Dallas may require a one-time extension of no more than 15 days only if more time is needed due to circumstances beyond their control.

Post-Service Claims	
Type of Claim or Appeal	Timing
If your claim is incomplete, UnitedHealthcare must notify you within:	30 days
You must then provide completed claim information to UnitedHealthcare within:	45 days
If UnitedHealthcare denies your initial claim, they must notify you of the denial:	
■ if the initial claim is complete, within:	30 days
■ after receiving the completed claim (if the initial claim is incomplete), within:	30 days
You must appeal the claim denial no later than:	180 days after receiving the denial
UnitedHealthcare must notify you of the first level appeal decision within:	30 days after receiving the first level appeal
You must appeal the first level appeal (file a second level appeal) within:	60 days after receiving the first level appeal decision
City of Dallas must notify you of the second level appeal decision within:	30 days after receiving the second level appeal*

Post-Service Claims	
Type of Claim or Appeal	Timing

*UnitedHealthcare may be entitled to a one-time extension of no more than 15 days only if more time is needed due to circumstances beyond their control.

**City of Dallas may require a one-time extension of no more than 15 days only if more time is needed due to circumstances beyond their control.

Concurrent Care Claims

If an on-going course of treatment was previously approved for a specific period of time or number of treatments, and your request to extend the treatment is an Urgent Care request for Benefits as defined above, your request will be decided within 24 hours, provided your request is made at least 24 hours prior to the end of the approved treatment.

UnitedHealthcare will make a determination on your request for the extended treatment within 24 hours from receipt of your request.

If your request for extended treatment is not made at least 24 hours prior to the end of the approved treatment, the request will be treated as an Urgent Care request for Benefits and decided according to the timeframes described above. If an on-going course of treatment was previously approved for a specific period of time or number of treatments, and you request to extend treatment in a non-urgent circumstance, your request will be considered a new request and decided according to post-service or pre-service timeframes, whichever applies.

Limitation of Action

You cannot bring any legal action against City of Dallas or the Claims Administrator to recover reimbursement until 90 days after you have properly submitted a request for reimbursement as described in this section and all required reviews of your claim have been completed. If you want to bring a legal action against City of Dallas or the Claims Administrator, you must do so within three years from the expiration of the time period in which a request for reimbursement must be submitted or you lose any rights to bring such an action against City of Dallas or the Claims Administrator.

You cannot bring any legal action against City of Dallas or the Claims Administrator for any other reason unless you first complete all the steps in the appeal process described in this section. After completing that process, if you want to bring a legal action against City of Dallas or the Claims Administrator you must do so within three years of the date you are notified of our final decision on your appeal or you lose any rights to bring such an action against City of Dallas or the Claims Administrator.

SECTION 10 - COORDINATION OF BENEFITS (COB)

What this section includes:

- How your Benefits under this Plan coordinate with other medical plans;
- How coverage is affected if you become eligible for Medicare; and
- Procedures in the event the Plan overpays Benefits.

Coordination of Benefits (COB) applies to you if you are covered by more than one health benefits plan, including any one of the following:

- another employer sponsored health benefits plan;
- a medical component of a group long-term care plan, such as skilled nursing care;
- no-fault or traditional "fault" type medical payment benefits or personal injury protection benefits under an auto insurance policy;
- medical payment benefits under any premises liability or other types of liability coverage; or
- Medicare or other governmental health benefit.

If coverage is provided under two or more plans, COB determines which plan is primary and which plan is secondary. The plan considered primary pays its benefits first, without regard to the possibility that another plan may cover some expenses. Any remaining expenses may be paid under the other plan, which is considered secondary. The secondary plan may determine its benefits based on the benefits paid by the primary plan.

Don't forget to update your Dependents' Medical Coverage Information

Avoid delays on your Dependent claims by updating your Dependent's medical coverage information. Just log on to www.myuhc.com or call the toll-free number on your ID card to update your COB information. You will need the name of your Dependent's other medical coverage, along with the policy number.

Determining Which Plan is Primary

If you are covered by two or more plans, the benefit payment follows the rules below in this order:

- this Plan will always be secondary to medical payment coverage or personal injury protection coverage under any auto liability or no-fault insurance policy;
- when you have coverage under two or more medical plans and only one has COB provisions, the plan without COB provisions will pay benefits first;
- a plan that covers a person as an employee pays benefits before a plan that covers the person as a dependent;
- if you are receiving COBRA continuation coverage under another employer plan, this Plan will pay Benefits first;

- your dependent children will receive primary coverage from the parent whose birth date occurs first in a calendar year. If both parents have the same birth date, the plan that pays benefits first is the one that has been in effect the longest. This birthday rule applies only if:
 - the parents are married or living together whether or not they have ever been married and not legally separated; or
 - a court decree awards joint custody without specifying that one party has the responsibility to provide health care coverage;
- if two or more plans cover a dependent child of divorced or separated parents and if there is no court decree stating that one parent is responsible for health care, the child will be covered under the plan of:
 - the parent with custody of the child; then
 - the Spouse of the parent with custody of the child; then
 - the parent not having custody of the child; then
 - the Spouse of the parent not having custody of the child;
- plans for active employees pay before plans covering laid-off or retired employees;
- the plan that has covered the individual claimant the longest will pay first; Only expenses normally paid by the Plan will be paid under COB; and
- finally, if none of the above rules determines which plan is primary or secondary, the allowable expenses shall be shared equally between the plans meeting the definition of Plan. In addition, this Plan will not pay more than it would have paid had it been the primary Plan.

The following examples illustrate how the Plan determines which plan pays first and which plan pays second.

Determining Primary and Secondary Plan – Examples

- 1) Let's say you and your Spouse both have family medical coverage through your respective employers. You are unwell and go to see a Physician. Since you're covered as a Participant under this Plan, and as a Dependent under your Spouse's plan, this Plan will pay Benefits for the Physician's office visit first.
- 2) Again, let's say you and your Spouse both have family medical coverage through your respective employers. You take your Dependent child to see a Physician. This Plan will look at your birthday and your Spouse's birthday to determine which plan pays first. If you were born on June 11 and your Spouse was born on May 30, your Spouse's plan will pay first.

When This Plan is Secondary

If this Plan is secondary, it determines the amount it will pay for a Covered Health Service by following the steps below.

- the Plan determines the amount it would have paid based on the primary plan's allowable expense.
- if this Plan would have paid less than the primary plan paid, the Plan pays no Benefits.

- if this Plan would have paid more than the primary plan paid, the Plan will pay the difference.

The maximum combined payment you can receive from all plans may be less than 100% of the total allowable expense.

Determining the Allowable Expense When This Plan is Secondary

When this Plan is secondary, the allowable expense is the primary plan's Network rate. If the primary plan bases its reimbursement on reasonable and customary charges, the allowable expense is the primary plan's reasonable and customary charge. If both the primary plan and this Plan do not have a contracted rate, the allowable expense will be the greater of the two plans' reasonable and customary charges.

What is an allowable expense?

For purposes of COB, an allowable expense is a health care expense that is covered at least in part by one of the health benefit plans covering you.

When a Covered Person Qualifies for Medicare

Determining Which Plan is Primary

To the extent permitted by law, this Plan will pay Benefits second to Medicare when you become eligible for Medicare, even if you don't elect it. There are, however, Medicare-eligible individuals for whom the Plan pays Benefits first and Medicare pays benefits second:

- employees with active current employment status age 65 or older and their Spouses age 65 or older; and
- individuals with end-stage renal disease, for a limited period of time.

Determining the Allowable Expense When This Plan is Secondary

If this Plan is secondary to Medicare, the Medicare approved amount is the allowable expense, as long as the provider accepts Medicare. If the provider does not accept Medicare, the Medicare limiting charge (the most a provider can charge you if they don't accept Medicare) will be the allowable expense. Medicare payments, combined with Plan Benefits, will not exceed 100% of the total allowable expense.

If you are eligible for, but not enrolled in, Medicare, and this Plan is secondary to Medicare, Benefits payable under this Plan will be reduced by the amount that would have been paid if you had been enrolled in Medicare.

Right to Receive and Release Needed Information

Certain facts about health care coverage and services are needed to apply these COB rules and to determine benefits payable under this Plan and other plans. The Plan Administrator may get the facts needed from, or give them to, other organizations or persons for the purpose of applying these rules and determining benefits payable under this Plan and other plans covering the person claiming benefits.

The Plan Administrator does not need to tell, or get the consent of, any person to do this. Each person claiming benefits under this Plan must give UnitedHealthcare any facts needed to apply those rules and determine benefits payable. If you do not provide UnitedHealthcare the information needed to apply these rules and determine the Benefits payable, your claim for Benefits will be denied.

Overpayment and Underpayment of Benefits

If you are covered under more than one medical plan, there is a possibility that the other plan will pay a benefit that UnitedHealthcare should have paid. If this occurs, the Plan may pay the other plan the amount owed.

If the Plan pays you more than it owes under this COB provision, you should pay the excess back promptly. Otherwise, the Company may recover the amount in the form of salary, wages, or benefits payable under any Company-sponsored benefit plans, including this Plan. The Company also reserves the right to recover any overpayment by legal action or offset payments on future Eligible Expenses.

If the Plan overpays a health care provider, UnitedHealthcare reserves the right to recover the excess amount from the provider pursuant to *Refund of Overpayments*, below.

Refund of Overpayments

If the Plan pays for Benefits for expenses incurred on account of a Covered Person, that Covered Person, or any other person or organization that was paid, must make a refund to the Plan if:

- the Plan's obligation to pay Benefits was contingent on the expenses incurred being legally owed and paid by the Covered Person, but all or some of the expenses were not paid by the Covered Person or did not legally have to be paid by the Covered Person;
- all or some of the payment the Plan made exceeded the Benefits under the Plan; or
- all or some of the payment was made in error.

The amount that must be refunded equals the amount the Plan paid in excess of the amount that should have paid under the Plan. If the refund is due from another person or organization, the Covered Person agrees to help the Plan get the refund when requested.

If the Covered Person, or any other person or organization that was paid, does not promptly refund the full amount owed, the Plan may recover the overpayment by reallocating the overpaid amount to pay, in whole or in part, (i) future Benefits for the Covered Person that are payable under the Plan; (ii) future Benefits that are payable to other Covered Persons under the Plan; or (iii) future benefits that are payable for services provided to persons under other plans for which UnitedHealthcare makes payments, with the understanding that UnitedHealthcare will then reimburse the Plan the amount of the reallocated payment. The reallocated payment amount will equal the amount of the required refund or, if less than the full amount of the required refund, will be deducted from the amount of refund owed to the Plan. The Plan may have other rights in addition to the right to reallocate overpaid amounts and other enumerated rights, including the right to commence a legal action.

SECTION 11 - SUBROGATION AND REIMBURSEMENT

What this section includes:

- How your Benefits are impacted if you suffer a Sickness or Injury caused by a third party.

The Plan has a right to subrogation and reimbursement.

Subrogation applies when the plan has paid Benefits on your behalf for a Sickness or Injury for which a third party is alleged to be responsible. The right to subrogation means that the Plan is substituted to and shall succeed to any and all legal claims that you may be entitled to pursue against any third party for the Benefits that the Plan has paid that are related to the Sickness or Injury for which a third party is alleged to be responsible.

Subrogation – Example

Suppose you are injured in a car accident that is not your fault, and you receive Benefits under the Plan to treat your injuries. Under subrogation, the Plan has the right to take legal action in your name against the driver who caused the accident and that driver's insurance carrier to recover the cost of those Benefits.

The right to reimbursement means that if a third party causes or is alleged to have caused a Sickness or Injury for which you receive a settlement, judgment, or other recovery from any third party, you must use those proceeds to fully return to the Plan 100% of any Benefits you received for that Sickness or Injury.

Reimbursement – Example

Suppose you are injured in a boating accident that is not your fault, and you receive Benefits under the Plan as a result of your injuries. In addition, you receive a settlement in a court proceeding from the individual who caused the accident. You must use the settlement funds to return to the plan 100% of any Benefits you received to treat your injuries.

The following persons and entities are considered third parties:

- a person or entity alleged to have caused you to suffer a Sickness, Injury or damages, or who is legally responsible for the Sickness, Injury or damages;
- any insurer or other indemnifier of any person or entity alleged to have caused or who caused the Sickness, Injury or damages;
- the Plan Sponsor (for example workers' compensation cases);
- any person or entity who is or may be obligated to provide benefits or payments to you, including benefits or payments for underinsured or uninsured motorist protection, no-fault or traditional auto insurance, medical payment coverage (auto, homeowners or otherwise), workers' compensation coverage, other insurance carriers or third party administrators; and
- any person or entity that is liable for payment to you on any equitable or legal liability theory.

You agree as follows:

- You will cooperate with the Plan in protecting its legal and equitable rights to subrogation and reimbursement in a timely manner, including, but not limited to:
 - notifying the Plan, in writing, of any potential legal claim(s) you may have against any third party for acts which caused Benefits to be paid or become payable;
 - providing any relevant information requested by the Plan;
 - signing and/or delivering such documents as the Plan or its agents reasonably request to secure the subrogation and reimbursement claim;
 - responding to requests for information about any accident or injuries;
 - making court appearances;
 - obtaining the Plan's consent or its agents' consent before releasing any party from liability or payment of medical expenses; and
 - complying with the terms of this section.

Your failure to cooperate with the Plan is considered a breach of contract. As such, the Plan has the right to terminate your Benefits, deny future Benefits, take legal action against you, and/or set off from any future Benefits the value of Benefits the Plan has paid relating to any Sickness or Injury alleged to have been caused or caused by any third party to the extent not recovered by the Plan due to you or your representative not cooperating with the Plan. If the Plan incurs attorneys' fees and costs in order to collect third party settlement funds held by you or your representative, the Plan has the right to recover those fees and costs from you. You will also be required to pay interest on any amounts you hold which should have been returned to the Plan.

- The Plan has a first priority right to receive payment on any claim against a third party before you receive payment from that third party. Further, the Plan's first priority right to payment is superior to any and all claims, debts or liens asserted by any medical providers, including but not limited to Hospitals or emergency treatment facilities, that assert a right to payment from funds payable from or recovered from an allegedly responsible third party and/or insurance carrier.
- The Plan's subrogation and reimbursement rights apply to full and partial settlements, judgments, or other recoveries paid or payable to you or your representative, no matter how those proceeds are captioned or characterized. Payments include, but are not limited to, economic, non-economic, and punitive damages. The Plan is not required to help you to pursue your claim for damages or personal injuries and no amount of associated costs, including attorneys' fees, shall be deducted from the Plan's recovery without the Plan's express written consent. No so-called "Fund Doctrine" or "Common Fund Doctrine" or "Attorney's Fund Doctrine" shall defeat this right.
- Regardless of whether you have been fully compensated or made whole, the Plan may collect from you the proceeds of any full or partial recovery that you or your legal representative obtain, whether in the form of a settlement (either before or after any determination of liability) or judgment, no matter how those proceeds are captioned or characterized. Proceeds from which the Plan may collect include, but are not limited to, economic, non-economic, and punitive damages. No "collateral source" rule, any "Made-Whole Doctrine" or "Make-Whole Doctrine," claim of unjust enrichment, nor any other equitable limitation shall limit the Plan's subrogation and reimbursement rights.

- Benefits paid by the Plan may also be considered to be Benefits advanced.
- If you receive any payment from any party as a result of Sickness or Injury, and the Plan alleges some or all of those funds are due and owed to the Plan, you shall hold those funds in trust, either in a separate bank account in your name or in your attorney's trust account. You agree that you will serve as a trustee over those funds to the extent of the Benefits the Plan has paid.
- The Plan's rights to recovery will not be reduced due to your own negligence.
- Upon the Plan's request, you will assign to the Plan all rights of recovery against third parties, to the extent of the Benefits the Plan has paid for the Sickness or Injury.
- The Plan may, at its option, take necessary and appropriate action to preserve its rights under these subrogation provisions, including but not limited to, providing or exchanging medical payment information with an insurer, the insurer's legal representative or other third party and filing suit in your name, which does not obligate the Plan in any way to pay you part of any recovery the Plan might obtain.
- You may not accept any settlement that does not fully reimburse the Plan, without its written approval.
- The Plan has the authority and discretion to resolve all disputes regarding the interpretation of the language stated herein.
- In the case of your wrongful death or survival claim, the provisions of this section apply to your estate, the personal representative of your estate, and your heirs or beneficiaries.
- No allocation of damages, settlement funds or any other recovery, by you, your estate, the personal representative of your estate, your heirs, your beneficiaries or any other person or party, shall be valid if it does not reimburse the Plan for 100% of its interest unless the Plan provides written consent to the allocation.
- The provisions of this section apply to the parents, guardian, or other representative of a Dependent child who incurs a Sickness or Injury caused by a third party. If a parent or guardian may bring a claim for damages arising out of a minor's Sickness or Injury, the terms of this subrogation and reimbursement clause shall apply to that claim.
- If a third party causes or is alleged to have caused you to suffer a Sickness or Injury while you are covered under this Plan, the provisions of this section continue to apply, even after you are no longer covered.
- The Plan and all Administrators administering the terms and conditions of the Plan's subrogation and reimbursement rights have such powers and duties as are necessary to discharge its duties and functions, including the exercise of its discretionary authority to (1) construe and enforce the terms of the Plan's subrogation and reimbursement rights and (2) make determinations with respect to the subrogation amounts and reimbursements owed to the Plan.

Right of Recovery

The Plan also has the right to recover benefits it has paid on you or your Dependent's behalf that were:

- made in error;
- due to a mistake in fact;
- advanced during the time period of meeting the calendar year Deductible; or
- advanced during the time period of meeting the Out-of-Pocket Maximum for the calendar year.

Benefits paid because you or your Dependent misrepresented facts are also subject to recovery.

If the Plan provides a Benefit for you or your Dependent that exceeds the amount that should have been paid, the Plan will:

- require that the overpayment be returned when requested, or
- reduce a future benefit payment for you or your Dependent by the amount of the overpayment.

If the Plan provides an advancement of benefits to you or your Dependent during the time period of meeting the Deductible and/or meeting the Out-of-Pocket Maximum for the calendar year, the Plan will send you or your Dependent a monthly statement identifying the amount you owe with payment instructions. The Plan has the right to recover Benefits it has advanced by:

- submitting a reminder letter to you or a covered Dependent that details any outstanding balance owed to the Plan; and
- conducting courtesy calls to you or a covered Dependent to discuss any outstanding balance owed to the Plan.

SECTION 12 - WHEN COVERAGE ENDS

What this section includes:

- Circumstances that cause coverage to end; and
- How to continue coverage after it ends.

Your entitlement to Benefits automatically ends on the date that coverage ends, even if you are hospitalized or are otherwise receiving medical treatment on that date.

When your coverage ends, City of Dallas will still pay claims for Covered Health Services that you received before your coverage ended. However, once your coverage ends, Benefits are not provided for health services that you receive after coverage ended, even if the underlying medical condition occurred before your coverage ended.

Your coverage under the Plan will end on the earliest of:

- the last day of the month your employment with the Company ends;
- the date the Plan ends;
- the last day of the month you stop making the required contributions;
- the last day of the month you are no longer eligible;
- the last day of the month UnitedHealthcare receives written notice from City of Dallas to end your coverage, or the date requested in the notice, if later; or
- the last day of the month you retire or are pensioned under the Plan, unless specific coverage is available for retired or pensioned persons and you are eligible for that coverage.

Coverage for your eligible Dependents will end on the earliest of:

- the date your coverage ends;
- the last day of the month you stop making the required contributions;
- the last day of the month UnitedHealthcare receives written notice from City of Dallas to end your coverage, or the date requested in the notice, if later; or
- the last day of the month your Dependents no longer qualify as Dependents under this Plan.

The Plan will provide written notice to you that your coverage has ended if any of the following occur:

- you permit an unauthorized person to use your ID card or you use another person's ID card;
- you knowingly give UnitedHealthcare false material information including, but not limited to, false information relating to another person's eligibility or status as a Dependent;

- you commit an act of physical or verbal abuse that imposes a threat to City of Dallas' staff, UnitedHealthcare's staff, a provider or another Covered Person; or
- you violate any terms of the Plan.

Note: City of Dallas has the right to demand that you pay back Benefits City of Dallas paid to you, or paid in your name, during the time you were incorrectly covered under the Plan.

Coverage for a Disabled Child

If an unmarried enrolled Dependent child with a mental or physical disability reaches an age when coverage would otherwise end, the Plan will continue to cover the child, as long as:

- the child is unable to be self-supporting due to a mental or physical handicap or disability;
- the child depends mainly on you for support;
- you provide to City of Dallas proof of the child's incapacity and dependency within 31 days of the date coverage would have otherwise ended because the child reached a certain age; and
- you provide proof, upon City of Dallas' request, that the child continues to meet these conditions.

The proof might include medical examinations at City of Dallas' expense. However, you will not be asked for this information more than once a year. If you do not supply such proof within 31 days, the Plan will no longer pay Benefits for that child.

Coverage will continue, as long as the enrolled Dependent is incapacitated and dependent upon you, unless coverage is otherwise terminated in accordance with the terms of the Plan.

Continuing Coverage Through COBRA

If you lose your Plan coverage, you may have the right to extend it under COBRA.

Continuation coverage under COBRA is available only to Plans that are subject to the terms of COBRA. You can contact your Plan Administrator to determine if City of Dallas is subject to the provisions of COBRA.

Continuation Coverage under Federal Law (COBRA)

Much of the language in this section comes from the federal law that governs continuation coverage. You should call your Plan Administrator if you have questions about your right to continue coverage.

In order to be eligible for continuation coverage under federal law, you must meet the definition of a "Qualified Beneficiary". A Qualified Beneficiary is any of the following persons who were covered under the Plan on the day before a qualifying event:

- a Participant;
- a Participant's enrolled Dependent, including with respect to the Participant's children, a

child born to or placed for adoption with the Participant during a period of continuation coverage under federal law; or

- a Participant's former Spouse.

Qualifying Events for Continuation Coverage under COBRA

The following table outlines situations in which you may elect to continue coverage under COBRA for yourself and your Dependents, and the maximum length of time you can receive continued coverage. These situations are considered qualifying events.

If Coverage Ends Because of the Following Qualifying Events:	You May Elect COBRA:		
	For Yourself	For Your Spouse	For Your Child(ren)
Your work hours are reduced	18 months	18 months	18 months
Your employment terminates for any reason (other than gross misconduct)	18 months	18 months	18 months
You or your family member become eligible for Social Security disability benefits at any time within the first 60 days of losing coverage ¹	29 months	29 months	29 months
You die	N/A	36 months	36 months
You divorce (or legally separate)	N/A	36 months	36 months
Your child is no longer an eligible family member (e.g., reaches the maximum age limit)	N/A	N/A	36 months
You become entitled to Medicare	N/A	See table below	See table below

¹Subject to the following conditions: (i) notice of the disability must be provided within the latest of 60 days after a). the determination of the disability, b). the date of the qualifying event, c). the date the Qualified Beneficiary would lose coverage under the Plan, and in no event later than the end of the first 18 months; (ii) the Qualified Beneficiary must agree to pay any increase in the required premium for the additional 11 months over the original 18 months; and (iii) if the Qualified Beneficiary entitled to the 11 months of coverage has non-disabled family members who are also Qualified Beneficiaries, then those non-disabled Qualified Beneficiaries are also entitled to the additional 11 months of continuation coverage. Notice of any final determination that the Qualified Beneficiary is no longer disabled must be provided within 30 days of such determination. Thereafter, continuation coverage may be terminated on the first day of the month that begins more than 30 days after the date of that determination.

How Your Medicare Eligibility Affects Dependent COBRA Coverage

The table below outlines how your Dependents' COBRA coverage is impacted if you become entitled to Medicare.

If Dependent Coverage Ends When:	You May Elect COBRA Dependent Coverage For Up To:
You become entitled to Medicare and don't experience any additional qualifying events	18 months
You become entitled to Medicare, after which you experience a second qualifying event* before the initial 18-month period expires	36 months
You experience a qualifying event*, after which you become entitled to Medicare before the initial 18-month period expires; and, if absent this initial qualifying event, your Medicare entitlement would have resulted in loss of Dependent coverage under the Plan	36 months

* Your work hours are reduced or your employment is terminated for reasons other than gross misconduct.

Getting Started

You will be notified by mail if you become eligible for COBRA coverage as a result of a reduction in work hours or termination of employment. The notification will give you instructions for electing COBRA coverage, and advise you of the monthly cost. Your monthly cost is the full cost, including both Participant and Employer costs, plus a 2% administrative fee or other cost as permitted by law.

You will have up to 60 days from the date you receive notification or 60 days from the date your coverage ends to elect COBRA coverage, whichever is later. You will then have an additional 45 days to pay the cost of your COBRA coverage, retroactive to the date your Plan coverage ended.

During the 60-day election period, the Plan will, only in response to a request from a provider, inform that provider of your right to elect COBRA coverage, retroactive to the date your COBRA eligibility began.

While you are a participant in the medical Plan under COBRA, you have the right to change your coverage election:

- during Open Enrollment; and
- following a change in family status, as described under *Changing Your Coverage* in Section 2, *Introduction*.

Notification Requirements

If your covered Dependents lose coverage due to divorce, legal separation, or loss of Dependent status, you or your Dependents must notify the Plan Administrator within 60 days of the latest of:

- the date of the divorce, legal separation or an enrolled Dependent's loss of eligibility as an enrolled Dependent;
- the date your enrolled Dependent would lose coverage under the Plan; or
- the date on which you or your enrolled Dependent are informed of your obligation to provide notice and the procedures for providing such notice.

You or your Dependents must also notify the Plan Administrator when a qualifying event occurs that will extend continuation coverage.

If you or your Dependents fail to notify the Plan Administrator of these events within the 60 day period, the Plan Administrator is not obligated to provide continued coverage to the affected Qualified Beneficiary. If you are continuing coverage under federal law, you must notify the Plan Administrator within 60 days of the birth or adoption of a child.

Once you have notified the Plan Administrator, you will then be notified by mail of your election rights under COBRA.

Notification Requirements for Disability Determination

If you extend your COBRA coverage beyond 18 months because you are eligible for disability benefits from Social Security, you must provide City of Dallas Benefit Service Center with notice of the Social Security Administration's determination within 60 days after you receive that determination, and before the end of your initial 18-month continuation period.

The notice requirements will be satisfied by providing written notice to the Plan Administrator at the address stated in Section 16, *Important Administrative Information: ERISA*. The contents of the notice must be such that the Plan Administrator is able to determine the covered Employee and qualified beneficiary(ies), the qualifying event or disability, and the date on which the qualifying event occurred.

Trade Act of 2002

The Trade Act of 2002 amended COBRA to provide for a special second 60-day COBRA election period for certain Participants who have experienced a termination or reduction of hours and who lose group health plan coverage as a result. The special second COBRA election period is available only to a very limited group of individuals: generally, those who are receiving trade adjustment assistance (TAA) or 'alternative trade adjustment assistance' under a federal law called the Trade Act of 1974. These Participants are entitled to a second opportunity to elect COBRA coverage for themselves and certain family members (if they did not already elect COBRA coverage), but only within a limited period of 60 days from the first day of the month when an individual begins receiving TAA (or would be eligible to receive TAA but for the requirement that unemployment benefits be exhausted) and only during the six months immediately after their group health plan coverage ended.

If a Participant qualifies or may qualify for assistance under the Trade Act of 1974, he or she should contact the Plan Administrator for additional information. The Participant must contact the Plan Administrator promptly after qualifying for assistance under the Trade Act of 1974 or the Participant will lose his or her special COBRA rights. COBRA coverage elected during the special second election period is not retroactive to the date that Plan coverage was lost, but begins on the first day of the special second election period.

When COBRA Ends

COBRA coverage will end before the maximum continuation period shown above if:

- you or your covered Dependent becomes covered under another group medical plan, as long as the other plan doesn't limit your coverage due to a preexisting condition; or if the other plan does exclude coverage due to your preexisting condition, your COBRA benefits would end when the exclusion period ends;
- you or your covered Dependent becomes entitled to, and enrolls in, Medicare after electing COBRA;
- the first required premium is not paid within 45 days;
- any other monthly premium is not paid within 30 days of its due date;
- the entire Plan ends; or
- coverage would otherwise terminate under the Plan as described in the beginning of this section.

Note: If you selected continuation coverage under a prior plan which was then replaced by coverage under this Plan, continuation coverage will end as scheduled under the prior plan or in accordance with the terminating events listed in this section, whichever is earlier.

Uniformed Services Employment and Reemployment Rights Act

A Participant who is absent from employment for more than 30 days by reason of service in the Uniformed Services may elect to continue Plan coverage for the Participant and the Participant's Dependents in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended (USERRA).

The terms "Uniformed Services" or "Military Service" mean the Armed Forces, the Army National Guard and the Air National Guard when engaged in active duty for training, inactive duty training, or full-time National Guard duty, the commissioned corps of the Public Health Service, and any other category of persons designated by the President in time of war or national emergency.

If qualified to continue coverage pursuant to the USERRA, Participants may elect to continue coverage under the Plan by notifying the Plan Administrator in advance, and providing payment of any required contribution for the health coverage. This may include the amount the Plan Administrator normally pays on a Participant's behalf. If a Participant's Military Service is for a period of time less than 31 days, the Participant may not be required

to pay more than the regular contribution amount, if any, for continuation of health coverage.

A Participant may continue Plan coverage under USERRA for up to the lesser of:

- the 24 month period beginning on the date of the Participant's absence from work; or
- the day after the date on which the Participant fails to apply for, or return to, a position of employment.

Regardless of whether a Participant continues health coverage, if the Participant returns to a position of employment, the Participant's health coverage and that of the Participant's eligible Dependents will be reinstated under the Plan. No exclusions or waiting period may be imposed on a Participant or the Participant's eligible Dependents in connection with this reinstatement, unless a Sickness or Injury is determined by the Secretary of Veterans Affairs to have been incurred in, or aggravated during, the performance of military service.

You should call the Plan Administrator if you have questions about your rights to continue health coverage under USERRA.

Survivorship Coverage

If the employee dies while covered under the Plan, the surviving spouse and any eligible dependents may continue coverage under the Plan until the end of the month following a period of 90 days subsequent to the employee's death. After the initial 90 days following the employee's date of death, coverage is then available to the surviving spouse and any eligible dependents through the COBRA provision, except for a surviving spouse of an active uniformed officer killed in the line of duty. A surviving spouse of an active uniformed officer may continue coverage on the existing plan at active rates. If a surviving spouse remarries, coverage under the Plan will terminate.

A surviving spouse who is covered under a retiree Plan may continue coverage as long as he/she is eligible for pension benefits. Any dependents acquired through the remarriage of a retired employee's surviving spouse will not be eligible for coverage under the Plan.

A surviving spouse and eligible dependents of a retired employee may remain in the Plan after the death of the retired employee:

- If the person was covered as a dependent spouse of the deceased retired employee at the time of the retired employee's death and is eligible to receive pension benefits;
- If carried as a dependent child, the person remains a dependent of the surviving spouse, but only if the spouse is receiving monthly survivor's benefits from one of the retirement funds.

Coverage for all surviving dependents ceases if coverage for the surviving spouse stops because of death, termination of monthly benefits, or any other reason.

A retired employee, or a surviving spouse or dependent who is eligible for Medicare participation by reason of age or disability or any other reason, must enroll and remain enrolled in Medicare Parts A and B in order to retain eligibility in the Plan.

The City will pay the Medicare Part A monthly premium on behalf of the retired employees and spouses of retired employees who are not otherwise qualified for Medicare. Retired employees are responsible for notifying the City, otherwise, they will be responsible for payment of the Medicare Part A premium. The retired employee and retired employee's spouse are responsible for payment of all Medicare Part B premiums.

If a retired employee is enrolled in this Plan on January 1, and elects to discontinue coverage in this Plan, the retired employee will not be eligible to enroll at a later date or in a subsequent plan

SECTION 13 - OTHER IMPORTANT INFORMATION

What this section includes:

- Court-ordered Benefits for Dependent children;
- Your relationship with UnitedHealthcare and City of Dallas;
- Relationships with providers;
- Interpretation of Benefits;
- Information and records;
- Incentives to providers and you;
- The future of the Plan; and
- How to access the official Plan documents.

Qualified Medical Child Support Orders (QMCSOs)

A qualified medical child support order (QMCSO) is a judgment, decree or order issued by a court or appropriate state agency that requires a child to be covered for medical benefits. Generally, a QMCSO is issued as part of a paternity, divorce, or other child support settlement.

If the Plan receives a medical child support order for your child that instructs the Plan to cover the child, the Plan Administrator will review it to determine if it meets the requirements for a QMCSO. If it determines that it does, your child will be enrolled in the Plan as your Dependent, and the Plan will be required to pay Benefits as directed by the order.

You may obtain, without charge, a copy of the procedures governing QMCSOs from the Plan Administrator.

Note: A National Medical Support Notice will be recognized as a QMCSO if it meets the requirements of a QMCSO.

Your Relationship with UnitedHealthcare and City of Dallas

In order to make choices about your health care coverage and treatment, City of Dallas believes that it is important for you to understand how UnitedHealthcare interacts with the Plan Sponsor's benefit Plan and how it may affect you. UnitedHealthcare helps administer the Plan Sponsor's benefit Plan in which you are enrolled. UnitedHealthcare does not provide medical services or make treatment decisions. This means:

- City of Dallas and UnitedHealthcare do not decide what care you need or will receive. You and your Physician make those decisions;
- UnitedHealthcare communicates to you decisions about whether the Plan will cover or pay for the health care that you may receive (the Plan pays for Covered Health Services, which are more fully described in this SPD); and

- the Plan may not pay for all treatments you or your Physician may believe are necessary. If the Plan does not pay, you will be responsible for the cost.

City of Dallas and UnitedHealthcare may use individually identifiable information about you to identify for you (and you alone) procedures, products or services that you may find valuable. City of Dallas and UnitedHealthcare will use individually identifiable information about you as permitted or required by law, including in our operations and in our research. City of Dallas and UnitedHealthcare will use de-identified data for commercial purposes including research.

Relationship with Providers

The relationships between City of Dallas, UnitedHealthcare and Network providers are solely contractual relationships between independent contractors. Network providers are not City of Dallas' agents or employees, nor are they agents or employees of UnitedHealthcare. City of Dallas and any of its employees are not agents or employees of Network providers, nor are UnitedHealthcare and any of its employees agents or employees of Network providers.

City of Dallas and UnitedHealthcare do not provide health care services or supplies, nor do they practice medicine. Instead, City of Dallas and UnitedHealthcare arranges for health care providers to participate in a Network and pay Benefits. Network providers are independent practitioners who run their own offices and facilities. UnitedHealthcare's credentialing process confirms public information about the providers' licenses and other credentials, but does not assure the quality of the services provided. They are not City of Dallas' employees nor are they employees of UnitedHealthcare. City of Dallas and UnitedHealthcare do not have any other relationship with Network providers such as principal-agent or joint venture. City of Dallas and UnitedHealthcare are not liable for any act or omission of any provider.

UnitedHealthcare is not considered to be an employer of the Plan Administrator for any purpose with respect to the administration or provision of benefits under this Plan.

City of Dallas and the Plan Administrator are solely responsible for:

- enrollment and classification changes (including classification changes resulting in your enrollment or the termination of your coverage);
- the timely payment of Benefits; and
- notifying you of the termination or modifications to the Plan.

Your Relationship with Providers

The relationship between you and any provider is that of provider and patient. Your provider is solely responsible for the quality of the services provided to you. You:

- are responsible for choosing your own provider;
- are responsible for paying, directly to your provider, any amount identified as a member responsibility, including Copayments, Coinsurance, any Annual Deductible and any

amount that exceeds Eligible Expenses;

- are responsible for paying, directly to your provider, the cost of any non-Covered Health Service;
- must decide if any provider treating you is right for you (this includes Network providers you choose and providers to whom you have been referred); and
- must decide with your provider what care you should receive.

Interpretation of Benefits

City of Dallas and UnitedHealthcare have the sole and exclusive discretion to:

- interpret Benefits under the Plan;
- interpret the other terms, conditions, limitations and exclusions of the Plan, including this SPD and any Riders and/or Amendments; and
- make factual determinations related to the Plan and its Benefits.

City of Dallas and UnitedHealthcare may delegate this discretionary authority to other persons or entities that provide services in regard to the administration of the Plan.

In certain circumstances, for purposes of overall cost savings or efficiency, City of Dallas may, in its discretion, offer Benefits for services that would otherwise not be Covered Health Services. The fact that City of Dallas does so in any particular case shall not in any way be deemed to require City of Dallas to do so in other similar cases.

Information and Records

City of Dallas and UnitedHealthcare may use your individually identifiable health information to administer the Plan and pay claims, to identify procedures, products, or services that you may find valuable, and as otherwise permitted or required by law. City of Dallas and UnitedHealthcare may request additional information from you to decide your claim for Benefits. City of Dallas and UnitedHealthcare will keep this information confidential. City of Dallas and UnitedHealthcare may also use your de-identified data for commercial purposes, including research, as permitted by law.

By accepting Benefits under the Plan, you authorize and direct any person or institution that has provided services to you to furnish City of Dallas and UnitedHealthcare with all information or copies of records relating to the services provided to you. City of Dallas and UnitedHealthcare have the right to request this information at any reasonable time. This applies to all Covered Persons, including enrolled Dependents whether or not they have signed the Participant's enrollment form. City of Dallas and UnitedHealthcare agree that such information and records will be considered confidential.

City of Dallas and UnitedHealthcare have the right to release any and all records concerning health care services which are necessary to implement and administer the terms of the Plan, for appropriate medical review or quality assessment, or as City of Dallas is required to do by law or regulation. During and after the term of the Plan, City of Dallas and

UnitedHealthcare and its related entities may use and transfer the information gathered under the Plan in a de-identified format for commercial purposes, including research and analytic purposes.

For complete listings of your medical records or billing statements City of Dallas recommends that you contact your health care provider. Providers may charge you reasonable fees to cover their costs for providing records or completing requested forms.

If you request medical forms or records from UnitedHealthcare, they also may charge you reasonable fees to cover costs for completing the forms or providing the records.

In some cases, City of Dallas and UnitedHealthcare will designate other persons or entities to request records or information from or related to you, and to release those records as necessary. Our designees have the same rights to this information as does the Plan Administrator.

Incentives to Providers

Network providers may be provided financial incentives by UnitedHealthcare to promote the delivery of health care in a cost efficient and effective manner. These financial incentives are not intended to affect your access to health care.

Examples of financial incentives for Network providers are:

- bonuses for performance based on factors that may include quality, member satisfaction, and/or cost-effectiveness; or
- a practice called capitation which is when a group of Network providers receives a monthly payment from UnitedHealthcare for each Covered Person who selects a Network provider within the group to perform or coordinate certain health services. The Network providers receive this monthly payment regardless of whether the cost of providing or arranging to provide the Covered Person's health care is less than or more than the payment.

If you have any questions regarding financial incentives you may contact the telephone number on your ID card. You can ask whether your Network provider is paid by any financial incentive, including those listed above; however, the specific terms of the contract, including rates of payment, are confidential and cannot be disclosed. In addition, you may choose to discuss these financial incentives with your Network provider.

Incentives to You

Sometimes you may be offered coupons or other incentives to encourage you to participate in various wellness programs or certain disease management programs. The decision about whether or not to participate is yours alone but City of Dallas recommends that you discuss participating in such programs with your Physician. These incentives are not Benefits and do not alter or affect your Benefits. You may call the number on the back of your ID card if you have any questions.

Rebates and Other Payments

City of Dallas and UnitedHealthcare may receive rebates for certain drugs that are administered to you in a Physician's office, or at a Hospital or Alternate Facility. This includes rebates for those drugs that are administered to you before you meet your Annual Deductible. City of Dallas and UnitedHealthcare do not pass these rebates on to you, nor are they applied to your Annual Deductible or taken into account in determining your Copays or Coinsurance.

Workers' Compensation Not Affected

Benefits provided under the Plan do not substitute for and do not affect any requirements for coverage by workers' compensation insurance.

SECTION 14 - GLOSSARY

What this section includes:

- Definitions of terms used throughout this SPD.

Many of the terms used throughout this SPD may be unfamiliar to you or have a specific meaning with regard to the way the Plan is administered and how Benefits are paid. This section defines terms used throughout this SPD, but it does not describe the Benefits provided by the Plan.

Addendum – any attached written description of additional or revised provisions to the Plan. The benefits and exclusions of this SPD and any amendments thereto shall apply to the Addendum except that in the case of any conflict between the Addendum and SPD and/or Amendments to the SPD, the Addendum shall be controlling.

Alternate Facility – a health care facility that is not a Hospital and that provides one or more of the following services on an outpatient basis, as permitted by law:

- surgical services;
- Emergency Health Services; or
- rehabilitative, laboratory, diagnostic or therapeutic services.

An Alternate Facility may also provide Mental Health or Substance Use Disorder Services on an outpatient basis or inpatient basis (for example a Residential Treatment Facility).

Amendment – any attached written description of additional or alternative provisions to the Plan. Amendments are effective only when distributed by the Plan Sponsor or the Plan Administrator. Amendments are subject to all conditions, limitations and exclusions of the Plan, except for those that the amendment is specifically changing.

Annual Deductible (or Deductible) – the amount of Eligible Expenses you must pay for Covered Health Services in a calendar year before you are eligible to begin receiving Benefits in that calendar year. The Deductible is shown in the first table in Section 5, *Plan Highlights*.

Autism Spectrum Disorders - a condition marked by enduring problems communicating and interacting with others, along with restricted and repetitive behavior, interests or activities.

Benefits – Plan payments for Covered Health Services, subject to the terms and conditions of the Plan and any Addendums and/or Amendments.

Body Mass Index (BMI) – a calculation used in obesity risk assessment which uses a person's weight and height to approximate body fat.

BMI – see Body Mass Index (BMI).

Cancer Resource Services (CRS) – a program administered by UnitedHealthcare or its affiliates made available to you by City of Dallas. The CRS program provides:

- specialized consulting services, on a limited basis, to Participants and enrolled Dependents with cancer;
- access to cancer centers with expertise in treating the most rare or complex cancers; and
- education to help patients understand their cancer and make informed decisions about their care and course of treatment.

Certificate of Creditable Coverage - A document furnished by a group health plan or a health insurance company that shows the amount of time the individual has had coverage. This document is used to reduce or eliminate the length of time a preexisting condition exclusion applies.

CHD – see Congenital Heart Disease (CHD).

Claims Administrator – UnitedHealthcare (also known as UnitedHealthcare Services, Inc.) and its affiliates, who provide certain claim administration services for the Plan.

Clinical Trial – a scientific study designed to identify new health services that improve health outcomes. In a Clinical Trial, two or more treatments are compared to each other and the patient is not allowed to choose which treatment will be received.

COBRA – see Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA).

Coinsurance – the percentage of Eligible Expenses you are required to pay for certain Covered Health Services as described in Section 3, *How the Plan Works*.

Company – City of Dallas.

Complications of Pregnancy – a condition suffered by a Dependent child that requires medical treatment before or after Pregnancy ends.

Congenital Anomaly – a physical developmental defect that is present at birth and is identified within the first twelve months of birth.

Congenital Heart Disease (CHD) – any structural heart problem or abnormality that has been present since birth. Congenital heart defects may:

- be passed from a parent to a child (inherited);
- develop in the fetus of a woman who has an infection or is exposed to radiation or other toxic substances during her Pregnancy; or
- have no known cause.

Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) – a federal law that requires employers to offer continued health insurance coverage to certain employees and their dependents whose group health insurance has been terminated.

Copayment (or Copay) – the set dollar amount you are required to pay for certain Covered Health Services as described in Section 3, *How the Plan Works*.

Cosmetic Procedures – procedures or services that change or improve appearance without significantly improving physiological function, as determined by the Claims Administrator. Reshaping a nose with a prominent bump is a good example of a Cosmetic Procedure because appearance would be improved, but there would be no improvement in function like breathing.

Cost-Effective – the least expensive equipment that performs the necessary function. This term applies to Durable Medical Equipment and prosthetic devices.

Covered Health Services – those health services, including services, supplies or Pharmaceutical Products, which City of Dallas determines to be:

- provided for the purpose of preventing, diagnosing or treating Sickness, Injury, Mental Illness, Substance Use Disorders, or their symptoms;
- consistent with nationally recognized scientific evidence as available, and prevailing medical standards and clinical guidelines as described below;
- not provided for the convenience of the Covered Person, Physician, facility or any other person;
- included in Sections 5 and 6, Plan Highlights and Additional Coverage Details;
- provided to a Covered Person who meets the Plan's eligibility requirements, as described under *Eligibility* in Section 2, *Introduction*; and
- not identified in Section 8, *Exclusions*.

In applying the above definition, "scientific evidence" and "prevailing medical standards" have the following meanings:

- "scientific evidence" means the results of controlled Clinical Trials or other studies published in peer-reviewed, medical literature generally recognized by the relevant medical specialty community; and
- "prevailing medical standards and clinical guidelines" means nationally recognized professional standards of care including, but not limited to, national consensus statements, nationally recognized clinical guidelines, and national specialty society guidelines.

The Claims Administrator maintains clinical protocols that describe the scientific evidence, prevailing medical standards and clinical guidelines supporting its determinations regarding specific services. You can access these clinical protocols (as revised from time to time) on www.myuhc.com or by calling the number on the back of your ID card. This information is available to Physicians and other health care professionals on UnitedHealthcareOnline.

Covered Person – either the Participant or an enrolled Dependent only while enrolled and eligible for Benefits under the Plan. References to "you" and "your" throughout this SPD are references to a Covered Person.

CRS – see Cancer Resource Services (CRS).

Custodial Care – services that do not require special skills or training and that:

- provide assistance in activities of daily living (including but not limited to feeding, dressing, bathing, ostomy care, incontinence care, checking of routine vital signs, transferring and ambulating);
- are provided for the primary purpose of meeting the personal needs of the patient or maintaining a level of function (even if the specific services are considered to be skilled services), as opposed to improving that function to an extent that might allow for a more independent existence; or
- do not require continued administration by trained medical personnel in order to be delivered safely and effectively.

Deductible – see Annual Deductible.

Dependent – an individual who meets the eligibility requirements specified in the Plan, as described under *Eligibility* in Section 2, *Introduction*. A Dependent does not include anyone who is also enrolled as a Participant. No one can be a Dependent of more than one Participant.

Designated Facility – a facility that has entered into an agreement with the Claims Administrator or with an organization contracting on behalf of the Plan, to provide Covered Health Services for the treatment of specified diseases or conditions. A Designated Facility may or may not be located within your geographic area.

To be considered a Designated Facility, a facility must meet certain standards of excellence and have a proven track record of treating specific conditions.

DME – see Durable Medical Equipment (DME).

Domestic Partner – an individual of the same sex with whom you have established a domestic partnership as described below.

A domestic partnership is a relationship between a Participant and one other person of the same sex. Both persons must:

- not be so closely related that marriage would otherwise be prohibited;
- not be legally married to, or the Domestic Partner of, another person under either statutory or common law;
- be at least 18 years old;
- live together and share the common necessities of life;

- be mentally competent to enter into a contract; and
- be financially interdependent and have furnished documents to support at least two of the following conditions of such financial interdependence:
 - they have a single dedicated relationship of at least 6 months duration;
 - they have joint ownership of a residence; or
 - they have at least two of the following:
 - ◆ a joint ownership of an automobile;
 - ◆ a joint checking, bank or investment account;
 - ◆ a joint credit account;
 - ◆ a lease for a residence identifying both partners as tenants; or
 - ◆ a will and/or life insurance policies which designate the other as primary beneficiary.

The Participant and Domestic Partner must jointly sign an affidavit of domestic partnership provided by City of Dallas Benefit Service Center upon your request.

Domiciliary Care – living arrangements designed to meet the needs of people who cannot live independently but do not require Skilled Nursing Facility services.

Durable Medical Equipment (DME) – medical equipment that is all of the following:

- used to serve a medical purpose with respect to treatment of a Sickness, Injury or their symptoms;
- not disposable;
- not of use to a person in the absence of a Sickness, Injury or their symptoms;
- durable enough to withstand repeated use;
- not implantable within the body; and
- appropriate for use, and primarily used, within the home.

Eligible Expenses – for Covered Health Services, incurred while the Plan is in effect, Eligible Expenses are determined by the Claims Administrator as stated below and as detailed in Section 3, *How the Plan Works*.

Eligible Expenses are determined solely in accordance with the Claims Administrator’s reimbursement policy guidelines. The Claims Administrator develops the reimbursement policy guidelines, in the Claims Administrator’s discretion, following evaluation and validation of all provider billings in accordance with one or more of the following methodologies:

- as indicated in the most recent edition of the Current Procedural Terminology (CPT), a publication of the American Medical Association, and/or the Centers for Medicare and Medicaid Services (CMS);
- as reported by generally recognized professionals or publications;
- as used for Medicare; or

- as determined by medical staff and outside medical consultants pursuant to other appropriate source or determination that the Claims Administrator accepts.

Emergency – a serious medical condition or symptom resulting from Injury, Sickness or Mental Illness, or Substance Use Disorders which:

- arises suddenly; and
- in the judgment of a reasonable person, requires immediate care and treatment, generally received within 24 hours of onset, to avoid jeopardy to life or health.

Emergency Health Services – health care services and supplies necessary for the treatment of an Emergency.

Employee Retirement Income Security Act of 1974 (ERISA) – the federal legislation that regulates retirement and employee welfare benefit programs maintained by employers and unions.

Employer – City of Dallas.

EOB – see Explanation of Benefits (EOB).

Experimental or Investigational Services – medical, surgical, diagnostic, psychiatric, mental health, substance-related and addictive disorders or other health care services, technologies, supplies, treatments, procedures, drug therapies, medications or devices that, at the time UnitedHealthcare and City of Dallas make a determination regarding coverage in a particular case, are determined to be any of the following:

- not approved by the U.S. Food and Drug Administration (FDA) to be lawfully marketed for the proposed use and not identified in the American Hospital Formulary Service or the United States Pharmacopoeia Dispensing Information as appropriate for the proposed use;
- subject to review and approval by any institutional review board for the proposed use (Devices which are FDA approved under the *Humanitarian Use Device* exemption are not considered to be Experimental or Investigational); or
- the subject of an ongoing Clinical Trial that meets the definition of a Phase 1, 2 or 3 Clinical Trial set forth in the FDA regulations, regardless of whether the trial is actually subject to FDA oversight.

Exceptions:

- Clinical trials for which Benefits are available as described under Clinical Trials in Section 6, *Additional Coverage Details*.
- If you are not a participant in a qualifying Clinical Trial as described under Section 6, *Additional Coverage Details*, and have a Sickness or condition that is likely to cause death within one year of the request for treatment, the Claims Administrator and City of Dallas may, at their discretion, consider an otherwise Experimental or Investigational Service to be a Covered Health Service for that Sickness or condition. Prior to such consideration,

the Claims Administrator and City of Dallas must determine that, although unproven, the service has significant potential as an effective treatment for that Sickness or condition.

Explanation of Benefits (EOB) – a statement provided by UnitedHealthcare to you, your Physician, or another health care professional that explains:

- the Benefits provided (if any);
- the allowable reimbursement amounts;
- Deductibles;
- Coinsurance;
- any other reductions taken;
- the net amount paid by the Plan; and
- the reason(s) why the service or supply was not covered by the Plan.

Gender Identity Disorder – A disorder characterized by the following diagnostic criteria:

- a strong and persistent cross-gender identification (not merely a desire for any perceived cultural advantages of being the other sex);
- persistent discomfort with his or her sex or sense of inappropriateness in the gender role of that sex;
- the disturbance is not concurrent with a physical intersex condition;
- the disturbance causes clinically significant distress or impairment in social, occupational, or other important areas of functioning;
- the transsexual identity has been present persistently for at least two years; and

the disorder is not a symptom of another mental disorder or a chromosomal abnormality.

Health Statement(s) – a single, integrated statement that summarizes EOB information by providing detailed content on account balances and claim activity.

Home Health Agency – a program or organization authorized by law to provide health care services in the home.

Hospital – an institution, operated as required by law, which is:

- primarily engaged in providing health services, on an inpatient basis, for the acute care and treatment of sick or injured individuals. Care is provided through medical, mental health, substance use disorders, diagnostic and surgical facilities, by or under the supervision of a staff of Physicians; and
- has 24 hour nursing services.

A Hospital is not primarily a place for rest, Custodial Care or care of the aged and is not a Skilled Nursing Facility, convalescent home or similar institution.

Injury – bodily damage other than Sickness, including all related conditions and recurrent symptoms.

Inpatient Rehabilitation Facility – a Hospital (or a special unit of a Hospital that is designated as an Inpatient Rehabilitation Facility) that provides physical therapy, occupational therapy and/or speech therapy on an inpatient basis, as authorized by law.

Inpatient Stay – an uninterrupted confinement, following formal admission to a Hospital, Skilled Nursing Facility or Inpatient Rehabilitation Facility.

Intensive Outpatient Treatment - a structured outpatient mental health or substance-related and addictive disorder treatment program that may be free-standing or Hospital-based and provides services for at least three hours per day, two or more days per week.

Intermittent Care – skilled nursing care that is provided or needed either:

- fewer than seven days each week; or
- fewer than eight hours each day for periods of 21 days or less.

Exceptions may be made in special circumstances when the need for additional care is finite and predictable.

Kidney Resource Services (KRS) – a program administered by UnitedHealthcare or its affiliates made available to you by City of Dallas. The KRS program provides:

- specialized consulting services to Participants and enrolled Dependents with ESRD or chronic kidney disease;
- access to dialysis centers with expertise in treating kidney disease; and
- guidance for the patient on the prescribed plan of care.

Manipulative Treatment – the therapeutic application of chiropractic and/or manipulative treatment with or without ancillary physiologic treatment and/or rehabilitative methods rendered to restore/improve motion, reduce pain and improve function in the management of an identifiable neuromusculoskeletal condition.

Medicaid – a federal program administered and operated individually by participating state and territorial governments that provides medical benefits to eligible low-income people needing health care. The federal and state governments share the program's costs.

Medicare – Parts A, B, C and D of the insurance program established by Title XVIII, United States Social Security Act, as amended by 42 U.S.C. Sections 1394, et seq. and as later amended.

Mental Health Services – Covered Health Services for the diagnosis and treatment of Mental Illnesses. The fact that a condition is listed in the current *Diagnostic and Statistical Manual of the American Psychiatric Association* does not mean that treatment for the condition is a Covered Health Service.

Mental Health/Substance Use Disorder (MH/SUD) Administrator – the organization or individual designated by City of Dallas who provides or arranges Mental Health and Substance Use Disorder Services under the Plan.

Mental Illness – mental health or psychiatric diagnostic categories listed in the current *Diagnostic and Statistical Manual of the American Psychiatric Association*, unless they are listed in Section 8, *Exclusions*.

Neonatal Resource Services (NRS) - a program administered by UnitedHealthcare or its affiliates made available to you by City of Dallas. The NRS program provides guided access to a network of credentialed NICU providers and specialized nurse consulting services to help manage NICU admissions.

Network – when used to describe a provider of health care services, this means a provider that has a participation agreement in effect (either directly or indirectly) with the Claims Administrator or with its affiliate to participate in the Network; however, this does not include those providers who have agreed to discount their charges for Covered Health Services by way of their participation in the Shared Savings Program. The Claims Administrator's affiliates are those entities affiliated with the Claims Administrator through common ownership or control with the Claims Administrator or with the Claims Administrator's ultimate corporate parent, including direct and indirect subsidiaries.

A provider may enter into an agreement to provide only certain Covered Health Services, but not all Covered Health Services, or to be a Network provider for only some products. In this case, the provider will be a Network provider for the Covered Health Services and products included in the participation agreement, and a non-Network provider for other Covered Health Services and products. The participation status of providers will change from time to time.

Network Benefits - description of how Benefits are paid for Covered Health Services provided by Network provider. Refer to Section 5, *Plan Highlights* for details about how Network Benefits apply.

Open Enrollment – the period of time, determined by City of Dallas, during which eligible Participants may enroll themselves and their Dependents under the Plan. City of Dallas determines the period of time that is the Open Enrollment period.

Out-of-Pocket Maximum – the maximum amount you pay every calendar year. Refer to Section 5, *Plan Highlights* for the Out-of-Pocket Maximum amount. See Section 3, *How the Plan Works* for a description of how the Out-of-Pocket Maximum works.

Partial Hospitalization/Day Treatment - a structured ambulatory program that may be a free-standing or Hospital-based program and that provides services for at least 20 hours per week.

Participant – a full-time Participant of the Employer who meets the eligibility requirements specified in the Plan, as described under *Eligibility* in Section 2, *Introduction*. A Participant must live and/or work in the United States.

Personal Health Support – programs provided by the Claims Administrator that focus on prevention, education, and closing the gaps in care designed to encourage an efficient system of care for you and your covered Dependents.

Personal Health Support Nurse – the primary nurse that UnitedHealthcare may assign to you if you have a chronic or complex health condition. If a Personal Health Support Nurse is assigned to you, this nurse will call you to assess your progress and provide you with information and education.

Pharmaceutical Products – FDA-approved prescription pharmaceutical products administered in connection with a Covered Health Service by a Physician or other health care provider within the scope of the provider’s license, and not otherwise excluded under the Plan.

Physician – any Doctor of Medicine or Doctor of Osteopathy who is properly licensed and qualified by law.

Please note: Any podiatrist, dentist, psychologist, chiropractor, optometrist or other provider who acts within the scope of his or her license will be considered on the same basis as a Physician. The fact that a provider is described as a Physician does not mean that Benefits for services from that provider are available to you under the Plan.

Plan – The City of Dallas Medical Plan.

Plan Administrator – City of Dallas or its designee.

Plan Sponsor – City of Dallas.

If you have Continuous Creditable Coverage, you or your Dependent will be eligible to receive Plan Benefits for a Preexisting Condition. Continuous Creditable Coverage is defined in this section.

Pregnancy – includes prenatal care, postnatal care, childbirth, and any complications associated with Pregnancy.

Primary Physician – a Physician who has a majority of his or her practice in general pediatrics, internal medicine, obstetrics/gynecology, family practice or general medicine

Private Duty Nursing – nursing care that is provided to a patient on a one-to-one basis by licensed nurses in a home setting when any of the following are true:

- no skilled services are identified;
- skilled nursing resources are available in the facility;
- the skilled care can be provided by a Home Health Agency on a per visit basis for a

specific purpose; or

- the service is provided to a Covered Person by an independent nurse who is hired directly by the Covered Person or his/her family. This includes nursing services provided on a home-care basis, whether the service is skilled or non-skilled independent nursing.

Reconstructive Procedure – a procedure performed to address a physical impairment where the expected outcome is restored or improved function. The primary purpose of a Reconstructive Procedure is either to treat a medical condition or to improve or restore physiologic function. Reconstructive Procedures include surgery or other procedures which are associated with an Injury, Sickness or Congenital Anomaly. The primary result of the procedure is not changed or improved physical appearance. The fact that a person may suffer psychologically as a result of the impairment does not classify surgery or any other procedure done to relieve the impairment as a Reconstructive Procedure.

Residential Treatment Facility - a facility which provides a program of effective Mental Health Services or Substance Use Disorder Services treatment and which meets all of the following requirements:

- it is established and operated in accordance with applicable state law for residential treatment programs;
- it provides a program of treatment under the active participation and direction of a Physician and approved by the Mental Health/Substance Use Disorder Administrator;
- it has or maintains a written, specific and detailed treatment program requiring full-time residence and full-time participation by the patient; and
- it provides at least the following basic services in a 24-hour per day, structured milieu:
 - room and board;
 - evaluation and diagnosis;
 - counseling; and
 - referral and orientation to specialized community resources.

A Residential Treatment Facility that qualifies as a Hospital is considered a Hospital.

Retired Employee – an Employee who retires while covered under the Plan.

Semi-private Room - a room with two or more beds. When an Inpatient Stay in a Semi-private Room is a Covered Health Service, the difference in cost between a Semi-private Room and a private room is a benefit only when a private room is necessary in terms of generally accepted medical practice, or when a Semi-private Room is not available.

Shared Savings Program - the Shared Savings Program provides access to discounts from non-Network Physicians who participate in that program. UnitedHealthcare will use the Shared Savings Program to pay claims when doing so will lower Eligible Expenses. While UnitedHealthcare might negotiate lower Eligible Expenses for Non-Network Benefits, the Coinsurance will stay the same as described in Section 5, *Plan Highlights*.

UnitedHealthcare does not credential the Shared Savings Program providers and the Shared Savings Program providers are not Network providers. Accordingly, in benefit plans that have both Network and non-Network levels of Benefits, Benefits for Covered Health Services provided by Shared Savings Program providers will be paid at the non-Network Benefit level (except in situations when Benefits for Covered Health Services provided by non-Network providers are payable at Network Benefit levels, as in the case of Emergency Health Services). When UnitedHealthcare uses the Shared Savings Program to pay a claim, the patient responsibility is limited to Coinsurance calculated on the contracted rate paid to the provider.

Sickness – physical illness, disease or Pregnancy. The term Sickness as used in this SPD does not include Mental Illness or Substance Use Disorder, regardless of the cause or origin of the Mental Illness or Substance Use Disorder.

Skilled Care – skilled nursing, teaching, and rehabilitation services when:

- they are delivered or supervised by licensed technical or professional medical personnel in order to obtain the specified medical outcome and provide for the safety of the patient;
- a Physician orders them;
- they are not delivered for the purpose of assisting with activities of daily living, including, but not limited to, dressing, feeding, bathing or transferring from a bed to a chair;
- they require clinical training in order to be delivered safely and effectively; and
- they are not Custodial Care, as defined in this section.

Skilled Nursing Facility – a nursing facility that is licensed and operated as required by law. A Skilled Nursing Facility that is part of a Hospital is considered a Skilled Nursing Facility for purposes of the Plan.

Specialist Physician - a Physician who has a majority of his or her practice in areas other than general pediatrics, internal medicine, obstetrics/gynecology, family practice or general medicine.

Spouse – an individual to whom you are legally married or a Domestic Partner as defined in this section.

Substance Use Disorder Services - Covered Health Services for the diagnosis and treatment of alcoholism and substance-related and addictive disorders that are listed in the current *Diagnostic and Statistical Manual of the American Psychiatric Association*, unless those services are specifically excluded.

Transitional Care – Mental Health Services/Substance Use Disorder Services that are provided through transitional living facilities, group homes and supervised apartments that provide 24-hour supervision that are either:

- sober living arrangements such as drug-free housing, alcohol/drug halfway houses.

These are transitional, supervised living arrangements that provide stable and safe housing, an alcohol/drug-free environment and support for recovery. A sober living arrangement may be utilized as an adjunct to ambulatory treatment when treatment doesn't offer the intensity and structure needed to assist the Covered Person with recovery; or

- supervised living arrangement which are residences such as transitional living facilities, group homes and supervised apartments that provide members with stable and safe housing and the opportunity to learn how to manage their activities of daily living. Supervised living arrangements may be utilized as an adjunct to treatment when treatment doesn't offer the intensity and structure needed to assist the Covered Person with recovery.

UnitedHealth Premium Program – a program that identifies network Physicians or facilities that have been designated as a UnitedHealth Premium Program Physician or facility for certain medical conditions.

To be designated as a UnitedHealth Premium provider, Physicians and facilities must meet program criteria. The fact that a Physician or facility is a Network Physician or facility does not mean that it is a UnitedHealth Premium Program Physician or facility.

Unproven Services – health services, including medications that are determined not to be effective for treatment of the medical condition and/or not to have a beneficial effect on health outcomes due to insufficient and inadequate clinical evidence from well-conducted randomized controlled trials or cohort studies in the prevailing published peer-reviewed medical literature:

- Well-conducted randomized controlled trials are two or more treatments compared to each other, with the patient not being allowed to choose which treatment is received.
- Well-conducted cohort studies are studies in which patients who receive study treatment are compared to a group of patients who receive standard therapy. The comparison group must be nearly identical to the study treatment group.

UnitedHealthcare has a process by which it compiles and reviews clinical evidence with respect to certain health services. From time to time, UnitedHealthcare issues medical and drug policies that describe the clinical evidence available with respect to specific health care services. These medical and drug policies are subject to change without prior notice. You can view these policies at www.myuhc.com.

Please note:

- If you have a life threatening Sickness or condition (one that is likely to cause death within one year of the request for treatment), UnitedHealthcare and City of Dallas may, at their discretion, consider an otherwise Unproven Service to be a Covered Health Service for that Sickness or condition. Prior to such a consideration, UnitedHealthcare and City of Dallas must first establish that there is sufficient evidence to conclude that, albeit unproven, the service has significant potential as an effective treatment for that Sickness or condition, and that the service would be provided under standards equivalent

to those defined by the National Institutes of Health.

The decision about whether such a service can be deemed a Covered Health Service is solely at UnitedHealthcare and City of Dallas's discretion. Other apparently similar promising but unproven services may not qualify.

Urgent Care – treatment of an unexpected Sickness or Injury that is not life-threatening but requires outpatient medical care that cannot be postponed. An urgent situation requires prompt medical attention to avoid complications and unnecessary suffering, such as high fever, a skin rash, or an ear infection.

Urgent Care Center – a facility that provides Urgent Care services, as previously defined in this section. In general, Urgent Care Centers:

- do not require an appointment;
- are open outside of normal business hours, so you can get medical attention for minor illnesses that occur at night or on weekends; and
- provide an alternative if you need immediate medical attention, but your Physician cannot see you right away.

SECTION 15 - IMPORTANT ADMINISTRATIVE INFORMATION: ERISA

What this section includes:

- Plan administrative information.

This section includes information on the administration of the medical Plan. While you may not need this information for your day-to-day participation, it is information you may find important.

Additional Plan Description

Claims Administrator: The company which provides certain administrative services for the Plan Benefits described in this Summary Plan Description.

UnitedHealthcare Services, Inc.
185 Asylum Street
Hartford, CT 06103-3408

The Claims Administrator shall not be deemed or construed as an employer for any purpose with respect to the administration or provision of benefits under the Plan Sponsor's Plan. The Claims Administrator shall not be responsible for fulfilling any duties or obligations of an employer with respect to the Plan Sponsor's Plan.

Type of Administration of the Plan: The Plan Sponsor provides certain administrative services in connection with its Plan. The Plan Sponsor may, from time to time in its sole discretion, contract with outside parties to arrange for the provision of other administrative services including arrangement of access to a Network provider; claims processing services, including coordination of benefits and subrogation; utilization management and complaint resolution assistance. This external administrator is referred to as the Claims Administrator. For Benefits as described in this Summary Plan Description, the Plan Sponsor also has selected a provider network established by UnitedHealthcare Services, Inc. The named fiduciary of Plan is City of Dallas, the Plan Sponsor.

The Plan Sponsor retains all fiduciary responsibilities with respect to the Plan except to the extent the Plan Sponsor has delegated or allocated to other persons or entities one or more fiduciary responsibility with respect to the Plan.

SECTION 16 HEALTH REIMBURSEMENT ACCOUNT

This section describes the healthcare expense reimbursement component of the Plan. It includes summaries of:

- What is a Health Reimbursement Account (HRA);
- Who is eligible and how to enroll;
- How the HRA works;
- Claim procedures and requesting reimbursement from your HRA.
- HRA Glossary

Notice to Employees

This section of the Summary Plan Description (SPD) describes the Employer-sponsored Health Reimbursement Account (HRA).

City of Dallas has entered into an agreement with UnitedHealthcare Services, Inc., Hartford, CT, ("UnitedHealthcare") under which UnitedHealthcare will process eligible healthcare expense reimbursements through the HRA and provide certain other administrative services pertaining to the Plan. UnitedHealthcare does not insure the benefits described in this section.

Quick Reference Box

- Member services and claim inquiries, use the Customer Service number on the back of your ID card or call 1-800-645-6555;
- UnitedHealthcare HRA Claims submittal address: UnitedHealthcare – HRA Group Claims, P.O. Box 981178, El Paso, TX 7998-1178; and
- Online assistance: www.myuhc.com

WELCOME - HRA

This section of your Summary Plan Description (SPD) describes the Health Reimbursement Account (HRA) available to you and your eligible dependents enrolled in the Plan.

A Health Reimbursement Account is a financial account that allows City of Dallas to reimburse you for health expenses paid by you, under the associated medical plan, to offset health care costs.

It is your responsibility to manage your HRA account balance. We offer several tools to help you; refer to Section 7 – Resources to Help You Stay Healthy for information on health and well-being resources available to you, or visit www.myuhc.com for access to a treatment cost estimator. Once you spend your entire HRA balance, you are responsible for paying expenses as described in your SPD.

You can keep track of the funds in your HRA by going online to www.myuhc.com, by calling the toll-free number on the back of your ID card or by checking your monthly member statement sent to you by UnitedHealthcare.

Please read this section thoroughly to learn how the HRA component of the Plan works. If you have questions call the number on the back of your ID card. Capitalized terms not otherwise defined in this section have the meaning set forth in the SPD, Section 14 – Glossary.

What is a Health Reimbursement Account?

Health Reimbursement Accounts are “unfunded” accounts; otherwise known as a demand deposit account. City of Dallas is not required to prepay into it, instead, funds allocated to the HRA are made available to reimburse you for claims as they occur. All contributions allocated to your HRA are owned, controlled and payable solely from the general assets of City of Dallas. You are not permitted to make any contribution to the HRA, whether made on a pre-tax or after-tax basis. In addition:

- The HRA is established by City of Dallas and administered by UnitedHealthcare in accordance with applicable provisions of the Internal Revenue Service Code and associated guidance issued by the IRS/Treasury Department.
- City of Dallas determines which Internal Revenue Code 213d health expenses will be eligible for reimbursement through the HRA.
- There is no limit to the contributions City of Dallas can choose to allocate to your account.
- Employer Contributions allocated to your HRA can be excluded from your gross income.
- City of Dallas will decide how to handle unused funds at the end of the calendar year. Unused funds are not transferable if your employment with City of Dallas ends.
- You can participate in an HRA and a Flexible Spending Account (FSA) at the same time. However, City of Dallas will determine the order under which claims may be reimbursed from the HRA or FSA.

INTRODUCTION - HRA

Who Is Eligible for the HRA And How To Enroll

You must be covered under a medical plan in order to participate in the HRA. You are enrolled in the HRA at the same time you enroll in your medical plan. You cannot elect it separately and you can't withdraw from it unless you also withdraw from the medical plan. Eligibility to participate in the Plan is described in the SPD, section 2 –Introduction. Contact City of Dallas Benefit Service Center if you have questions about eligibility and enrollment.

Each year during annual Open Enrollment, you have the opportunity to review and change your benefit election. Any changes you make during Open Enrollment will become effective as described in the SPD, section 2 –Introduction.

Important

If you wish to change your benefit elections following a marriage, birth, adoption of a child, placement for adoption of a child or other family status change, you must contact City of Dallas Benefit Service Center as described in the medical plan SPD, section 2 – Introduction under the heading *Changing Your Coverage*. Otherwise, you will need to wait until the next annual Open Enrollment to change your elections.

Cost of Coverage

You and City of Dallas share in the cost of the medical plan, there is no charge to you for participation in the financial account component of your Plan. Your contribution amount, (also known as a premium) depends on the medical plan you select and the family members you choose to enroll.

Your medical plan premium is deducted from your paychecks on a before-tax basis. Before-tax dollars come out of your pay before federal income and Social Security taxes are withheld - and in most states, before state and local taxes are withheld. For more information on the Cost of Coverage please refer to the SPD, section 2 –Introduction under the heading *Cost of Coverage*.

Changing Your HRA Coverage

If you are hired during the Plan year or are enrolling in the Plan mid-year during a special enrollment period, coverage will become effective as described in the SPD, section 2 – Introduction under the heading *Changing Your Coverage*.

For detail on the Employer Contribution to your HRA for mid-year enrollment and/or status changes see this Section 17 – Health Reimbursement Account under heading *How the Plan Works*, and look for “New Hires and Adjustments for Status Changes”.

For information on ending your coverage please refer to this Section 17 –Health Reimbursement Account of the SPD, under the header *When HRA Coverage Ends*.

HOW THE HRA WORKS***How much money is allocated to your HRA – Employer Contributions***

City of Dallas will allocate a specified amount of funds to your HRA on a calendar year basis specific to the coverage category you enroll in. For each claim presented to the HRA, available funds will be used to pay for Eligible Medical Expenses. The table below contains the details for the Employer Contribution to your HRA:

Coverage Category	Annual Employer Contribution to your HRA ¹
Employee Only	\$700
Family	\$1,700*

¹This is the only amount that will be placed in your HRA during the calendar year and may be used for Eligible Expenses.

* Employees who complete a Health Assessment online @ www.myuhc.com between January 1, 2011 and February 28, 2011 will be awarded an additional \$300 dollars.

New Hires And Adjustments For Status Changes

Mid-Year Enrollment

If you are hired during the Plan year or are enrolling in the Plan mid-year during a special enrollment period as a result of a change in status, the amount of the Employer Contribution allocated to your HRA will be prorated on a monthly basis, effective retroactive to the first day of the month in which you are enrolled in the Plan.

Status Changes

When you switch among Coverage Categories the City of Dallas' contribution amount allocated to your HRA may increase or decrease by category.

Under the Plan, if you increase your category (e.g. self to self plus family) the Employer Contribution to your HRA is adjusted to your new category for that Plan year minus any amounts already accumulated or used in that Plan year.

If you decrease your category (e.g. you change from self plus family to self) the Employer Contribution to your HRA is *not* adjusted to your new category for that Plan year.

Rehires

If during a Plan year, you are enrolled in an active medical plan as described in your medical plan SPD and you are rehired by City of Dallas following your employment termination date and re-enroll in the active medical Choice HRA plan, City of Dallas will allocate the HRA Contribution amount equal to the amount a newly hired active employee would be eligible for. (See this section under the heading *Mid-Year Enrollment*.)

You can keep track of the funds in your HRA by going online to www.myuhc.com, by calling the toll-free number on the back of your ID card or by checking your monthly member statement sent to you by UnitedHealthcare.

What Expenses Are Payable From Your HRA

The HRA reimburses all amounts due from claims for medical expenses that are eligible from the underlying medical plan, plus any claims for pharmacy expenses. Eligible expenses include Annual Deductible, Coinsurance and Copayments.

Order of Accounts

If you choose to participate in multiple spending accounts be aware that a payment hierarchy does exist. The order in which your accounts must be used for reimbursements is described in the table below:

Account	Hierarchy Order Of Accounts
FSA Grace Period	First
Health Reimbursement Account (HRA)	Second
FSA	

While the HRA and FSA may cover some of the same types of expenses, the FSA may be funded with pre-tax contributions under a salary reduction arrangement.

Expenses reimbursed through the HRA cannot also be reimbursed through the FSA.

What Happens to Remaining Balances in the HRA?

If you don't spend all the funds in your HRA during the initial calendar year, and you re-enroll in the HRA for the following year, any remaining HRA balance up to \$5,300 for Employee only coverage, \$4,300 for Employees with dependents, rolls over into your account for the next calendar year. In this manner your HRA may "grow" almost like a savings account.

If you don't re-enroll in the HRA for the following year, you forfeit any unused funds remaining in the account.

CONSUMER ACCOUNTS MASTERCARD® CARD***Consumer Accounts MasterCard® Card***

The Consumer Accounts Card is a payment mechanism that allows members a means for direct payment of Eligible Expenses, per your specific plan design described under section, Your HRA, to UnitedHealthcare network providers, Drugstore.com, Walgreen's and participating merchants. Payment for Eligible Expenses comes directly from your HRA and eliminates the need for most paper claims. You will be provided with two Consumer Accounts Cards, with terms and conditions and activation information that may be used at certain locations where MasterCard® is accepted. Contact the customer service number listed on the back of the Consumer Accounts Card with questions or to request additional cards.

Use of the Consumer Accounts Card is voluntary. The card must be activated prior to use. When you activate the Consumer Accounts Card:

1. Prior to the plan effective date, wait one (1) business day after the plan effective date before you utilize your card;
2. After the plan effective date, the card will be ready to use one (1) business day following activation.

UnitedHealthcare Network Providers and Participating Merchants

The consumer website, www.myuhc.com, contains a directory of medical, dental and vision providers in UnitedHealthcare's provider network. While network status may change from time to time, www.myuhc.com has the most current source of provider network information. Use [myuhc.com](http://www.myuhc.com) to search for network providers available in your specific plan design.

Participating drug store and pharmacy merchants comply with specific methods used to identify and substantiate eligible expenses, per the United States Internal Revenue Code of 1986 ("IRC"), as amended from time to time. You can see a full list of participating merchants at <http://www.sig-is.org>. Participating merchants identify what is an eligible expense under 213d of the IRC, they do not identify eligible HRA expenses at point of sale based on your specific plan design.

Using the Consumer Accounts Card

The Consumer Accounts Card may not be used at point of sale to make a purchase from non-participating merchants. You will need to pay using another form of payment, and then submit eligible expense receipts for reimbursement as described under the section, Requesting Reimbursement from your HRA.

The Consumer Accounts Card may be used for a point of sale purchase at any UnitedHealthcare network provider or participating merchant with a Point-of-Service (POS) bankcard terminal that accepts MasterCard® such as a network hospital, network physician and retail network pharmacy counters.

You may choose to use your Consumer Accounts Card for mail order prescriptions or for over-the-counter items by going to an online pharmacy at Drugstore.com via myuhc.com. Additionally, your Consumer Accounts Card can be used at Walgreen's retail stores or at participating drug store and pharmacy merchants.

No Personal Identification Number ("PIN") is required when you use the Consumer Accounts Card. At the point of sale choose 'credit' on the POS bankcard terminal just as if you were purchasing an item using a credit card. Each time the card is used for payment, you will sign a receipt. Your HRA and card are regulated by the Internal Revenue Service, therefore you should retain all itemized receipts generated from the Consumer Accounts Card. Certain payments must be verified and UnitedHealthcare may request this receipt from you to ensure that payment was made for a qualified HRA expense. Credit card receipts that do not itemize expenses are not sufficient to verify payment. Amounts paid that cannot be verified may be considered taxable income to you.

Once you swipe the Consumer Accounts Card through the POS bankcard terminal, your available benefit balance is verified. The card validates your purchases in real-time and automatically debits your HRA account based on the guidelines established by the IRS and your specific plan design as described under section, Your HRA. A claim number is assigned to the transaction.

Partial Payment Authorization

Partial authorization capability allows you to use your Consumer Accounts Card with transactions amounts greater than the funds available in your HRA for a portion of the transaction at merchants that accept partial authorization. For example, if you purchase an item that costs \$20 and you only have \$10 remaining in your HRA, the HRA balance of \$10 will be authorized towards the purchase and you are responsible for paying the remaining balance of \$10 with another form of payment. Note: not all merchants accept partial authorization.

Member Health Statements and HRA Yearly Statements

Member Health Statements are available on the consumer website, myuhc.com. A member health statement is produced whenever there is claims activity for a member. You will receive monthly health statements and a HRA yearly statement which will include your card activity. If you note a discrepancy with a card transaction, call the number on the back of your Consumer Accounts Card to resolve the issue.

HRA CLAIM PROCEDURES

Claims Submission

City of Dallas has designed your HRA to allow certain claims to be automatically submitted to your account for reimbursement. UnitedHealthcare will coordinate payments from your HRA for medical and pharmacy claims.

You can turn this feature “off” or back “on” via myuhc.com.

There are some types of claims that will not be processed automatically for which you will need to submit a claim; for additional information on these claims see the header below called When to Submit a Claim.

When auto-submission is elected all payments from an HRA will be sent to the provider directly. You will receive the reimbursement when no provider information is available. In the situations listed below, you will receive reimbursement from the HRA:

1. Pharmacy claims
2. Copays
3. Manually submitted claims
4. Claims adjustments

Network Benefits

In general, if you receive Covered Health Services from a Network provider, UnitedHealthcare will process the payment for the medical plans portion of the cost of the Covered Health Services and send it directly to the Physician or facility.

Funds allocated to your HRA will be available to help you pay a portion of your out-of-pocket costs under the medical plan as described in this SPD in Section 3 How the Plan Works. UnitedHealthcare will process the payment for a portion of your cost of the Covered Health Services from available funds in your HRA and send it directly to the Physician or facility automatically. This feature can be turned on and off by accessing myuhc.com. There are some types of claims that will not be paid directly to the provider, they are as follows: Pharmacy Claims, Copays, manually submitted claims, and adjustments and out of network provider claims. These types of claims will always pay you directly.

When to Submit a Claim

You must submit a claim for reimbursement from your HRA for any other types of expenses other than Covered Health Services and any health expenses not submitted to UnitedHealthcare.

If you receive a bill for Covered Health Services from a provider, you must send the bill to UnitedHealthcare for processing. To make sure the claim is processed promptly and

accurately, a completed claim form must be attached and mailed to UnitedHealthcare HRA Claims submittal address:

UnitedHealthcare – HRA Group Claims
P.O. Box 981178
El Paso, TX 7998-1178

Important - Timely Filing of Claims

All claim forms must be submitted within 90 days after the date of service. Otherwise, the Plan will not pay any Benefits for that Eligible Expense, or Benefits will be reduced, as determined by City of Dallas. This 90 day requirement does not apply if you are legally incapacitated.

How to File Your Claim

To be reimbursed from your HRA simply submit a reimbursement form, called a Reimbursement Request for Withdrawal Form, for the Eligible Expenses that have been incurred. A Request for Withdrawal Form is available from City of Dallas or on the Internet at www.myuhc.com. For reimbursement from your HRA, you must include proof of the expenses incurred. For Eligible Medical Expenses, proof can include a bill, invoice, or an Explanation of Benefits (EOB) from any group medical/dental plan under which you are covered. An EOB will be required if the expenses are for services usually covered under group medical and dental plans, for example, charges by surgeons, doctors and hospitals. In such cases, an EOB will verify what your out-of-pocket expenses were after payments under other group medical/dental plans.

Important

You can view EOB's and Health Statements online via myuhc.com. Myuhc.com includes many features such as the option to:

- View your HRA summary page detailing contributions and amount left in your HRA;
- View your HRA Claims Summary including claim transaction details.

Health Statements

Each month in which UnitedHealthcare processes at least one claim for you or a covered Dependent, you will receive a Health Statement in the mail. Health Statements make it easy for you to manage your family's medical costs by providing claims information in easy-to-understand terms.

If you would rather track claims for yourself and your covered Dependents online, you may do so at www.myuhc.com. You may also elect to discontinue receipt of paper Health Statements by making the appropriate selection on this site.

Explanation of Benefits (EOB)

You may request that UnitedHealthcare send you a paper copy of an Explanation of Benefits (EOB) after processing the claim. The EOB will let you know if there is any portion of the claim you need to pay. If any claims are denied in whole or in part, the EOB will include the reason for the denial or partial payment. If you would like paper copies of the

EOBs, you may call the toll-free number on your ID card to request them. You can also view and print all of your EOBs online at myuhc.com. See section 14, *Glossary* for the definition of Explanation of Benefits.

Requesting Reimbursement from Your HRA

If you have funds available in your HRA you may submit a claim for reimbursement for the Eligible Expenses from your HRA. If you do choose to submit a request for reimbursement, the request must be received no later than 90 days following the end of the calendar year in which you are eligible under this Plan. If you don't provide this information to the Claims Administrator within this timeframe, your claim will not be eligible for reimbursement, even if there are funds available in your HRA. This time limit does not apply if you are legally incapacitated.

You cannot be reimbursed for any expense paid under your medical plan. Expenses for which you are reimbursed from your HRA cannot be included as a deduction or credit on your federal income tax return.

Important Note

- The date on which you incurred an eligible medical expense is the date used when deducting amounts from your HRA. This allows your HRA to act like a savings account, available for your use when your claim is paid.

Claims for Reimbursement and Appeals

To be reimbursed from your HRA simply submit a reimbursement form, called a Request for Withdrawal Form, for the eligible expenses that have been incurred. A Request for Withdrawal Form is available from City of Dallas or on the Internet at www.myuhc.com. For reimbursement from your HRA, you must include proof of the expenses incurred as indicated on the Request for Withdrawal Form. For eligible expenses, proof can include a bill, invoice, or an Explanation of Benefits (EOB) from any group medical/dental plan under which you are covered. An EOB will be required if the expenses are for services usually covered under group medical plans, for example, charges by surgeons, doctors and hospitals. In such cases, an EOB will verify what your out-of-pocket expenses were after payments under other group medical plans.

When filing a claim for reimbursement from your HRA, your claims should be submitted to:

UnitedHealthcare – HRA Group Claims
P.O. Box 981178
El Paso, TX 7998-1178;

Important

You can view EOB/member statements online via myuhc.com. Myuhc.com includes many features such as the option to:

- View your HRA summary page detailing contributions and amount left in your HRA;
- View your HRA Claims Summary including claim transaction details.

For additional information on claims procedures and appeals, please refer to section 9, *Claims Procedures*.

HRA COORDINATION OF BENEFITS (COB)

For information on how your Benefits under this Plan coordinate with other medical plans and how coverage is affected if you become eligible for Medicare, refer to section 10 – Coordination of Benefits (COB).

Overpayment and Underpayment of Benefits

Coordination of Benefits (COB) applies to you if you are covered by more than one health benefits plan. For further information on COB refer to section 10 – Coordination of Benefits (COB).

SUBROGATION AND REIMBURSEMENT

The Plan has a right to subrogation and reimbursement, as defined in the SPD section 11 – Subrogation and Reimbursement.

WHEN HRA COVERAGE ENDS

Your coverage under the Plan ends as described in the SPD, section 12 – When Coverage Ends.

Continuation of Coverage - Consolidated Omnibus Budget Reconciliation Act ("COBRA")

The requirements of the Consolidated Omnibus Budget Reconciliation Act ("COBRA") may apply to the Health Reimbursement Account. You should call City of Dallas to find out whether this Plan is subject to COBRA. If the Plan is subject to COBRA see "Optional Continuation Coverage under your Health Care Spending Account (COBRA)".

COBRA continuation coverage must be offered with respect to a participant's HRA when the Plan is subject to COBRA. If your employment terminates for any reason the funds in your HRA will revert back to us after your claim run-out period, unless you elect COBRA coverage as described in the SPD, section 12 –When Coverage Ends under the heading *Changing Your Coverage*. If you elect COBRA coverage, HRA funds will remain available to assist you in paying your out-of-pocket costs under the medical plan while COBRA coverage is in effect. The HRA balances under COBRA are recalculated using the methods elected by City of Dallas for mid-year enrollment and/or status changes; as described in Section 17 – Health Reimbursement Account under heading *How the Plan Works*, and look for “New Hires and Adjustments for Status Changes”.

GLOSSARY

What this section includes:

- Definitions of terms used throughout this Section 17.

Many of the terms used throughout this Attachment may be unfamiliar to you or have a specific meaning with regard to the way the Plan is administered and how benefits are paid. This section defines terms used throughout this Attachment, but it does not describe the benefits provided by the Plan. Capitalized terms not otherwise defined in this section have the meaning set forth in your medical plan SPD.

HRA - Health Reimbursement Account or HRA. It is an IRS section 105 and 106 account that follows standard regulations and tax benefits for such accounts. It can only be used for qualified medical expenses.

HRA ADMINISTRATIVE INFORMATION

What this section includes:

- Plan administrative information.

This section includes information on the administration of the HRA portion of the Plan. While you may not need this information for your day-to-day participation, it is information you may find important.

Additional information can be found in this SPD, section 16 Plan Administrative Information.

Additional Plan Description

Claims Administrator: The company which provides certain administrative services for the HRA Plan Benefits described in this Summary Plan Description.

UnitedHealthcare Services, Inc.
185 Asylum Street.
Hartford, CT 06103-3408

The Claims Administrator shall not be deemed or construed as an employer for any purpose with respect to the administration or provision of benefits under the Plan Sponsor's Plan. The Claims Administrator shall not be responsible for fulfilling any duties or obligations of an employer with respect to the Plan Sponsor's Plan.

Type of Administration of the Plan: The Plan Sponsor provides certain administrative services in connection with its Plan. The Plan Sponsor may, from time to time in its sole discretion, contract with outside parties to arrange for the provision of other administrative services including claims processing services, including coordination of benefits and subrogation; utilization management and complaint resolution assistance. This external administrator is referred to as the Claims Administrator. The Plan Sponsor retains all fiduciary responsibilities with respect to the Plan except to the extent the Plan Sponsor has delegated or allocated to other persons or entities one or more fiduciary responsibility with respect to the Plan.

ATTACHMENT I - HEALTH CARE REFORM NOTICES

Patient Protection and Affordable Care Act (“PPACA”)

Patient Protection Notices

The Claims Administrator generally allows the designation of a primary care provider. You have the right to designate any primary care provider who participates in the Claims Administrator’s network and who is available to accept you or your family members. For information on how to select a primary care provider, and for a list of the participating primary care providers, contact the Claims Administrator at the number on the back of your ID card.

For children, you may designate a pediatrician as the primary care provider.

You do not need prior authorization from the Claims Administrator or from any other person (including a primary care provider) in order to obtain access to obstetrical or gynecological care from a health care professional in the Claims Administrator’s network who specializes in obstetrics or gynecology. The health care professional, however, may be required to comply with certain procedures, including obtaining prior authorization for certain services, following a pre-approved treatment plan, or procedures for making referrals. For a list of participating health care professionals who specialize in obstetrics or gynecology, contact the Claims Administrator at the number on the back of your ID card.

ATTACHMENT II – LEGAL NOTICES

Women's Health and Cancer Rights Act of 1998

As required by the Women's Health and Cancer Rights Act of 1998, we provide Benefits under the Plan for mastectomy, including reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy (including lymphedema).

If you are receiving Benefits in connection with a mastectomy, Benefits are also provided for the following Covered Health Services, as you determine appropriate with your attending Physician:

- all stages of reconstruction of the breast on which the mastectomy was performed;
- surgery and reconstruction of the other breast to produce a symmetrical appearance; and
- prostheses and treatment of physical complications of the mastectomy, including lymphedema.

The amount you must pay for such Covered Health Services (including Copayments and any Annual Deductible) are the same as are required for any other Covered Health Service. Limitations on Benefits are the same as for any other Covered Health Service.

Statement of Rights under the Newborns' and Mothers' Health Protection Act

Under Federal law, group health Plans and health insurance issuers offering group health insurance coverage generally may not restrict Benefits for any Hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a delivery by cesarean section. However, the Plan or issuer may pay for a shorter stay if the attending provider (e.g., your physician, nurse midwife, or physician assistant), after consultation with the mother, discharges the mother or newborn earlier.

Also, under Federal law, plans and issuers may not set the level of Benefits or out-of-pocket costs so that any later portion of the 48-hour (or 96-hour) stay is treated in a manner less favorable to the mother or newborn than any earlier portion of the stay.

In addition, a plan or issuer may not, under Federal law, require that a physician or other health care provider obtain authorization for prescribing a length of stay of up to 48 hours (or 96 hours). However, to use certain providers or facilities, or to reduce your out-of-pocket costs, you may be required to obtain precertification. For information on precertification, contact your issuer.

ADDENDUM - UNITEDHEALTH ALLIES

Introduction

This Addendum to the Summary Plan Description provides discounts for select non-Covered Health Services from Physicians and health care professionals.

When the words "you" and "your" are used the Plan is referring to people who are Covered Persons as the term is defined in the Summary Plan Description (SPD). See Section 14, *Glossary* in the SPD.

Important:

UnitedHealth Allies is not a health insurance plan. You are responsible for the full cost of any services purchased, minus the applicable discount. Always use your health insurance plan for Covered Health Services described in the Summary Plan Description (see Section 5, *Plan Highlights*) when a benefit is available.

What is UnitedHealth Allies?

UnitedHealth Allies is a health value program that offers savings on certain products and services that are not Covered Health Services under your health plan.

Because this is not a health insurance plan, you are not required to receive a referral or submit any claim forms.

Discounts through UnitedHealth Allies are available to you and your Dependents as defined in the Summary Plan Description in Section 14, *Glossary*.

Selecting a Discounted Product or Service

A list of available discounted products or services can be viewed online at www.healthallies.com or by calling the number on the back of your ID card.

After selecting a health care professional and product or service, reserve the preferred rate and print the rate confirmation letter. If you have reserved a product or service with a customer service representative, the rate confirmation letter will be faxed or mailed to you.

Important:

You must present the rate confirmation at the time of receiving the product or service in order to receive the discount.

Visiting Your Selected Health Care Professional

After reserving a preferred rate, make an appointment directly with the health care professional. Your appointment must be within ninety (90) days of the date on your rate confirmation letter.

Present the rate confirmation and your ID card at the time you receive the service. You will be required to pay the preferred rate directly to the health care professional at the time the service is received.

Additional UnitedHealth Allies Information

Additional information on the UnitedHealth Allies program can be obtained online at **www.healthallies.com** or by calling the toll-free phone number on the back of your ID card.

ADDENDUM - PARENTSTEPS®

Introduction

This Addendum to the Summary Plan Description illustrates the benefits you may be eligible for under the ParentSteps program.

When the words "you" and "your" are used the Plan is referring to people who are Covered Persons as the term is defined in the Summary Plan Description (SPD). See Section 14, *Glossary* in the SPD.

Important:

ParentSteps is not a health insurance plan. You are responsible for the full cost of any services purchased. ParentSteps will collect the provider payment from you online via the ParentSteps website and forward the payment to the provider on your behalf. Always use your health insurance plan for Covered Health Services described in the Summary Plan Description 5, *Plan Highlights*) when a benefit is available.

What is ParentSteps?

ParentSteps is a discount program that offers savings on certain medications and services for the treatment of infertility that are not Covered Health Services under your health plan.

This program also offers:

- guidance to help you make informed decisions on where to receive care;
- education and support resources through experienced infertility nurses;
- access to providers contracted with UnitedHealthcare that offer discounts for infertility medical services; and
- discounts on select medications when filled through a designated pharmacy partner.

Because this is not a health insurance plan, you are not required to receive a referral or submit any claim forms.

Discounts through this program are available to you and your Dependents. Dependents are defined in the Summary Plan Description in Section 14, *Glossary*.

Registering for ParentSteps

Prior to obtaining discounts on infertility medical treatment or speaking with an infertility nurse you need to register for the program online at www.myoptumhealthparentsteps.com or by calling ParentSteps toll-free at 1-877-801-3507.

Selecting a Contracted Provider

After registering for the program you can view ParentSteps facilities and clinics online based on location, compare IVF cycle outcome data for each participating provider and see the

specific rates negotiated by ParentSteps with each provider for select types of infertility treatment in order to make an informed decision.

Visiting Your Selected Health Care Professional

Once you have selected a provider, you will be asked to choose that clinic for a consultation. You should then call and make an appointment with that clinic and mention you are a ParentSteps member. ParentSteps will validate your choice and send a validation email to you and the clinic.

Obtaining a Discount

If you and your provider choose a treatment in which ParentSteps discounts apply, the provider will enter in your proposed course of treatment. ParentSteps will alert you, via email, that treatment has been assigned. Once you log in to the ParentSteps website, you will see your treatment plan with a cost breakdown for your review.

After reviewing the treatment plan and determining it is correct you can pay for the treatment online. Once this payment has been made successfully ParentSteps will notify your provider with a statement saying that treatments may begin.

Speaking with a Nurse

Once you have successfully registered for the ParentSteps program you may receive additional educational and support resources through an experienced infertility nurse. You may even work with a single nurse throughout your treatment if you choose.

For questions about diagnosis, treatment options, your plan of care or general support, please contact a ParentSteps nurse via phone (toll-free) by calling 1-866-774-4626.

ParentSteps nurses are available from 8 a.m. to 5 p.m. Central Time; Monday through Friday, excluding holidays.

Additional ParentSteps Information

Additional information on the ParentSteps program can be obtained online at www.myoptumhealthparentsteps.com or by calling 1-877-801-3507 (toll-free).

Summary Plan Description

City of Dallas Choice

Effective: January 1, 2015
Group Number: 708872

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SECTION 1 - WELCOME

Quick Reference Box

- Member services, claim inquiries, Personal Health Support and Mental Health/Substance Use Disorder Administrator: (800) 846-4678;
- Claims submittal address: UnitedHealthcare - Claims, P.O. Box 30555, Salt Lake City, Utah 84130-0555; and
- Online assistance: www.myuhc.com.

City of Dallas is pleased to provide you with this Summary Plan Description (SPD), which describes the health Benefits available to you and your covered family members. It includes summaries of:

- who is eligible;
- services that are covered, called Covered Health Services;
- services that are not covered, called Exclusions;
- how Benefits are paid; and
- your rights and responsibilities under the Plan.

This SPD is designed to meet your informational needs. It supersedes any previous printed or electronic SPD for this Plan.

All benefits provided under the terms and provisions of this Plan shall be provided as prescribed by the person's healthcare provider without regard for the individual's race, color, age, religion, sex, marital status, sexual orientation, gender identity, gender expression, national origin, disability, political opinions or affiliations. Nothing in this subsection extends any additional benefits to any individual who is ineligible for those benefits under any provisions of this Plan or under any other city ordinance or resolution or state or federal law.

City of Dallas intends to continue this Plan, but reserves the right, in its sole discretion, to modify, change, revise, amend or terminate the Plan at any time, for any reason, and without prior notice. This SPD is not to be construed as a contract of or for employment. If there should be an inconsistency between the contents of this summary and the contents of the Plan, your rights shall be determined under the Plan and not under this summary.

UnitedHealthcare is a private healthcare claims administrator. UnitedHealthcare's goal is to give you the tools you need to make wise healthcare decisions. UnitedHealthcare also helps your employer to administer claims. Although UnitedHealthcare will assist you in many ways, it does not guarantee any Benefits. City of Dallas is solely responsible for paying Benefits described in this SPD.

Please read this SPD thoroughly to learn how the City of Dallas Health Plan works. If you have questions contact City of Dallas Benefits Service Center at 1-888-752-9122 or call the number on the back of your ID card.

How To Use This SPD

- Read the entire SPD, and share it with your family. Then keep it in a safe place for future reference.
- Many of the sections of this SPD are related to other sections. You may not have all the information you need by reading just one section.
- You can request printed copies of the SPD by contacting City of Dallas Benefit Service Center.
- Capitalized words in the SPD have special meanings and are defined in Section 14, *Glossary*.
- If eligible for coverage, the words "you" and "your" refer to Covered Persons as defined in Section 14, *Glossary*.
- City of Dallas is also referred to as Company.
- If there is a conflict between this SPD and any benefit summaries (other than Summaries of Material Modifications) provided to you, this SPD will control.

SECTION 2 - INTRODUCTION

What this section includes:

- Who's eligible for coverage under the Plan;
- The factors that impact your cost for coverage;
- Instructions and timeframes for enrolling yourself and your eligible Dependents;
- When coverage begins; and
- When you can make coverage changes under the Plan.

Eligibility

You are eligible to enroll in the Plan if you are a regular full-time or permanent part-time Participant who is scheduled to work at least 20 hours per week or a person who retires while covered under the Plan.

Your eligible Dependents may also participate in the Plan. An eligible Dependent is considered to be:

- your Spouse, (including Domestic Partner), as defined in Section 14, *Glossary*;
- you or your Spouse's child who is under age 26, including a natural child, stepchild, a legally adopted child, a child placed for adoption or a child for whom you or your Spouse are the legal guardian or a tax dependent grandchild;
- a child age 26 or over who is or becomes disabled and dependent upon you; and
- certain survivors (see Survivorship Coverage in Section 12, *When Coverage Ends*)

To be eligible for coverage under the Plan, a Dependent must reside within the United States.

Note: Your Dependents may not enroll in the Plan unless you are also enrolled. If you and your Spouse are both covered under the City of Dallas Benefit Plan, you may each be enrolled as a Participant or be covered as a Dependent of the other person, but not both. In addition, if you and your Spouse are both covered under the City of Dallas Benefit Plan, only one parent may enroll your child as a Dependent.

A Dependent also includes a child for whom health care coverage is required through a Qualified Medical Child Support Order or other court or administrative order, as described in Section 13, *Other Important Information*.

Cost of Coverage

You and City of Dallas share in the cost of the Plan. Your contribution amount depends on the Plan you select and the family members you choose to enroll.

Your contributions are deducted from your paychecks on a before-tax basis. Before-tax dollars come out of your pay before federal income and Social Security taxes are withheld -

and in most states, before state and local taxes are withheld. This gives your contributions a special tax advantage and lowers the actual cost to you.

Note: The Internal Revenue Service generally does not consider Domestic Partners and their children eligible Dependents. Therefore, the value of City of Dallas' cost in covering a Domestic Partner may be imputed to the Participant as income. In addition, the share of the Participant's contribution that covers a Domestic Partner and their children may be paid using after-tax payroll deductions.

Your contributions are subject to review and the City Council reserves the right to change contributions required by the Plan.

You can obtain current contribution rates by calling City of Dallas Benefit Service Center at 1-888-752-9122.

How to Enroll

To enroll, call City of Dallas Benefit Service Center at 1-888-752-9122 within 30 days of the date you first become eligible for medical Plan coverage. If you do not enroll within 30 days, you will need to wait until the next annual Open Enrollment to make your benefit elections.

Each year during annual Open Enrollment, you have the opportunity to review and change your medical election. Any changes you make during Open Enrollment will become effective the following January 1. Retirees who previously waived coverage cannot re-enroll.

Important

If you wish to change your benefit elections following your marriage, birth, adoption of a child, placement for adoption of a child or other family status change, you must contact City of Dallas Benefit Service Center within 30 days of the event. Otherwise, you will need to wait until the next annual Open Enrollment to change your elections.

When Coverage Begins

Once City of Dallas Benefit Service Center receives your properly completed enrollment, coverage will begin on your date of hire. Coverage for your Dependents will start on the date your coverage begins, provided you have enrolled them in a timely manner.

Coverage for a Spouse or Dependent stepchild that you acquire via marriage becomes effective the first of the month following the date City of Dallas Benefit Service Center receives notice of your marriage, provided you notify City of Dallas Benefit Service Center within 30 days of your marriage. Coverage for Dependent children acquired through birth, adoption, or placement for adoption is effective the date of the family status change, provided you notify City of Dallas Benefit Service Center within 30 days of the birth, adoption, or placement.

Changing Your Coverage

You may make coverage changes during the year only if you experience a change in family status. The change in coverage must be consistent with the change in status (e.g., you cover your Spouse following your marriage, your child following an adoption, etc.). The following are considered family status changes for purposes of the Plan:

- your marriage, divorce, legal separation or annulment;
- registering a Domestic Partner;
- the birth, adoption, placement for adoption or legal guardianship of a child;
- a change in your Spouse's employment or involuntary loss of health coverage (other than coverage under the Medicare or Medicaid programs) under another employer's plan;
- loss of coverage due to the exhaustion of another employer's COBRA benefits, provided you were paying for premiums on a timely basis;
- the death of a Dependent;
- your Dependent child no longer qualifying as an eligible Dependent;
- a change in your or your Spouse's position or work schedule that impacts eligibility for health coverage;
- contributions were no longer paid by the employer (This is true even if you or your eligible Dependent continues to receive coverage under the prior plan and to pay the amounts previously paid by the employer);
- you or your eligible Dependent who were enrolled in an HMO no longer live or work in that HMO's service area and no other benefit option is available to you or your eligible Dependent;
- benefits are no longer offered by the Plan to a class of individuals that include you or your eligible Dependent;
- termination of your or your Dependent's Medicaid or Children's Health Insurance Program (CHIP) coverage as a result of loss of eligibility (you must contact City of Dallas Benefit Service Center within 60 days of termination);
- you or your Dependent become eligible for a premium assistance subsidy under Medicaid or CHIP (you must contact City of Dallas Benefit Service Center within 60 days of determination of subsidy eligibility);
- a strike or lockout involving you or your Spouse; or
- a court or administrative order.

Unless otherwise noted above, if you wish to change your elections, you must contact City of Dallas Benefit Service Center within 30 days of the change in family status. Otherwise, you will need to wait until the next annual Open Enrollment.

While some of these changes in status are similar to qualifying events under COBRA, you, or your eligible Dependent, do not need to elect COBRA continuation coverage to take

advantage of the special enrollment rights listed above. These will also be available to you or your eligible Dependent if COBRA is elected.

Note: Any child under age 26 who is placed with you for adoption will be eligible for coverage on the date the child is placed with you, even if the legal adoption is not yet final. If you do not legally adopt the child, all medical Plan coverage for the child will end when the placement ends. No provision will be made for continuing coverage (such as COBRA coverage) for the child.

SECTION 3 - HOW THE PLAN WORKS

What this section includes:

- Network and Non-Network Benefits;
- Eligible Expenses;
- Annual Deductible;
- Copayment;
- Out-of-Pocket Maximum;
- Coinsurance.

Network and Non-Network Benefits

As a participant in this Plan, you have the freedom to choose the Network Physician or health care professional you prefer each time you need to receive Covered Health Services.

You are eligible for Benefits under this Plan when you receive Covered Health Services from Physicians and other health care professionals who have contracted with UnitedHealthcare to provide those services. Except as specifically described within the SPD benefits are not available for services provided by a non-Network provider.

Benefits apply to Covered Health Services that are provided by a Network Physician or other Network provider. Benefits for facility services apply when Covered Health Services are provided at a Network facility. Benefits include Physician services provided in a Network facility by a Network or a non-Network anesthesiologist, Emergency room Physician, consulting Physician, pathologist and radiologist. Emergency Health Services and Covered Health Services received at an Urgent Care Center outside your geographic area are always paid as Network Benefits.

Network Providers

UnitedHealthcare or its affiliates arrange for health care providers to participate in a Network. At your request, UnitedHealthcare will send you a directory of Network providers free of charge. Keep in mind, a provider's Network status may change. To verify a provider's status or request a provider directory, you can call UnitedHealthcare at the toll-free number on your ID card or log onto www.myuhc.com.

Network providers are independent practitioners and are not employees of City of Dallas or UnitedHealthcare.

UnitedHealthcare's credentialing process confirms public information about the providers' licenses and other credentials, but does not assure the quality of the services provided.

Looking for a Network Provider?

In addition to other helpful information, www.myuhc.com, UnitedHealthcare's consumer website, contains a directory of health care professionals and facilities in UnitedHealthcare's Network. While Network status may change from time to time, www.myuhc.com has the most current source of Network information. Use www.myuhc.com to search for Physicians available in your Plan.

Possible Limitations on Provider Use

If UnitedHealthcare determines that you are using health care services in a harmful or abusive manner, you may be required to select a Network Physician to coordinate all of your future Covered Health Services. If you don't make a selection within 31 days of the date you are notified, UnitedHealthcare will select a Network Physician for you. In the event that you do not use the Network Physician to coordinate all of your care, any Covered Health Services you receive will not be paid.

Health Services from Non-Network Providers Paid as Network Benefits

If specific Covered Health Services are not available from a Network provider, you may be eligible to receive Network Benefits from a non-Network provider. In this situation, your Network Physician will notify Personal Health Support, and they will work with you and your Network Physician to coordinate care through a non-Network provider.

When you receive Covered Health Services through a Network Physician, the Plan will pay Network Benefits for those Covered Health Services, even if one or more of those Covered Health Services is received from a non-Network provider.

Eligible Expenses

City of Dallas has delegated to the Claims Administrator the initial discretion and authority to decide whether a treatment or supply is a Covered Health Service and how the Eligible Expenses will be determined and otherwise covered under the Plan.

Eligible Expenses are the amount the Claims Administrator determines that the Claims Administrator will pay for Benefits. For Network Benefits, you are not responsible for any difference between Eligible Expenses and the amount the provider bills. Eligible Expenses are determined solely in accordance with the Claims Administrator's reimbursement policy guidelines, as described in the SPD.

For Network Benefits, Eligible Expenses are based on the following:

- When Covered Health Services are received from a Network provider, Eligible Expenses are the Claims Administrator's contracted fee(s) with that provider.

When Covered Health Services are received from a non-Network provider as a result of an Emergency or as arranged by the Claims Administrator, Eligible Expenses are billed charges unless a lower amount is negotiated or authorized by law.

Don't Forget Your ID Card

Remember to show your UnitedHealthcare ID card every time you receive health care services from a Network provider. If you do not show your ID card, a Network provider has no way of knowing that you are enrolled under the Plan.

Annual Deductible

The Annual Deductible is the amount of Eligible Expenses you must pay each calendar year for Covered Health Services Expenses before you are eligible to begin receiving Benefits. The amounts you pay toward your Annual Deductible accumulate over the course of the calendar year.

Amounts paid toward the Annual Deductible for Covered Health Services that are subject to a visit or day limit will also be calculated against that maximum benefit limit. As a result, the limited benefit will be reduced by the number of days or visits you used toward meeting the Annual Deductible.

When a Covered Person was previously covered under a benefit plan that was replaced by the Plan, any amount already applied to that annual deductible provision of the prior plan will apply to the Annual Deductible provision under this Plan.

Copayment

A Copayment (Copay) is the amount you pay each time you receive certain Covered Health Services. The Copay is a flat dollar amount and is paid at the time of service or when billed by the provider. Copays do count toward the Out-of-Pocket-Maximum. Copays do not count toward the Annual Deductible. If the Eligible Expense is less than the Copay, you are only responsible for paying the Eligible Expense and not the Copay.

Coinsurance

Coinsurance is the percentage of Eligible Expenses that you are responsible for paying. Coinsurance is a fixed percentage that applies to certain Covered Health Services after you meet the Annual Deductible.

Coinsurance - Example

Let's assume that you receive Plan Benefits for outpatient surgery from a Network provider. Since the Plan pays 70%, you are responsible for paying the other 30%. This 30% is your Coinsurance.

Out-of-Pocket Maximum

The annual Out-of-Pocket Maximum is the most you pay each calendar year for Covered Health Services. If your eligible out-of-pocket expenses in a calendar year exceed the annual maximum, the Plan pays 100% of Eligible Expenses for Covered Health Services through the end of the calendar year.

The Out-of-Pocket Maximum applies to all Covered Health Services under the Plan, including prescription drugs covered under the outpatient prescription drug plan.

The following table identifies what does and does not apply toward your Out-of-Pocket Maximum:

Plan Features	Applies to the Out-of-Pocket Maximum?
Copays, including prescription drugs covered under the outpatient prescription drug plan.	Yes
Payments toward the Annual Deductible	Yes
Coinsurance Payments	Yes
Charges for non-Covered Health Services	No

SECTION 4 - PERSONAL HEALTH SUPPORT

What this section includes:

- An overview of the Personal Health Support program; and
- Covered Health Services for which you need to contact Personal Health Support.

UnitedHealthcare provides a program called Personal Health Support designed to encourage personalized, efficient care for you and your covered Dependents.

Personal Health Support Nurses center their efforts on prevention, education, and closing any gaps in your care. The goal of the program is to ensure you receive the most appropriate and cost-effective services available. A Personal Health Support Nurse is notified when you or your provider calls the toll-free number on your ID card regarding an upcoming treatment or service.

If you are living with a chronic condition or dealing with complex health care needs, UnitedHealthcare may assign to you a primary nurse, referred to as a Personal Health Support Nurse to guide you through your treatment. This assigned nurse will answer questions, explain options, identify your needs, and may refer you to specialized care programs. The Personal Health Support Nurse will provide you with their telephone number so you can call them with questions about your conditions, or your overall health and well-being.

Personal Health Support Nurses will provide a variety of different services to help you and your covered family members receive appropriate medical care. Program components and notification requirements are subject to change without notice. As of the publication of this SPD, the Personal Health Support program includes:

- **Admission counseling** - For upcoming inpatient Hospital admissions for certain conditions, a Treatment Decision Support Nurse may call you to help answer your questions and to make sure you have the information and support you need for a successful recovery.
- **Inpatient care management** - If you are hospitalized, a nurse will work with your Physician to make sure you are getting the care you need and that your Physician's treatment plan is being carried out effectively.
- **Readmission Management** - This program serves as a bridge between the Hospital and your home if you are at high risk of being readmitted. After leaving the Hospital, if you have a certain chronic or complex condition, you may receive a phone call from a Personal Health Support Nurse to confirm that medications, needed equipment, or follow-up services are in place. The Personal Health Support Nurse will also share important health care information, reiterate and reinforce discharge instructions, and support a safe transition home.
- **Risk Management** - Designed for participants with certain chronic or complex conditions, this program addresses such health care needs as access to medical specialists, medication information, and coordination of equipment and supplies.

Participants may receive a phone call from a Personal Health Support Nurse to discuss and share important health care information related to the participant's specific chronic or complex condition.

If you do not receive a call from a Personal Health Support Nurse but feel you could benefit from any of these programs, please call the toll-free number on your ID card.

Requirements for Notifying Personal Health Support

In most cases, Network providers are responsible for notifying Personal Health Support before they provide these services to you. However, you are responsible for notifying the Personal Health Support staff prior to receiving a service for:

- dental services - accident only;
- obesity surgery;
- transplantation services;
- treatment of Gender Identity Disorder/dysphoria as described under *Transgender Services*, in Section 6, *Additional Coverage Details*;
- Cancer Resource Services;
- Kidney Resource Services;
- Reconstructive Procedures.

Contacting Personal Health Support is easy.

Simply call the toll-free number on your ID card.

Special Note Regarding Medicare

If you are enrolled in Medicare on a primary basis and Medicare pays benefits before the Plan, you are not required to notify Personal Health Support before receiving Covered Health Services. Since Medicare pays benefits first, the Plan will pay Benefits second as described in Section 10, *Coordination of Benefits (COB)*.

SECTION 5 - PLAN HIGHLIGHTS

The table below provides an overview of the coinsurance percentage or Copayment amount that applies when you receive certain Covered Health Services, and outlines the Plan's Annual Deductible and Out-of-Pocket Maximum.

Plan Features	Network
Copays ■ Emergency Health Services	\$100
Annual Deductible² ■ Individual ■ Family (not to exceed \$3,000 per Covered Person)	\$3,000 \$9,000
Annual Out-of-Pocket Maximum² ■ Individual ■ Family (not to exceed \$6,350 per Covered Person)	\$6,350 \$12,700
Lifetime Maximum Benefit There is no dollar limit to the amount the Plan will pay for essential Benefits during the entire period you are enrolled in this Plan.	Unlimited

¹In addition to these Copays, you may be responsible for meeting the Annual Deductible for the Covered Health Services described in the chart on the following pages.

²Copays apply toward the Annual Deductible or Out-of-Pocket Maximum. The Annual Deductible applies toward the Out-of-Pocket Maximum for all Covered Health Services.

This table provides an overview of the Plan's coverage levels. For detailed descriptions of your Benefits, refer to Section 6, *Additional Coverage Details*.

Covered Health Services ¹	Percentage of Eligible Expenses Payable by the Plan:
	Network
Acupuncture Services	70% after you meet the Annual Deductible
Ambulance Services ■ Emergency Ambulance	70% after you meet the Annual Deductible
Cancer Resource Services (CRS) ■ Hospital Inpatient Stay	70% after you meet the Annual Deductible
Clinical Trials	70% after you meet the Annual Deductible
Congenital Heart Disease (CHD) Surgeries	70% after you meet the Annual Deductible
Dental Services - Accident Only	70% after you meet the Annual Deductible
Diabetes Services ■ Diabetes Self-Management Items	Depending upon where the Covered Health Service is provided, Benefits for diabetes self-management items will be the same as those stated under <i>Durable Medical Equipment</i> in this section and in Section 15, <i>Prescription Drugs</i> .
Durable Medical Equipment (DME)	70% after you meet the Annual Deductible
Emergency Health Services - Outpatient Emergency services received at a non-Network Hospital are covered at the Network level. If you are admitted as an inpatient to a Network Hospital directly from the Emergency room, you will not have to pay this Copay. The Benefits for an Inpatient Stay in a Network Hospital will apply instead.	<i>Emergency Room Facility</i> 70% after you pay a \$100 Copay <i>All other Services Required in Emergency Room</i> 70% after you meet the Annual Deductible

Covered Health Services ¹	Percentage of Eligible Expenses Payable by the Plan:
	Network
Extreme Vision	70% after you meet the Annual Deductible
Home Health Care Up to 30 visits per calendar year	70% after you meet the Annual Deductible
Hospice Care	70% after you meet the Annual Deductible
Hospital - Inpatient Stay	70% after you meet the Annual Deductible
Kidney Resource Services (KRS) (These Benefits are for Covered Health Services provided through KRS only)	70% after you meet the Annual Deductible
Lab, X-Ray and Diagnostics – Outpatient	70% after you meet the Annual Deductible
Lab, X-Ray and Major Diagnostics - CT, PET, MRI, MRA and Nuclear Medicine - Outpatient	70% after you meet the Annual Deductible
Mental Health Services ■ Hospital - Inpatient Stay ■ Physician's Office Services	70% after you meet the Annual Deductible 70% after you meet the Annual Deductible
Neurobiological Disorders - Mental Health Services for Autism Spectrum Disorders ■ Hospital - Inpatient Stay ■ Physician's Office Services	70% after you meet the Annual Deductible 70% after you meet the Annual Deductible
Nutritional Counseling	70% after you meet the Annual Deductible

Covered Health Services ¹	Percentage of Eligible Expenses Payable by the Plan:
	Network
Obesity Surgery <ul style="list-style-type: none"> ■ Physician's Office Services ■ Physician Fees for Surgical and Medical Services ■ Hospital - Inpatient Stay <p>See Section 6, <i>Additional Coverage Details</i> for limits</p>	70% after you meet the Annual Deductible
Ostomy Supplies	70% after you meet the Annual Deductible
Pharmaceutical Products – Outpatient See Section 6, <i>Additional Coverage Details</i>	70% after you meet the Annual Deductible
Physician Fees for Surgical and Medical Services	70% after you meet the Annual Deductible
Physician's Office Services - Sickness and Injury	70% after you meet the Annual Deductible
Pregnancy - Maternity Services A Deductible will not apply for a newborn child whose length of stay in the Hospital is the same as the mother's length of stay.	Benefits will be the same as those under each Covered Health Service category in this section.
Preventive Care Services <ul style="list-style-type: none"> ■ Breast Pumps ■ Physician Office Services ■ Lab, X-ray or Other Preventive Tests 	100% Deductible does not apply 100% Deductible does not apply 100% Deductible does not apply
Private Duty Nursing - Outpatient Up to 30 visits per calendar year	70% after you meet the Annual Deductible
Prosthetic Devices	70% after you meet the Annual Deductible

Covered Health Services ¹	Percentage of Eligible Expenses Payable by the Plan:
	Network
Reconstructive Procedures <ul style="list-style-type: none"> ■ Physician's Office Services ■ Hospital - Inpatient Stay ■ Physician Fees for Surgical and Medical Services ■ Prosthetic Devices ■ Surgery - Outpatient 	<p>70% after you meet the Annual Deductible</p> <p>70% after you meet the Annual Deductible</p> <p>70% after you meet the Annual Deductible</p> <p>70% after you meet the Annual Deductible</p> <p>70% after you meet the Annual Deductible</p>
Rehabilitation Services - Outpatient Therapy and Manipulative Treatment See Section 6, <i>Additional Coverage Details</i> , for visit limits	70% after you meet the Annual Deductible
Scopic Procedures - Outpatient Diagnostic and Therapeutic	70% after you meet the Annual Deductible
Skilled Nursing Facility/Inpatient Rehabilitation Facility Services Up to 120 days per calendar year	70% after you meet the Annual Deductible
Substance Use Disorder Services <ul style="list-style-type: none"> ■ Hospital - Inpatient Stay ■ Physician's Office Services 	<p>70% after you meet the Annual Deductible</p> <p>70% after you meet the Annual Deductible</p>
Surgery – Outpatient	70% after you meet the Annual Deductible
Temporomandibular Joint (TMJ) Services	70% after you meet the Annual Deductible
Therapeutic Treatments – Outpatient	70% after you meet the Annual Deductible
Transgender Services	70% after you meet the Annual Deductible
Transplantation Services (If services rendered by a Designated Facility)	70% after you meet the Annual Deductible

Covered Health Services ¹	Percentage of Eligible Expenses Payable by the Plan:
	Network
Travel and Lodging (If services rendered by a Designated Facility)	For patient and companion(s) of patient undergoing cancer, Congenital Heart Disease treatment or transplant procedures
Urgent Care Center Services	70% after you meet the Annual Deductible
Wigs Up to \$300 per calendar year	70% after you meet the Annual Deductible

¹In general, your Network provider must notify Personal Health Support, as described in Section 4, before you receive certain Covered Health Services. There are some Network Benefits, however, for which you are responsible for notifying Personal Health Support. See Section 6, *Additional Coverage Details* for further information.

²These Benefits are for Covered Health Services provided through CRS at a Designated Facility. For oncology services not provided through CRS, the Plan pays Benefits as described under *Physician's Office Services -Sickness and Injury, Physician Fees for Surgical and Medical Services, Hospital - Inpatient Stay, Surgery - Outpatient, Scopic Procedures - Outpatient Diagnostic and Therapeutic, Lab, X-Ray and Diagnostics - Outpatient, and Lab, X-Ray and Major Diagnostics - CT, PET, MRI, MRA and Nuclear Medicine – Outpatient.*

SECTION 6 - ADDITIONAL COVERAGE DETAILS

What this section includes:

- Covered Health Services for which the Plan pays Benefits; and
- Covered Health Services that require you to notify Personal Health Support before you receive them, and any reduction in Benefits that may apply if you do not call Personal Health Support.

This section supplements the second table in Section 5, *Plan Highlights*.

While the table provides you with benefit limitations along with Copayment, Coinsurance and Annual Deductible information for each Covered Health Service, this section includes descriptions of the Benefits. These descriptions include any additional limitations that may apply, as well as Covered Health Services for which you must call Personal Health Support. The Covered Health Services in this section appear in the same order as they do in the table for easy reference. Services that are not covered are described in Section 8, *Exclusions*.

Acupuncture Services

The Plan pays for acupuncture services for pain therapy when both of the following are true:

- another method of pain management has failed; and
- the service is performed by an MD in the provider's office.

Ambulance Services

The Plan covers Emergency ambulance services and transportation provided by a licensed ambulance service to the nearest Hospital that offers Emergency Health Services. See Section 14, *Glossary* for the definition of Emergency.

Ambulance service by air is covered in an Emergency if ground transportation is impossible, or would put your life or health in serious jeopardy. If special circumstances exist, UnitedHealthcare may pay Benefits for Emergency air transportation to a Hospital that is not the closest facility to provide Emergency Health Services.

Cancer Resource Services (CRS)

The Plan pays Benefits for oncology services provided by Designated Facilities participating in the Cancer Resource Services (CRS) program. Designated Facility is defined in Section 14, *Glossary*.

For oncology services and supplies to be considered Covered Health Services, they must be provided to treat a condition that has a primary or suspected diagnosis relating to cancer. If you or a covered Dependent has cancer, you may:

- be referred to CRS by a Personal Health Support Nurse;
- call CRS toll-free at (866) 936-6002; or

- visit www.urncrs.com.

To receive Benefits for a cancer-related treatment, you are not required to visit a Designated Facility. If you receive oncology services from a facility that is not a Designated Facility, the Plan pays Benefits for Network services as described under:

- Physician's Office Services - Sickness and Injury;
- Physician Fees for Surgical and Medical Services;
- Scopic Procedures - Outpatient Diagnostic and Therapeutic;
- Therapeutic Treatments - Outpatient;
- Hospital - Inpatient Stay; and
- Surgery - Outpatient.

Note: The services described under *Travel and Lodging* are Covered Health Services only in connection with cancer-related services received at a Designated Facility.

To receive Benefits under the CRS program, you must contact CRS prior to obtaining Covered Health Services. The Plan will only pay Benefits under the CRS program if CRS provides the proper notification to the Designated Facility provider performing the services (even if you self-refer to a provider in that Network).

Clinical Trials

Benefits are available for routine patient care costs incurred during participation in a qualifying clinical trial for the treatment of:

- cancer or other life-threatening disease or condition. For purposes of this benefit, a life-threatening disease or condition is one from which the likelihood of death is probable unless the course of the disease or condition is interrupted;
- cardiovascular disease (cardiac/stroke) which is not life threatening, for which, as UnitedHealthcare determines, a clinical trial meets the qualifying clinical trial criteria stated below;
- surgical musculoskeletal disorders of the spine, hip and knees, which are not life threatening, for which, as UnitedHealthcare determines, a clinical trial meets the qualifying clinical trial criteria stated below; and
- other diseases or disorders which are not life threatening for which, as UnitedHealthcare determines, a clinical trial meets the qualifying clinical trial criteria stated below.

Benefits include the reasonable and necessary items and services used to prevent, diagnose and treat complications arising from participation in a qualifying clinical trial.

Benefits are available only when the Covered Person is clinically eligible for participation in the qualifying clinical trial as defined by the researcher.

Routine patient care costs for qualifying clinical trials include:

- Covered Health Services for which Benefits are typically provided absent a clinical trial;
- Covered Health Services required solely for the provision of the investigational item or service, the clinically appropriate monitoring of the effects of the item or service, or the prevention of complications; and
- Covered Health Services needed for reasonable and necessary care arising from the provision of an Investigational item or service.

Routine costs for clinical trials do not include:

- the Experimental or Investigational Service or item. The only exceptions to this are:
 - certain Category B devices;
 - certain promising interventions for patients with terminal illnesses; and
 - other items and services that meet specified criteria in accordance with our medical and drug policies;
- items and services provided solely to satisfy data collection and analysis needs and that are not used in the direct clinical management of the patient;
- a service that is clearly inconsistent with widely accepted and established standards of care for a particular diagnosis; and
- items and services provided by the research sponsors free of charge for any person enrolled in the trial.

With respect to cancer or other life-threatening diseases or conditions, a qualifying clinical trial is a Phase I, Phase II, Phase III, or Phase IV clinical trial that is conducted in relation to the prevention, detection or treatment of cancer or other life-threatening disease or condition and which meets any of the following criteria in the bulleted list below.

With respect to cardiovascular disease or musculoskeletal disorders of the spine and hip and knees and other diseases or disorders which are not life-threatening, a qualifying clinical trial is a Phase I, Phase II, or Phase III clinical trial that is conducted in relation to the detection or treatment of such non-life-threatening disease or disorder and which meets any of the following criteria in the bulleted list below.

- Federally funded trials. The study or investigation is approved or funded (which may include funding through in-kind contributions) by one or more of the following:
 - National Institutes of Health (NIH). (Includes National Cancer Institute (NCI));
 - Centers for Disease Control and Prevention (CDC);
 - Agency for Healthcare Research and Quality (AHRQ);
 - Centers for Medicare and Medicaid Services (CMS);
 - a cooperative group or center of any of the entities described above or the Department of Defense (DOD) or the Veterans Administration (VA);
 - a qualified non-governmental research entity identified in the guidelines issued by the National Institutes of Health for center support grants; or

- The Department of Veterans Affairs, the Department of Defense or the Department of Energy as long as the study or investigation has been reviewed and approved through a system of peer review that is determined by the Secretary of Health and Human Services to meet both of the following criteria:
 - ◆ comparable to the system of peer review of studies and investigations used by the National Institutes of Health; and
 - ◆ ensures unbiased review of the highest scientific standards by qualified individuals who have no interest in the outcome of the review.
- the study or investigation is conducted under an investigational new drug application reviewed by the *U.S. Food and Drug Administration*;
- the study or investigation is a drug trial that is exempt from having such an investigational new drug application;
- the clinical trial must have a written protocol that describes a scientifically sound study and have been approved by all relevant institutional review boards (*IRBs*) before participants are enrolled in the trial. UnitedHealthcare may, at any time, request documentation about the trial; or
- the subject or purpose of the trial must be the evaluation of an item or service that meets the definition of a Covered Health Service and is not otherwise excluded under the Plan.

Please remember that you must notify Personal Health Support as soon as the possibility of participation in a clinical trial arises. If Personal Health Support is not notified, you will be responsible for paying all charges and no Benefits will be paid.

Congenital Heart Disease (CHD) Surgeries

The Plan pays Benefits for Congenital Heart Disease (CHD) services ordered by a Physician and received at a CHD Resource Services program. Benefits include the facility charge and the charge for supplies and equipment. Benefits are available for the following CHD services:

- outpatient diagnostic testing;
- evaluation;
- surgical interventions;
- interventional cardiac catheterizations (insertion of a tubular device in the heart);
- fetal echocardiograms (examination, measurement and diagnosis of the heart using ultrasound technology); and
- approved fetal interventions.

CHD services other than those listed above are excluded from coverage, unless determined by United Resource Networks or Personal Health Support to be proven procedures for the involved diagnoses. Contact United Resource Networks at (888) 936-7246 or Personal

Health Support at the toll-free number on your ID card for information about CHD services.

If you receive Congenital Heart Disease services from a facility that is not a Designated Facility, the Plan pays Benefits as described under:

- Physician's Office Services - Sickness and Injury;
- Physician Fees for Surgical and Medical Services;
- Scopic Procedures - Outpatient Diagnostic and Therapeutic;
- Therapeutic Treatments – Outpatient;
- Hospital - Inpatient Stay; and
- Surgery - Outpatient.

Note: The services described under *Travel and Lodging* are Covered Health Services only in connection with CHD services received at a Congenital Heart Disease Resource Services program.

Dental Services - Accident Only

Dental services are covered by the Plan when all of the following are true:

- treatment is necessary because of accidental damage;
- dental damage does not occur as a result of normal activities of daily living or extraordinary use of the teeth;
- dental services are received from a Doctor of Dental Surgery or a Doctor of Medical Dentistry; and
- the dental damage is severe enough that initial contact with a Physician or dentist occurs within 72 hours of the accident. (You may request an extension of this time period provided that you do so within 60 days of the Injury and if extenuating circumstances exist due to the severity of the Injury.)

The Plan also covers dental care (oral examination, X-rays, extractions and non-surgical elimination of oral infection) required for the direct treatment of a medical condition limited to:

- dental services related to medical transplant procedures;
- initiation of immunosuppressives (medication used to reduce inflammation and suppress the immune system); and
- direct treatment of acute traumatic Injury, cancer or cleft palate.

Dental services for final treatment to repair the damage caused by accidental Injury must be started within three months of the accident unless extenuating circumstances exist (such as prolonged hospitalization or the presence of fixation wires from fracture care) and completed within 12 months of the accident.

The Plan pays for treatment of accidental Injury only for:

- emergency examination;
- necessary diagnostic x-rays;
- endodontic (root canal) treatment;
- temporary splinting of teeth;
- prefabricated post and core;
- simple minimal restorative procedures (fillings);
- extractions;
- post-traumatic crowns if such are the only clinically acceptable treatment; and
- replacement of lost teeth due to the Injury by implant, dentures or bridges.

Please remember that you should notify Personal Health Support as soon as possible, but at least five business days before follow-up (post-Emergency) treatment begins. You do not have to provide notification before the initial Emergency treatment.

Diabetes Services

The Plan pays Benefits for the Covered Health Services identified below.

Covered Diabetes Services	
Diabetes Self-Management and Training/Diabetic Eye Examinations/Foot Care	<p>Benefits include outpatient self-management training for the treatment of diabetes, education and medical nutrition therapy services. These services must be ordered by a Physician and provided by appropriately licensed or registered healthcare professionals.</p> <p>Benefits under this section also include medical eye examinations (dilated retinal examinations) and preventive foot care for Covered Persons with diabetes.</p>
Diabetic Self-Management Items	<p>Insulin pumps and supplies for the management and treatment of diabetes, based upon the medical needs of the Covered Person. An insulin pump is subject to all the conditions of coverage stated under <i>Durable Medical Equipment</i> in this section.</p> <p>Benefits for blood glucose monitors, insulin syringes with needles, blood glucose and urine test strips, ketone test strips and tablets and lancets and lancet devices are described in Section 15, <i>Prescription Drugs</i>.</p>

Durable Medical Equipment (DME)

The Plan pays for Durable Medical Equipment (DME) that is:

- ordered or provided by a Physician for outpatient use;
- used for medical purposes;
- not consumable or disposable;
- not of use to a person in the absence of a Sickness, Injury or disability;
- durable enough to withstand repeated use; and
- appropriate for use in the home.

If more than one piece of DME can meet your functional needs, you will receive Benefits only for the most Cost-Effective piece of equipment. Benefits are provided for a single unit of DME (example: one insulin pump) and for repairs of that unit. If you rent or purchase a piece of Durable Medical Equipment that exceeds this guideline, you may be responsible for any cost difference between the piece you rent or purchase and the piece UnitedHealthcare has determined is the most Cost-Effective.

Examples of DME include but are not limited to:

- equipment to administer oxygen;
- equipment to assist mobility, such as a standard wheelchair;
- Hospital beds;
- delivery pumps for tube feedings;
- burn garments;
- filters for sleep apnea machines;
- insulin pumps and all related necessary supplies as described under *Diabetes Services* in this section;
- external cochlear devices and systems. Surgery to place a cochlear implant is also covered by the Plan. Cochlear implantation can either be an inpatient or outpatient procedure. See *Hospital - Inpatient Stay*, *Rehabilitation Services - Outpatient Therapy* and *Surgery - Outpatient* in this section;
- braces that stabilize an injured body part, including necessary adjustments to shoes to accommodate braces. Braces that stabilize an injured body part and braces to treat curvature of the spine are considered Durable Medical Equipment and are a Covered Health Service. Braces that straighten or change the shape of a body part are orthotic devices and are excluded from coverage. Dental braces are also excluded from coverage; and
- equipment for the treatment of chronic or acute respiratory failure or conditions.

The Plan also covers tubings, nasal cannulas, connectors and masks used in connection with DME.

Benefits also include speech aid devices and tracheo-esophageal voice devices required for treatment of severe speech impediment or lack of speech directly attributed to Sickness or Injury. Benefits for the purchase of speech aid devices and tracheo-esophageal voice devices are available only after completing a required three-month rental period. Benefits are limited as stated below.

Note: DME is different from prosthetic devices – see *Prosthetic Devices* in this section.

Benefits for speech aid devices and tracheo-esophageal voice devices are limited to the purchase of one device during the entire period of time a Covered Person is enrolled under the Plan.

Benefits are provided for the repair/replacement of a type of Durable Medical Equipment once every three calendar years.

At UnitedHealthcare's discretion, replacements are covered for damage beyond repair with normal wear and tear, when repair costs exceed new purchase price, or when a change in the Covered Person's medical condition occurs sooner than the three year timeframe. Repairs, including the replacement of essential accessories, such as hoses, tubes, mouth pieces, etc., for necessary DME are only covered when required to make the item/device serviceable and the estimated repair expense does not exceed the cost of purchasing or renting another item/device. Requests for repairs may be made at any time and are not subject to the three year timeline for replacement.

Emergency Health Services - Outpatient

The Plan's Emergency services Benefit pays for outpatient treatment at a Hospital or Alternate Facility when required to stabilize a patient or initiate treatment.

If you are admitted as an inpatient to a Network Hospital directly from the Emergency room, you will not have to pay the Copay for Emergency Health Services. The Benefits for an Inpatient Stay in a Network Hospital will apply instead.

Network Benefits will be paid for an Emergency admission to a non-Network Hospital as long as Personal Health Support is notified within one business day of the admission or on the same day of admission if reasonably possible after you are admitted to a non-Network Hospital. If you continue your stay in a non-Network Hospital after the date your Physician determines that it is medically appropriate to transfer you to a Network Hospital, no Benefits will be paid.

Extreme Vision

The Plan's pays for Benefits for the following:

- necessary contact lenses or eyeglasses to correct vision problems following cataract surgery; and

- evaluation, fitting cost and purchase cost of contact lenses if there is a diagnosis of Karatoconus.

Benefits are limited to once every 12 months.

Home Health Care

Covered Health Services are services that a Home Health Agency provides if you need care in your home due to the nature of your condition. Services must be:

- ordered by a Physician;
- provided by or supervised by a registered nurse in your home, or provided by either a home health aide or licensed practical nurse and supervised by a registered nurse;
- not considered Custodial Care, as defined in Section 14, *Glossary*; and
- provided on a part-time, intermittent schedule when Skilled Care is required. Refer to Section 14, *Glossary* for the definition of Skilled Care.

Personal Health Support will decide if Skilled Care is needed by reviewing both the skilled nature of the service and the need for Physician-directed medical management. A service will not be determined to be "skilled" simply because there is not an available caregiver.

Benefits are limited to 30 visits per calendar year. One visit equals four hours of Skilled Care services. This visit limit does not include any service which is billed only for the administration of intravenous infusion.

Hospice Care

Hospice care is an integrated program recommended by a Physician which provides comfort and support services for the terminally ill. Hospice care can be provided on an inpatient or outpatient basis and includes physical, psychological, social, spiritual and respite care for the terminally ill person, and short-term grief counseling for immediate family members while the Covered Person is receiving hospice care. Benefits are available only when hospice care is received from a licensed hospice agency, which can include a Hospital.

Hospital - Inpatient Stay

Hospital Benefits are available for:

- non-Physician services and supplies received during an Inpatient Stay;
- room and board in a Semi-private Room (a room with two or more beds); and
- Physician services for radiologists, anesthesiologists, pathologists and Emergency room Physicians.

The Plan will pay the difference in cost between a Semi-private Room and a private room only if a private room is necessary according to generally accepted medical practice.

Benefits for an Inpatient Stay in a Hospital are available only when the Inpatient Stay is necessary to prevent, diagnose or treat a Sickness or Injury. Benefits for other Hospital-based Physician services are described in this section under *Physician Fees for Surgical and Medical Services*.

Benefits for Emergency admissions and admissions of less than 24 hours are described under *Emergency Health Services - Outpatient* and *Surgery - Outpatient, Scopic Procedures - Diagnostic and Therapeutic Services*, and *Therapeutic Treatments - Outpatient*, respectively.

Kidney Resource Services (KRS)

The Plan pays Benefits for Comprehensive Kidney Solution (CKS) that covers both chronic kidney disease and End Stage Renal Disease (ESRD) disease provided by Designated Facilities participating in the Kidney Resource Services (KRS) program. Designated Facility is defined in Section 14, *Glossary*.

In order to receive Benefits under this program, KRS must provide the proper notification to the Network provider performing the services. This is true even if you self-refer to a Network provider participating in the program. Notification is required:

- prior to vascular access placement for dialysis; and
- prior to any ESRD services.

You or a covered Dependent may:

- be referred to KRS by Personal Health Support; or
- call KRS toll-free at (888) 936-7246 and select the KRS prompt.

To receive Benefits related to ESRD and chronic kidney disease, you are not required to visit a Designated Facility. If you receive services from a facility that is not a Designated Facility, the Plan pays Benefits as described under:

- Physician's Office Services - Sickness and Injury;
- Physician Fees for Surgical and Medical Services;
- Scopic Procedures - Outpatient Diagnostic and Therapeutic;
- Therapeutic Treatments - Outpatient;
- Hospital - Inpatient Stay; and
- Surgery - Outpatient.

To receive Benefits under the KRS program, you must contact KRS prior to obtaining Covered Health Services. The Plan will only pay Benefits under the KRS program if KRS provides the proper notification to the Designated Facility provider performing the services (even if you self-refer to a provider in that Network).

Lab, X-Ray and Diagnostics - Outpatient

Services for Sickness and Injury-related diagnostic purposes, received on an outpatient basis at a Hospital or Alternate Facility or in a Physician's office include, but are not limited to:

- lab and radiology/x-ray; and
- mammography.

Benefits under this section include:

- the facility charge and the charge for supplies and equipment; and
- Physician services for radiologists, anesthesiologists and pathologists.

Benefits for other Physician services are described in this section under *Physician Fees for Surgical and Medical Services*. Lab, X-ray and diagnostic services for preventive care are described under *Preventive Care Services* in this section.

Lab, X-Ray and Major Diagnostics - CT, PET Scans, MRI, MRA and Nuclear Medicine - Outpatient

Services for CT scans, PET scans, MRI, MRA, nuclear medicine, and major diagnostic services received on an outpatient basis at a Hospital or Alternate Facility or in a Physician's office.

Benefits under this section include:

- the facility charge and the charge for supplies and equipment; and
- Physician services for radiologists, anesthesiologists and pathologists.

When these services are performed in a Physician's office, Benefits are described under *Physician's Office Services - Sickness and Injury* in this section. Benefits for other Physician services are described in this section under *Physician Fees for Surgical and Medical Services*.

Mental Health Services

Mental Health Services include those received on an inpatient or outpatient basis in a Hospital and an Alternate Facility or in a provider's office.

Benefits include the following services:

- diagnostic evaluations and assessment;
- treatment planning;
- treatment and/or procedures;
- referral services;
- medication management;
- individual, family, therapeutic group and provider-based case management services;

- crisis intervention;
- Partial Hospitalization/Day Treatment;
- services at a Residential Treatment Facility; and
- Intensive Outpatient Treatment.

The Mental Health/Substance Use Disorder Administrator determines coverage for all levels of care. If an Inpatient Stay is required, it is covered on a Semi-private Room basis.

You are encouraged to contact the Mental Health/Substance Use Disorder Administrator for referrals to providers and coordination of care.

Special Mental Health Programs and Services

Special programs and services that are contracted under the Mental Health/Substance Use Disorder Administrator may become available to you as part of your Mental Health Services benefit. The Mental Health Services Benefits and financial requirements assigned to these programs or services are based on the designation of the program or service to inpatient, Partial Hospitalization/Day Treatment, Intensive Outpatient Treatment, outpatient or a Transitional Care category of Benefit use. Special programs or services provide access to services that are beneficial for the treatment of your Mental Illness which may not otherwise be covered under this Plan. You must be referred to such programs through the Mental Health/Substance Use Disorder Administrator, who is responsible for coordinating your care or through other pathways as described in the program introductions. Any decision to participate in such program or service is at the discretion of the Covered Person and is not mandatory.

Please remember you should notify UnitedHealthcare, the MH/SUD Administrator, to receive these Benefits in advance of any treatment. Please call the phone number that appears on your ID card.

Neurobiological Disorders - Autism Spectrum Disorder Services

The Plan pays Benefits for psychiatric services for Autism Spectrum Disorder (otherwise known as neurodevelopmental disorders) that are both of the following:

- Provided by or under the direction of an experienced psychiatrist and/or an experienced licensed psychiatric provider; and
- Focused on treating maladaptive/stereotypic behaviors that are posing danger to self, others or property and impairment in daily functioning.

These Benefits describe only the psychiatric component of treatment for Autism Spectrum Disorders. Medical treatment of Autism Spectrum Disorders is a Covered Health Service for which Benefits are available under the applicable medical Covered Health Services categories as described in this section.

Benefits include the following services provided on either an outpatient or inpatient basis:

- diagnostic evaluations and assessment;
- treatment planning;
- treatment and/or procedures;
- referral services;
- medication management;
- individual, family, therapeutic group and provider-based case management services;
- crisis intervention;
- Partial Hospitalization/Day Treatment;
- services at a Residential Treatment Facility; and
- Intensive Outpatient Treatment.

The Mental Health/Substance Use Disorder Administrator determines coverage for all levels of care with regard to services for Autism Spectrum Disorder. If an Inpatient Stay is required, it is covered on a Semi-private Room basis.

You are encouraged to contact the Mental Health/Substance Use Disorder Administrator for referrals to providers and coordination of care.

Please remember you should notify UnitedHealthcare, the MH/SUD Administrator, to receive the Benefits for Autism Spectrum Disorder in advance of any treatment. Please call phone number that appears on your ID card.

Nutritional Counseling

The Plan will pay for Covered Health Services for medical education services provided in a Physician's office by an appropriately licensed or healthcare professional for Covered Persons with diabetes that require a special diet.

When nutritional counseling services are billed as a preventive care service, these services will be paid as described under *Preventive Care Services* in this section.

Obesity Surgery

The Plan covers surgical treatment of obesity provided by or under the direction of a Physician.

Morbid obesity means morbid or clinically severe obesity correlated with a Body Mass Index (BMI) of 40 kg/m² or with being 100 pounds over ideal body weight and 30% over ideal body weight with underlying medical conditions

Benefits are available for obesity surgery services that meet the definition of a Covered Health Service, as defined in Section 14, *Glossary* and are not Experimental or Investigational or Unproven Services.

Surgery is limited to a lifetime benefit of \$5,000. There is no calendar year limit for non-surgical treatment.

Ostomy Supplies

Benefits for ostomy supplies are limited to:

- pouches, face plates and belts;
- irrigation sleeves, bags and ostomy irrigation catheters; and
- skin barriers.

Pharmaceutical Products - Outpatient

The Plan pays for Pharmaceutical Products that are administered on an outpatient basis in a Hospital, Alternate Facility, Physician's office, or in a Covered Person's home. Examples of what would be included under this category are antibiotic injections in the Physician's office or inhaled medication in an Urgent Care Center for treatment of an asthma attack.

Benefits under this section are provided only for Pharmaceutical Products which, due to their characteristics (as determined by UnitedHealthcare), must typically be administered or directly supervised by a qualified provider or licensed/certified health professional. Benefits under this section do not include medications that are typically available by prescription order or refill at a pharmacy.

Physician Fees for Surgical and Medical Services

The Plan pays Physician fees for surgical procedures and other medical care received from a Physician in a Hospital, Skilled Nursing Facility, Inpatient Rehabilitation Facility, Alternate Facility, or for Physician house calls.

Physician's Office Services - Sickness and Injury

Benefits are paid by the Plan for Covered Health Services received in a Physician's office for the evaluation and treatment of a Sickness or Injury. Benefits are provided under this section regardless of whether the Physician's office is free-standing, located in a clinic or located in a Hospital. Benefits under this section include allergy injections and hearing exams in case of Injury or Sickness.

Benefits for preventive services are described under *Preventive Care* in this section

Pregnancy - Maternity Services

Employee and Dependent Spouse Only

Benefits for Pregnancy will be paid at the same level as Benefits for any other condition, Sickness or Injury. This includes all maternity-related medical services for postnatal care, delivery, and any related complications.

The Plan will pay Benefits for an Inpatient Stay of at least:

- 48 hours for the mother and newborn child following a vaginal delivery; or
- 96 hours for the mother and newborn child following a cesarean section delivery.

These are federally mandated requirements under the Newborns' and Mothers' Health Protection Act of 1996 which apply to this Plan. The Hospital or other provider is not required to get authorization for the time periods stated above. Authorizations are required for longer lengths of stay. If the mother agrees, the attending Physician may discharge the mother and/or the newborn child earlier than these minimum timeframes.

Both before and during a Pregnancy, Benefits include the services of a genetic counselor when provided or referred by a Physician. These Benefits are available to all Covered Persons in the immediate family. Covered Health Services include related tests and treatment.

For Dependent Children Only

Pregnancy Benefits for Dependent children are limited to Covered Health Services for Complications of Pregnancy. For a complete definition of Complications of Pregnancy, see Section 14, *Glossary*.

Benefits are payable for Covered Health Services for the treatment of Complications of Pregnancy given to a Dependent child while covered under this Plan.

Benefits for Complications of Pregnancy are paid in the same way as benefits are paid for Sickness.

Benefits for Complications of Pregnancy which result in the delivery of a child are payable for at least:

- 48 hours of inpatient care for the mother and newborn child following a normal vaginal delivery; and
- 96 hours of inpatient care for the mother and newborn child following a cesarean section.

The following are not considered Complications of Pregnancy:

- false labor;
- occasional spotting;
- rest prescribed by a Physician;

- morning sickness; and
- other conditions that may be connected with a difficult pregnancy but are not a classifiably distinct complication.

Healthy moms and babies

The Plan provides a special prenatal program to help during Pregnancy. Participation is voluntary and free of charge. See Section 7, *Resources to Help you Stay Healthy*, for details.

Preventive Care Services

Preventive care services provided on an outpatient basis at a Physician's office, an Alternate Facility or a Hospital encompass medical services that have been demonstrated by clinical evidence to be safe and effective in either the early detection of disease or in the prevention of disease, have been proven to have a beneficial effect on health outcomes and include the following as required under applicable law:

- evidence-based items or services that have in effect a rating of "A" or "B" in the current recommendations of the United States Preventive Services Task Force;
- immunizations that have in effect a recommendation from the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention;
- with respect to infants, children and adolescents, evidence-informed preventive care and screenings provided for in the comprehensive guidelines supported by the Health Resources and Services Administration; and
- with respect to women, such additional preventive care and screenings as provided for in comprehensive guidelines supported by the Health Resources and Services Administration.

Benefits are only available if breast pumps are obtained from a DME provider or Physician.

If more than one breast pump can meet your needs, Benefits are available only for the most cost effective pump. The Claims Administrator will determine the following:

- which pump is the most cost effective;
- whether the pump should be purchased or rented;
- duration of a rental; and
- timing of an acquisition.

For questions about your preventive care Benefits under this Plan call the number on the back of your ID card.

Private Duty Nursing - Outpatient

The Plan covers Private Duty Nursing care given on an outpatient basis by a licensed nurse such as a Registered Nurse (R.N.), Licensed Practical Nurse (L.P.N.), or Licensed Vocational Nurse (L.V.N.).

Benefits are limited to 30 visits per Covered Person per calendar year.

Prosthetic Devices

Benefits are paid by the Plan for prosthetic devices and appliances that replace a limb or body part, or help an impaired limb or body part work. Examples include, but are not limited to:

- artificial arms, legs, feet and hands;
- artificial face, eyes, ears and nose; and
- breast prosthesis following mastectomy as required by the Women's Health and Cancer Rights Act of 1998, including mastectomy bras and lymphedema stockings for the arm.

Benefits under this section are provided only for external prosthetic devices and do not include any device that is fully implanted into the body other than breast prostheses.

If more than one prosthetic device can meet your functional needs, Benefits are available only for the most Cost-Effective prosthetic device. The device must be ordered or provided either by a Physician, or under a Physician's direction. If you purchase a prosthetic device that exceeds these minimum specifications, the Plan may pay only the amount that would have paid for the prosthetic that meets the minimum specifications, and you may be responsible for paying any difference in cost.

Benefits are provided for the replacement of a type of prosthetic device once every three calendar years.

At UnitedHealthcare's discretion, prosthetic devices may be covered for damage beyond repair with normal wear and tear, when repair costs are less than the cost of replacement or when a change in the Covered Person's medical condition occurs sooner than the three year timeframe. Replacement of artificial limbs or any part of such devices may be covered when the condition of the device or part requires repairs that cost more than the cost of a replacement device or part.

Note: Prosthetic devices are different from DME - see *Durable Medical Equipment (DME)* in this section.

Reconstructive Procedures

Reconstructive Procedures are services performed when the primary purpose of the procedure is either to treat a medical condition or to improve or restore physiologic function for an organ or body part. Reconstructive procedures include surgery or other procedures which are associated with an Injury, Sickness or Congenital Anomaly. The primary result of the procedure is not a changed or improved physical appearance.

Improving or restoring physiologic function means that the organ or body part is made to work better. An example of a Reconstructive Procedure is surgery on the inside of the nose so that a person's breathing can be improved or restored.

Benefits for Reconstructive Procedures include breast reconstruction following a mastectomy and reconstruction of the non-affected breast to achieve symmetry. Replacement of an existing breast implant is covered by the Plan if the initial breast implant followed mastectomy. Other services required by the Women's Health and Cancer Rights Act of 1998, including breast prostheses and treatment of complications, are provided in the same manner and at the same level as those for any other Covered Health Service. You can contact UnitedHealthcare at the telephone number on your ID card for more information about Benefits for mastectomy-related services.

There may be times when the primary purpose of a procedure is to make a body part work better. However, in other situations, the purpose of the same procedure is to improve the appearance of a body part. Cosmetic procedures are excluded from coverage. Procedures that correct an anatomical Congenital Anomaly without improving or restoring physiologic function are considered Cosmetic Procedures. A good example is upper eyelid surgery. At times, this procedure will be done to improve vision, which is considered a Reconstructive Procedure. In other cases, improvement in appearance is the primary intended purpose, which is considered a Cosmetic Procedure. This Plan does not provide Benefits for Cosmetic Procedures, as defined in Section 14, *Glossary*.

The fact that a Covered Person may suffer psychological consequences or socially avoidant behavior as a result of an Injury, Sickness or Congenital Anomaly does not classify surgery (or other procedures done to relieve such consequences or behavior) as a reconstructive procedure.

Please remember that you should notify Personal Health Support five business days before undergoing a Reconstructive Procedure. When you provide notification, Personal Health Support can determine whether the service is considered reconstructive or cosmetic. Cosmetic Procedures are always excluded from coverage.

Rehabilitation Services - Outpatient Therapy and Manipulative Treatment

The Plan provides short-term outpatient rehabilitation services for the following types of therapy:

- physical therapy;
- occupational therapy;
- Manipulative Treatment;
- speech therapy;
- pulmonary rehabilitation;
- post-cochlear implant aural therapy; and
- cardiac rehabilitation.

For all rehabilitation services, a licensed therapy provider, under the direction of a Physician (when required by state law), must perform the services. Benefits under this section include

rehabilitation services provided in a Physician's office or on an outpatient basis at a Hospital or Alternate Facility.

Habilitative Services

Benefits are provided for habilitative services provided on an outpatient basis for Covered Persons with a congenital, genetic, or early acquired disorder when both of the following conditions are met:

- The treatment is administered by a licensed speech-language pathologist, licensed audiologist, licensed occupational therapist, licensed physical therapist, Physician, licensed nutritionist, licensed social worker or licensed psychologist.
- The initial or continued treatment must be proven and not Experimental or Investigational.

Benefits for habilitative services do not apply to those services that are solely educational in nature or otherwise paid under state or federal law for purely educational services. Custodial Care, respite care, day care, therapeutic recreation, vocational training and residential treatment are not habilitative services. A service that does not help the Covered Person to meet functional goals in a treatment plan within a prescribed time frame is not a habilitative service. When the Covered Person reaches his/her maximum level of improvement or does not demonstrate continued progress under a treatment plan, a service that was previously habilitative is no longer habilitative.

The Plan may require that a treatment plan be provided, request medical records, clinical notes, or other necessary data to allow the Plan to substantiate that initial or continued medical treatment is needed and that the Covered Person's condition is clinically improving as a result of the habilitative service. When the treating provider anticipates that continued treatment is or will be required to permit the Covered Person to achieve demonstrable progress, we may request a treatment plan consisting of diagnosis, proposed treatment by type, frequency, anticipated duration of treatment, the anticipated goals of treatment, and how frequently the treatment plan will be updated.

For purposes of this benefit, the following definitions apply:

- "Habilitative services" means occupational therapy, physical therapy and speech therapy prescribed by the Covered Person's treating Physician pursuant to a treatment plan to develop a function not currently present as a result of a congenital, genetic, or early acquired disorder.
- A "congenital or genetic disorder" includes, but is not limited to, hereditary disorders.
- An "early acquired disorder" refers to a disorder resulting from Sickness, Injury, trauma or some other event or condition suffered by a Covered Person prior to that Covered Person developing functional life skills such as, but not limited to, walking, talking, or self-help skills.

Other than as described under Habilitative Services above, please note that the Plan will pay Benefits for speech therapy for the treatment of disorders of speech, language, voice,

communication and auditory processing only when the disorder results from Injury, Sickness, stroke, cancer, Congenital Anomaly, Autism Spectrum Disorders, or when needed following the placement of a cochlear implant.

Benefits can be denied or shortened for Covered Persons who are not progressing in goal-directed rehabilitation services or if rehabilitation goals have previously been met. Benefits can be denied or shortened for Covered Persons who are not progressing in goal-directed Manipulative Treatment or if treatment goals have previously been met. Benefits under this section are not available for maintenance/preventive Manipulative Treatment.

Benefits are limited to:

- 20 visits per calendar year for physical therapy;
- 20 visits per calendar year for occupational therapy;
- 20 visits per calendar year for speech therapy;
- 30 visits per calendar year for post-cochlear implant aural therapy; and
- 20 visits per calendar year for Manipulative Treatment.

Scopic Procedures - Outpatient Diagnostic and Therapeutic

The Plan pays for diagnostic and therapeutic scopic procedures and related services received on an outpatient basis at a Hospital or Alternate Facility or in a Physician's office.

Diagnostic scopic procedures are those for visualization, biopsy and polyp removal. Examples of diagnostic scopic procedures include colonoscopy, sigmoidoscopy, and endoscopy.

Benefits under this section include:

- the facility charge and the charge for supplies and equipment; and
- Physician services for radiologists, anesthesiologists and pathologists.

Please note that Benefits under this section do not include surgical scopic procedures, which are for the purpose of performing surgery. Benefits for surgical scopic procedures are described under *Surgery - Outpatient*. Examples of surgical scopic procedures include arthroscopy, laparoscopy, bronchoscopy, hysteroscopy.

Skilled Nursing Facility/Inpatient Rehabilitation Facility Services

Facility services for an Inpatient Stay in a Skilled Nursing Facility or Inpatient Rehabilitation Facility are covered by the Plan. Benefits include:

- non-Physician services and supplies received during the Inpatient Stay;
- room and board in a Semi-private Room (a room with two or more beds); and
- Physician services for radiologists, anesthesiologists and pathologists.

Benefits are available when skilled nursing and/or Inpatient Rehabilitation Facility services are needed on a daily basis. Benefits are also available in a Skilled Nursing Facility or Inpatient Rehabilitation Facility for treatment of a Sickness or Injury that would have otherwise required an Inpatient Stay in a Hospital.

Benefits for other Physician services, including anesthesiologists, consulting Physicians, pathologists and radiologists, are described in this section under *Physician Fees for Surgical and Medical Services*.

UnitedHealthcare will determine if Benefits are available by reviewing both the skilled nature of the service and the need for Physician-directed medical management. A service will not be determined to be "skilled" simply because there is not an available caregiver.

Benefits are available only if:

- the initial confinement in a Skilled Nursing Facility or Inpatient Rehabilitation Facility was or will be a cost-effective alternative to an Inpatient Stay in a Hospital; and
- you will receive skilled care services that are not primarily Custodial Care.

Skilled care is skilled nursing, skilled teaching, and skilled rehabilitation services when:

- it is delivered or supervised by licensed technical or professional medical personnel in order to obtain the specified medical outcome, and provide for the safety of the patient;
- it is ordered by a Physician;
- it is not delivered for the purpose of assisting with activities of daily living, including but not limited to dressing, feeding, bathing or transferring from a bed to a chair; and
- it requires clinical training in order to be delivered safely and effectively.

You are expected to improve to a predictable level of recovery. Benefits can be denied or shortened for Covered Persons who are not progressing in goal-directed rehabilitation services or if discharge rehabilitation goals have previously been met.

Note: The Plan does not pay Benefits for Custodial Care or Domiciliary Care, even if ordered by a Physician, as defined in Section 14, *Glossary*.

Benefits are limited to 120 days per calendar year.

Substance Use Disorder Services

Substance Use Disorder Services (also known as substance-related and addictive disorders services) include those received on an inpatient or outpatient basis in a Hospital, an Alternate Facility, or in a provider's office.

Benefits include the following services:

- diagnostic evaluations and assessment;
- treatment planning;

- treatment and/or procedures;
- referral services;
- medication management;
- individual, family, therapeutic group and provider-based case management services;
- crisis intervention;
- Partial Hospitalization/Day Treatment;
- services at a Residential Treatment Facility; and
- Intensive Outpatient Treatment.

The Mental Health/Substance Use Disorder Administrator determines coverage for all levels of care. If an Inpatient Stay is required, it is covered on a Semi-private Room basis.

You are encouraged to contact the Mental Health/Substance Use Disorder Administrator for referrals to providers and coordination of care.

Special Substance Use Disorder Programs and Services

Special programs and services that are contracted under the Mental Health/Substance Use Disorder Administrator may become available to you as part of your Substance Use Disorder Services benefit. The Substance Use Disorder Benefits and financial requirements assigned to these programs or services are based on the designation of the program or service to inpatient, Partial Hospitalization/Day Treatment, Intensive Outpatient Treatment, outpatient or a Transitional Care category of Benefit use. Special programs or services provide access to services that are beneficial for the treatment of your substance use disorder which may not otherwise be covered under this Plan. You must be referred to such programs through the Mental Health/Substance Use Disorder Administrator, who is responsible for coordinating your care or through other pathways as described in the program introductions. Any decision to participate in such program or service is at the discretion of the Covered Person and is not mandatory.

Please remember you should notify UnitedHealthcare, the MH/SUD Administrator, to receive these Benefits in advance of any treatment. Please call phone number that appears on your ID card.

Surgery - Outpatient

The Plan pays for surgery and related services received on an outpatient basis at a Hospital or Alternate Facility.

Benefits under this section include:

- the facility charge and the charge for supplies and equipment;
- certain surgical scopic procedures (examples of surgical scopic procedures include arthroscopy, laparoscopy, bronchoscopy, hysteroscopy); and

- Physician services for radiologists, anesthesiologists and pathologists.

Benefits for other Physician services, including anesthesiologists, consulting Physicians, pathologists and radiologists, are described in this section under *Physician Fees for Surgical and Medical Services*.

Temporomandibular Joint (TMJ) Services

The Plan covers diagnostic and surgical and non-surgical treatment of conditions affecting the temporomandibular joint when provided by or under the direction of a Physician. Coverage includes necessary treatment required as a result of accident, trauma, a Congenital Anomaly, developmental defect, or pathology.

Diagnostic treatment includes examination, radiographs and applicable imaging studies and consultation. Non-surgical treatment includes clinical examinations, oral appliances (orthotic splints), arthrocentesis and trigger-point injections.

Benefits are provided for surgical treatment if:

- there is clearly demonstrated radiographic evidence of significant joint abnormality;
- non-surgical treatment has failed to adequately resolve the symptoms; and
- pain or dysfunction is moderate or severe.

Benefits for surgical services include arthrocentesis, arthroscopy, arthroplasty, arthrotomy, open or closed reduction of dislocations. Benefits for surgical services also include U.S. Food and Drug Administration (FDA)-approved TMJ implants only when all other treatment has failed.

Benefits for an Inpatient Stay in a Hospital and Hospital-based Physician services are described in this section under *Hospital – Inpatient Stay* and *Physician Fees for Surgical and Medical Services*, respectively.

Therapeutic Treatments - Outpatient

The Plan pays Benefits for therapeutic treatments received on an outpatient basis at a Hospital or Alternate Facility or in a Physician's office, including but not limited to dialysis (both hemodialysis and peritoneal dialysis), intravenous chemotherapy or other intravenous infusion therapy and radiation oncology.

Covered Health Services include medical education services that are provided on an outpatient basis at a Hospital or Alternate Facility by appropriately licensed or registered healthcare professionals when:

- education is required for a disease in which patient self-management is an important component of treatment; and
- there exists a knowledge deficit regarding the disease which requires the intervention of a trained health professional.

Benefits under this section include:

- the facility charge and the charge for related supplies and equipment; and
- Physician services for anesthesiologists, pathologists and radiologists. Benefits for other Physician services are described in this section under *Physician Fees for Surgical and Medical Services*.

Transgender Services

The Plan will pay for the following transgender services:

- **psychotherapy** for gender identity disorders/dysphoria and associated co-morbid psychiatric diagnoses as described under Mental Health Services in Section 6, *Additional Coverage Details*;
- **continuous hormone replacement** – hormones of the desired gender injected by a medical provider (self-administered hormones are covered under the CVS Caremark plan); and
- genital surgery and surgery to change secondary sex characteristics (including thyroid chondroplasty, bilateral mastectomy, and augmentation mammoplasty).
 - The treatment plan must conform to the most recent edition of the *World Professional Association for Transgender Health (WPATH), Standards of Care for the Health of Transsexual, Transgender, and Gender Nonconforming People*; and
 - For irreversible surgical interventions, the patient must be age 18 years or older; and
 - Prior to surgery, the patient must complete 12 months of successful continuous full time real life experience in the desired gender.

Important:

- Certain patients will be required to complete continuous hormone therapy prior to surgery. In consultation with the patient's physician, this will be determined on a case-by-case basis through the Prior Authorization process.
 - Augmentation mammoplasty is allowed if the Physician prescribing hormones and the surgeon have documented that breast enlargement after undergoing hormone treatment for 18 months is not sufficient for comfort in the social role; and
- **laboratory testing** to monitor the safety of the continuous hormone therapy.

The Plan will pay for preventive care, including evidence-based items or services as required by law. See *Preventive Care Services* for additional information on what services are covered. During your annual preventive care visit, the plan will pay for laboratory testing to monitor hormone therapy, for transgender persons.

Any subsequent or follow-up diagnostic testing performed as a result of findings indicated by the preventive care visit will not be paid at the Preventive Care Services level, but will be paid as stated under each Covered Health Service category in Section 5, *Plan Highlights*.

The Claims Administrator has specific guidelines regarding Benefits for Treatment of Gender Identity Disorder. Contact the Claims Administrator at the telephone number on your ID card for information about these guidelines.

Transplantation Services

Inpatient facility services (including evaluation for transplant, organ procurement and donor searches) for transplantation procedures must be ordered by a Network provider and received at a Designated Facility. Benefits are available to the donor and the recipient when the recipient is covered under this Plan. The transplant must meet the definition of a Covered Health Service and cannot be Experimental or Investigational, or Unproven. Examples of transplants for which Benefits are available include but are not limited to:

- heart;
- heart/lung;
- lung;
- kidney;
- kidney/pancreas;
- liver;
- liver/kidney;
- liver/intestinal;
- pancreas;
- intestinal; and
- bone marrow (either from you or from a compatible donor) and peripheral stem cell transplants, with or without high dose chemotherapy. Not all bone marrow transplants meet the definition of a Covered Health Service

Benefits are also available for cornea transplants that are provided by a Network provider at a Network Hospital. You are not required to notify United Resource Networks or Personal Health Support of a cornea transplant nor is the cornea transplant required to be performed at a Designated Facility.

Donor costs that are directly related to organ removal are Covered Health Services for which Benefits are payable through the organ recipient's coverage under the Plan.

The Plan has specific guidelines regarding Benefits for transplant services. Contact United Resource Networks at (888) 936-7246 or Personal Health Support at the telephone number on your ID card for information about these guidelines.

Note: The services described under *Travel and Lodging* are Covered Health Services only in connection with transplant services received at a Designated Facility.

Travel and Lodging

United Resource Networks or Personal Health Support will assist the patient and family with travel and lodging arrangements related to:

- Congenital Heart Disease (CHD);
- transplantation services; and
- cancer-related treatments.

For travel and lodging services to be covered, the patient must be receiving services at a Designated Facility through United Resource Networks.

The Plan covers expenses for travel and lodging for the patient, provided he or she is not covered by Medicare, and a companion as follows:

- transportation of the patient and one companion who is traveling on the same day(s) to and/or from the site of the cancer-related treatment, the CHD service, or the transplant for the purposes of an evaluation, the procedure or necessary post-discharge follow-up;
- Eligible Expenses for lodging for the patient (while not a Hospital inpatient) and one companion. Benefits are paid at a per diem (per day) rate of up to \$75 per day for the patient or up to \$100 per day for the patient plus one companion; or
- if the patient is an enrolled Dependent minor child, the transportation expenses of two companions will be covered and lodging expenses will be reimbursed at a per diem rate up to \$100 per day.

Travel and lodging expenses are only available if the recipient lives more than 50 miles from the Designated Facility (for CRS and transplantation) or the CHD facility. UnitedHealthcare must receive valid receipts for such charges before you will be reimbursed. Examples of travel expenses may include:

- airfare at coach rate;
- taxi or ground transportation; or
- mileage reimbursement at the IRS rate for the most direct route between the patient's home and the Designated Facility.

Support in the event of serious illness

If you or a covered family member has cancer or needs an organ or bone marrow transplant, UnitedHealthcare can put you in touch with quality treatment centers around the country.

Urgent Care Center Services

The Plan provides Benefits for services, including professional services, received at an Urgent Care Center, as defined in Section 14, *Glossary*. When Urgent Care services are

provided in a Physician's office, the Plan pays Benefits as described under *Physician's Office Services - Sickness and Injury* earlier in this section.

Wigs

The Plan pays Benefits for wigs and other scalp hair prosthesis regardless of the reason of hair loss.

Benefits are limited to \$300 per calendar year.

SECTION 7 - RESOURCES TO HELP YOU STAY HEALTHY

What this section includes:

Health and well-being resources available to you, including:

- Consumer Solutions and Self-Service Tools;
- Disease and Condition Management Services; and
- Wellness Programs.

City of Dallas believes in giving you the tools you need to be an educated health care consumer. To that end, City of Dallas has made available several convenient educational and support services, accessible by phone and the Internet, which can help you to:

- take care of yourself and your family members;
- manage a chronic health condition; and
- navigate the complexities of the health care system.

NOTE:

Information obtained through the services identified in this section is based on current medical literature and on Physician review. It is not intended to replace the advice of a doctor. The information is intended to help you make better health care decisions and take a greater responsibility for your own health. UnitedHealthcare and City of Dallas are not responsible for the results of your decisions from the use of the information, including, but not limited to, your choosing to seek or not to seek professional medical care, or your choosing or not choosing specific treatment based on the text.

Consumer Solutions and Self-Service Tools

Employee Assistance Program (EAP)

UnitedHealthcare offers free counseling and referral services nationwide through the Employee Assistance Program (EAP). Using a solution focused approach to care, they tailor their interventions to meet your individual needs. The program can help you and your immediate family members cope with issues such as:

- family or relationship problems;
- parenting difficulties;
- work-related problems;
- financial and legal issues;
- substance use or abuse;
- grief and loss; and
- anxiety.

Call the toll-free phone number on the back of your ID card to speak to a specially trained, master's-level specialist who will recommend the right resources for your specific life

concern. Services are available any time, 24 hours a day, seven days per week and are strictly confidential in accordance with state and federal laws.

Health Assessment

You are invited to learn more about your health and wellness at **www.myuhc.com** and are encouraged to participate in the online health assessment. The health assessment is an interactive questionnaire designed to help you identify your healthy habits as well as potential health risks.

Your health assessment is kept confidential. Completing the assessment will not impact your Benefits or eligibility for Benefits in any way.

To find the health assessment, log in to **www.myuhc.com**. After logging in, access your personalized *Health & Wellness* page and click the *Health Assessment* link. If you need any assistance with the online assessment, please call the number on the back of your ID card.

Health Improvement Plan

You can start a Health Improvement Plan at any time. This plan is created just for you and includes information and interactive tools, plus online health coaching recommendations based on your profile.

Online coaching is available for:

- nutrition;
- exercise;
- weight management;
- stress;
- smoking cessation;
- diabetes; and
- heart health.

To help keep you on track with your Health Improvement Plan and online coaching, you'll also receive personalized messages and reminders – City of Dallas' way of helping you meet your health and wellness goals.

NurseLineSM

NurseLine is a toll-free telephone service that puts you in immediate contact with an experienced registered nurse any time, 24 hours a day, seven days a week. Nurses can provide health information for routine or urgent health concerns. When you call, a registered nurse may refer you to any additional resources that City of Dallas has available to help you improve your health and well-being or manage a chronic condition. Call any time when you want to learn more about:

- a recent diagnosis;

- a minor Sickness or Injury;
- men's, women's, and children's wellness;
- how to take Prescription Drugs safely;
- self-care tips and treatment options;
- healthy living habits; or
- any other health related topic.

NurseLine gives you another convenient way to access health information. By calling the same toll-free number, you can listen to one of the Health Information Library's over 1,100 recorded messages, with over half in Spanish.

NurseLine is available to you at no cost.

Note: If you have a medical emergency, call 911 instead of calling NurseLine.

Your child is running a fever and it's 1:00 AM. What do you do?

Call NurseLine toll-free, any time, 24 hours a day, seven days a week. You can count on NurseLine to help answer your health questions.

With NurseLine, you also have access to nurses online. To use this service, log onto www.myuhc.com and click "Live Nurse Chat" in the top menu bar. You'll instantly be connected with a registered nurse who can answer your general health questions any time, 24 hours a day, seven days a week. You can also request an e-mailed transcript of the conversation to use as a reference.

Note: If you have a medical emergency, call 911 instead of logging onto www.myuhc.com.

Treatment Decision Support

In order to help you make informed decisions about your health care, UnitedHealthcare has a program called Treatment Decision Support. This program targets specific conditions as well as the treatments and procedures for those conditions.

This program offers:

- access to accurate, objective and relevant health care information;
- coaching by a nurse through decisions in your treatment and care;
- expectations of treatment; and
- information on high quality providers and programs.

Conditions for which this program is available include:

- back pain;
- knee & hip replacement;

- prostate disease;
- prostate cancer;
- benign uterine conditions;
- breast cancer;
- coronary disease; and
- bariatric surgery.

Participation is completely voluntary and without extra charge. If you think you may be eligible to participate or would like additional information regarding the program, please contact the number on the back of your ID card.

UnitedHealth PremiumSM Program

UnitedHealthcare designates Network Physicians and facilities as UnitedHealth Premium Program Physicians or facilities for certain medical conditions. Physicians and facilities are evaluated on two levels - quality and efficiency of care. The UnitedHealth Premium Program was designed to:

- help you make informed decisions on where to receive care;
- provide you with decision support resources; and
- give you access to Physicians and facilities across areas of medicine that have met UnitedHealthcare's quality and efficiency criteria.

For details on the UnitedHealth Premium Program including how to locate a UnitedHealth Premium Physician or facility, log onto **www.myuhc.com** or call the toll-free number on your ID card.

www.myuhc.com

UnitedHealthcare's member website, **www.myuhc.com**, provides information at your fingertips anywhere and anytime you have access to the Internet. **www.myuhc.com** opens the door to a wealth of health information and convenient self-service tools to meet your needs.

With **www.myuhc.com** you can:

- research a health condition and treatment options to get ready for a discussion with your Physician;
- search for Network providers available in your Plan through the online provider directory;
- access all of the content and wellness topics from NurseLine including Live Nurse Chat 24 hours a day, seven days a week;
- complete a health risk assessment to identify health habits you can improve, learn about healthy lifestyle techniques and access health improvement resources;

- use the treatment cost estimator to obtain an estimate of the costs of various procedures in your area; and
- use the Hospital comparison tool to compare Hospitals in your area on various patient safety and quality measures.

Registering on www.myuhc.com

If you have not already registered as a **www.myuhc.com** subscriber, simply go to **www.myuhc.com** and click on "Register Now." Have your UnitedHealthcare ID card handy. The enrollment process is quick and easy.

Visit **www.myuhc.com** and:

- make real-time inquiries into the status and history of your claims;
- view eligibility and Plan Benefit information, including Copays and Annual Deductibles;
- view and print all of your Explanation of Benefits (EOBs) online; and
- order a new or replacement ID card or, print a temporary ID card.

Want to learn more about a condition or treatment?

Log on to **www.myuhc.com** and research health topics that are of interest to you. Learn about a specific condition, what the symptoms are, how it is diagnosed, how common it is, and what to ask your Physician.

Disease and Condition Management Services

Diabetes Prevention and Control

UnitedHealthcare provides two programs that identify, assess, and support members over the age of 18 living with diabetes or pre-diabetes. The program is designed to support members in preventing pre-diabetics from progressing to diabetes and assist members living with diabetes in controlling their condition and from developing complications.

The Diabetes Prevention Program (DPP) is available for members living with pre-diabetes and offers a 16 session lifestyle intervention that addresses diet, activity and behavior modification. The goal of this program is to slow and/or prevent the development of Type 2 diabetes through lifestyle management and weight loss and is available at local YMCAs.

The Diabetes Control Program (DCP) is available to members living with diabetes and offers face-to-face consultations with trained local pharmacists who will review diabetes history and medication, provide diabetes management education materials and assist individuals living with diabetes with managing their condition. The goal of this program is to reduce the risk of serious health complications through medication management and ongoing monitoring for complications.

Participation is completely voluntary and without extra charge. There are no Copays, Coinsurance or Deductibles that need to be met when services are received as part of the DPP or DCP programs. If you think you may be eligible to participate or would like additional information regarding the programs, please call the DPCA call center directly at 1-888-688-4019.

Disease Management Services

If you have been diagnosed with or are at risk for developing certain chronic medical conditions you may be eligible to participate in a disease management program at no cost to you. The heart failure, coronary artery disease, diabetes and asthma programs are designed to support you. This means that you will receive free educational information through the mail, and may even be called by a registered nurse who is a specialist in your specific medical condition. This nurse will be a resource to advise and help you manage your condition.

These programs offer:

- educational materials mailed to your home that provide guidance on managing your specific chronic medical condition. This may include information on symptoms, warning signs, self-management techniques, recommended exams and medications;
- access to educational and self-management resources on a consumer website;
- an opportunity for the disease management nurse to work with your Physician to ensure that you are receiving the appropriate care; and
- toll-free access to and one-on-one support from a registered nurse who specializes in your condition. Examples of support topics include:
 - education about the specific disease and condition,
 - medication management and compliance,
 - reinforcement of on-line behavior modification program goals,
 - preparation and support for upcoming Physician visits,
 - review of psychosocial services and community resources,
 - caregiver status and in-home safety,
 - use of mail-order pharmacy and Network providers.

Participation is completely voluntary and without extra charge. If you think you may be eligible to participate or would like additional information regarding the program, please contact the number on the back of your ID card.

HealtheNotesSM

UnitedHealthcare provides a service called HealtheNotes to help educate members and make suggestions regarding your medical care. HealtheNotes provides you and your Physician with suggestions regarding preventive care, testing or medications, potential interactions with medications you have been prescribed, and certain treatments. In addition, your HealtheNotes report may include health tips and other wellness information.

UnitedHealthcare makes these suggestions through a software program that provides retrospective, claims-based identification of medical care. Through this process patients are identified whose care may benefit from suggestions using the established standards of evidence based medicine as described in Section 14, *Glossary* under the definition of Covered Health Services.

If your Physician identifies any concerns after reviewing his or her HealtheNotes report, he or she may contact you if he or she believes it to be appropriate. In addition, you may use the information in your report to engage your Physician in discussions regarding your health

and the identified suggestions. Any decisions regarding your care, though, are always between you and your Physician.

If you have questions or would like additional information about this service, please call the number on the back of your ID card.

Wellness Programs

Healthy Pregnancy Program

If you are pregnant and enrolled in the medical Plan, you can get valuable educational information and advice by calling the toll-free number on your ID card. This program offers:

- pregnancy consultation to identify special needs;
- written and on-line educational materials and resources;
- 24-hour toll-free access to experienced maternity nurses;
- a phone call from a care coordinator during your Pregnancy, to see how things are going; and
- a phone call from a care coordinator approximately four weeks postpartum to give you information on infant care, feeding, nutrition, immunizations and more.

Participation is completely voluntary and without extra charge. To take full advantage of the program, you are encouraged to enroll within the first 12 weeks of Pregnancy. You can enroll any time, up to your 34th week. To enroll, call the toll-free number on the back of your ID card.

As a program participant, you can call any time, 24 hours a day, seven days a week, with any questions or concerns you might have.

SECTION 8 - EXCLUSIONS: WHAT THE MEDICAL PLAN WILL NOT COVER

What this section includes:

- Services, supplies and treatments that are not Covered Health Services, except as may be specifically provided for in Section 6, *Additional Coverage Details*.

The Plan does not pay Benefits for the following services, treatments or supplies even if they are recommended or prescribed by a provider or are the only available treatment for your condition.

When Benefits are limited within any of the Covered Health Services categories described in Section 6, *Additional Coverage Details*, those limits are stated in the corresponding Covered Health Service category in Section 5, *Plan Highlights*. Limits may also apply to some Covered Health Services that fall under more than one Covered Health Service category. When this occurs, those limits are also stated in Section 5, *Plan Highlights*. Please review all limits carefully, as the Plan will not pay Benefits for any of the services, treatments, items or supplies that exceed these benefit limits.

Please note that in listing services or examples, when the SPD says "this includes," or "including but not limiting to", it is not UnitedHealthcare's intent to limit the description to that specific list. When the Plan does intend to limit a list of services or examples, the SPD specifically states that the list "is limited to."

Alternative Treatments

1. acupressure
2. aromatherapy;
3. hypnotism;
4. massage therapy;
5. Rolfing (holistic tissue massage); and
6. art therapy, music therapy, dance therapy, horseback therapy and other forms of alternative treatment as defined by the National Center for Complementary and Alternative Medicine (NCCAM) of the National Institutes of Health. This exclusion does not apply to Manipulative Treatment and non-manipulative osteopathic care for which Benefits are provided as described in Section 6, *Additional Coverage Details*.

Dental

1. dental care, except as identified under *Dental Services - Accident Only* in Section 6, *Additional Coverage Details*;

Dental care that is required to treat the effects of a medical condition, but that is not necessary to directly treat the medical condition, is excluded. Examples include treatment

of dental caries resulting from dry mouth after radiation treatment or as a result of medication.

Endodontics, periodontal surgery and restorative treatment are excluded.

2. diagnosis or treatment of or related to the teeth, jawbones or gums. Examples include:
 - extractions (including wisdom teeth);
 - restoration and replacement of teeth;
 - medical or surgical treatments of dental conditions; and
 - services to improve dental clinical outcomes;

This exclusion does not apply to accident-related dental services for which Benefits are provided as described under *Dental Services – Accident Only* in Section 6, *Additional Coverage Details*.

3. dental implants, bone grafts, and other implant-related procedures;

This exclusion does not apply to accident-related dental services for which Benefits are provided as described under *Dental Services – Accident Only* in Section 6, *Additional Coverage Details*.

4. dental braces (orthodontics);
5. dental X-rays, supplies and appliances and all associated expenses, including hospitalizations and anesthesia; and

This exclusion does not apply to dental care (oral examination, X-rays, extractions and non-surgical elimination of oral infection) required for the direct treatment of a medical condition for which Benefits are available under the Plan, as identified in Section 6, *Additional Coverage Details*.

6. treatment of congenitally missing (when the cells responsible for the formation of the tooth are absent from birth), malpositioned or supernumerary (extra) teeth, even if part of a Congenital Anomaly such as cleft lip or cleft palate.

Devices, Appliances and Prosthetics

1. devices used specifically as safety items or to affect performance in sports-related activities;
2. orthotic appliances and devices that straighten or re-shape a body part, except as described under *Durable Medical Equipment (DME)* in Section 6, *Additional Coverage Details*:

Examples of excluded orthotic appliances and devices include but are not limited to, foot orthotics or any orthotic braces available over-the-counter.

3. cranial banding;
4. the following items are excluded, even if prescribed by a Physician:
 - blood pressure cuff/monitor;

- enuresis alarm;
 - non-wearable external defibrillator;
 - trusses;
 - ultrasonic nebulizers;
5. the repair and replacement of prosthetic devices when damaged due to misuse, malicious breakage or gross neglect;
 6. the replacement of lost or stolen prosthetic devices;
 7. devices and computers to assist in communication and speech except for speech aid devices and tracheo-esophageal voice devices for which Benefits are provided as described under *Durable Medical Equipment* in Section 6, *Additional Coverage Details* ; and
 8. oral appliances for snoring.

Drugs

The exclusions listed below apply to the medical portion of the Plan only. Prescription Drug coverage is excluded under the medical plan because it is a separate benefit. Coverage may be available under the prescription portion of the Plan, which is administered by Caremark. Please visit www.caremark.com or call the number on your ID Card for more information.

1. Prescription Drugs for outpatient use that are filled by a prescription order or refill;
2. self-injectable medications (This exclusion does not apply to medications which, due to their characteristics, as determined by UnitedHealthcare, must typically be administered or directly supervised by a qualified provider or licensed/certified health professional in an outpatient setting);
3. growth hormone therapy;
4. non-injectable medications given in a Physician's office except as required in an Emergency and consumed in the Physician's office; and
5. over the counter drugs and treatments.

Experimental or Investigational or Unproven Services

1. Experimental or Investigational Services or Unproven Services, unless the Plan has agreed to cover them as defined in Section 14, *Glossary*.

This exclusion applies even if Experimental or Investigational Services or Unproven Services, treatments, devices or pharmacological regimens are the only available treatment options for your condition.

Foot Care

1. routine foot care, except when needed for severe systemic disease or preventive foot care for Covered Persons with diabetes for which Benefits are provided as described under *Diabetes Services* in Section 6, *Additional Coverage Details*. Routine foot care services that are not covered include:
 - cutting or removal of corns and calluses;
 - nail trimming or cutting; and
 - debriding (removal of dead skin or underlying tissue);
2. hygienic and preventive maintenance foot care. Examples include:
 - cleaning and soaking the feet;
 - applying skin creams in order to maintain skin tone; and other services that are performed when there is not a localized Sickness, Injury or symptom involving the foot;

This exclusion does not apply to preventive foot care for Covered Persons who are at risk of neurological or vascular disease arising from diseases such as diabetes.

3. treatment of flat feet;
4. shoe inserts;
5. arch supports;
6. shoes (standard or custom), lifts and wedges; and
7. shoe orthotics.

Medical Supplies and Equipment

1. prescribed or non-prescribed medical supplies. Examples of supplies that are not covered include, but are not limited to:
 - elastic stockings, ace bandages, diabetic strips, and syringes; and
 - urinary catheters.

This exclusion does not apply to:

- ostomy bags and related supplies for which Benefits are provided as described under *Ostomy Supplies* in Section 6, *Additional Coverage Details*.
- disposable supplies necessary for the effective use of Durable Medical Equipment for which Benefits are provided as described under *Diabetes Services* in Section 6, *Additional Coverage Details*; or
- diabetic supplies for which Benefits are provided as described under *Diabetes Services* in Section 6, *Additional Coverage Details*.

2. tubings, nasal cannulas, connectors and masks except when used with Durable Medical Equipment;
3. the repair and replacement of Durable Medical Equipment when damaged due to misuse, malicious breakage or gross neglect;
4. the replacement of lost or stolen Durable Medical Equipment; and
5. deodorants, filters, lubricants, tape, appliance cleaners, adhesive, adhesive remover or other items that are not specifically identified under *Ostomy Supplies* in Section 6, *Additional Coverage Details*.

Mental Health/Substance Use Disorder

In addition to all other exclusions listed in this Section 8, *Exclusions*, the exclusions listed directly below apply to services described under *Mental Health Services*, *Neurobiological Disorders - Autism Spectrum Disorder Services* and/or *Substance Use Disorder Services* in Section 6, *Additional Coverage Details*.

1. services performed in connection with conditions not classified in the current edition of the Diagnostic and Statistical Manual of the American Psychiatric Association;
2. services or supplies for the diagnosis or treatment of Mental Illness, alcoholism or substance-related and addictive disorders that, in the reasonable judgment of the Mental Health/Substance Use Disorder Administrator, are any of the following:
 - not consistent with generally accepted standards of medical practice for the treatment of such conditions;
 - not consistent with services backed by credible research soundly demonstrating that the services or supplies will have a measurable and beneficial health outcome, and therefore considered experimental;
 - not consistent with the Mental Health/Substance Use Disorder Administrator's level of care guidelines or best practices as modified from time to time; or
 - Not clinically appropriate for the patient's Mental Illness, substance-related and addictive disorder or condition based on generally accepted standards of medical practice and benchmarks.
3. Mental Health Services as treatments for R and T-code conditions as listed within the current edition of the Diagnostic and Statistical Manual of the American Psychiatric Association;
4. Mental Health Services as treatment for a primary diagnosis of insomnia other sleep-wake disorders, feeding disorders, binge eating disorders, neurological disorders and other disorders with a known physical basis;
5. treatments for the primary diagnoses of learning disabilities, conduct and impulse control disorders, personality disorders and paraphilic disorders;

6. educational/behavioral services that are focused on primarily building skills and capabilities in communication, social interaction and learning;
7. tuition for or services that are school-based for children and adolescents under the Individuals with Disabilities Education Act;
8. learning, motor disorders and primary communication disorders as defined in the current edition of the Diagnostic and Statistical Manual of the American Psychiatric Association;
9. intellectual disabilities as a primary diagnosis defined in the current edition of the Diagnostic and Statistical Manual of the American Psychiatric Association;
14. Mental Health Services as a treatment for other conditions that may be a focus of clinical attention as listed in the current edition of the *Diagnostic and Statistical Manual of the American Psychiatric Association*.
15. All unspecified disorders in the current edition of the *Diagnostic and Statistical Manual of the American Psychiatric Association*.
16. methadone treatment as maintenance, L.A.A.M. (1-Alpha-Acetyl-Methadol), Cyclazocine, or their equivalents for drug addiction; and
17. any treatments or other specialized services designed for Autism Spectrum Disorder that are not backed by credible research demonstrating that the services or supplies have a measurable and beneficial health outcome and therefore considered Experimental or Investigational or Unproven Services.

Nutrition

1. nutritional or cosmetic therapy using high dose or mega quantities of vitamins, minerals or elements, and other nutrition based therapy;
2. nutritional counseling for either individuals or groups, except as identified under *Diabetes Services*, and except as defined under *Nutritional Counseling* in Section 6, *Additional Coverage Details*;
3. food of any kind. Foods that are not covered include:
 - enteral feedings and other nutritional and electrolyte formulas, including infant formula and donor breast milk, even if they are the only source of nutrition and even if they are specifically created to treat inborn errors of metabolism such as phenylketonuria (PKU). Infant formula available over the counter is always excluded;
 - foods to control weight, treat obesity (including liquid diets), lower cholesterol or control diabetes;
 - oral vitamins and minerals;
 - meals you can order from a menu, for an additional charge, during an Inpatient Stay; and
 - other dietary and electrolyte supplements; and

4. health education classes unless offered by UnitedHealthcare or its affiliates, including but not limited to asthma, smoking cessation, and weight control classes.

Personal Care, Comfort or Convenience

1. television;
2. telephone;
3. beauty/barber service;
4. guest service;
5. supplies, equipment and similar incidentals for personal comfort. Examples include:
 - air conditioners;
 - air purifiers and filters;
 - batteries and battery chargers;
 - dehumidifiers and humidifiers;
 - ergonomically correct chairs;
 - non-Hospital beds, comfort beds, motorized beds and mattresses;
 - breast pumps. This exclusion does not apply to breast pumps for which Benefits are provided under the Health Resources and Services Administration (HRSA) requirement;
 - car seats;
 - chairs, bath chairs, feeding chairs, toddler chairs, chair lifts and recliners;
 - electric scooters;
 - exercise equipment and treadmills;
 - hot tubs, Jacuzzis, saunas and whirlpools;
 - medical alert systems;
 - music devices;
 - personal computers;
 - pillows;
 - power-operated vehicles;
 - radios;
 - strollers;
 - safety equipment;
 - vehicle modifications such as van lifts;
 - video players; and
 - home modifications to accommodate a health need (including, but not limited to, ramps, swimming pools, elevators, handrails, and stair glides).

Physical Appearance

1. Cosmetic Procedures, as defined in Section 14, *Glossary*, are excluded from coverage. Examples include:
 - liposuction or removal of fat deposits considered undesirable, including fat accumulation under the male breast and nipple;

- pharmacological regimens;
 - nutritional procedures or treatments;
 - tattoo or scar removal or revision procedures (such as salabrasion, chemosurgery and other such skin abrasion procedures);
 - hair removal or replacement by any means;
 - treatments for skin wrinkles or any treatment to improve the appearance of the skin;
 - treatment for spider veins;
 - skin abrasion procedures performed as a treatment for acne;
 - treatments for hair loss;
 - varicose vein treatment of the lower extremities, when it is considered cosmetic; and
 - replacement of an existing intact breast implant if the earlier breast implant was performed as a Cosmetic Procedure;
2. physical conditioning programs such as athletic training, bodybuilding, exercise, fitness, flexibility, health club memberships and programs, spa treatments, and diversion or general motivation;
 3. weight loss programs whether or not they are under medical supervision or for medical reasons, even if for morbid obesity;
 4. treatment of benign gynecomastia (abnormal breast enlargement in males).

Procedures and Treatments

1. biofeedback;
2. medical and surgical treatment of snoring, except when provided as a part of treatment for documented obstructive sleep apnea (a sleep disorder in which a person regularly stops breathing for 10 seconds or longer);
3. rehabilitation services and Manipulative Treatment to improve general physical condition that are provided to reduce potential risk factors, where significant therapeutic improvement is not expected, including but not limited to routine, long-term or maintenance/preventive treatment;;
4. speech therapy to treat stuttering, stammering, or other articulation disorders;
5. speech therapy, except when required for treatment of a speech impediment or speech dysfunction that results from Injury, stroke, cancer, a Congenital Anomaly or Autism Spectrum Disorders as identified under *Rehabilitation Services – Outpatient Therapy and Manipulative Treatment* in Section 6, *Additional Coverage Details*;
6. a procedure or surgery to remove fatty tissue such as panniculectomy, abdominoplasty, thighplasty, brachioplasty, or mastopexy;
7. excision or elimination of hanging skin on any part of the body (examples include plastic surgery procedures called abdominoplasty or abdominal panniculectomy and brachioplasty);

8. psychosurgery (lobotomy);
9. treatment of tobacco dependency;
10. chelation therapy, except to treat heavy metal poisoning;
11. Manipulative Treatment to treat a condition unrelated to spinal manipulation and ancillary physiologic treatment rendered to restore/improve motion, reduce pain and improve function, alignment of the vertebral column, such as asthma or allergies;
12. physiological modalities and procedures that result in similar or redundant therapeutic effects when performed on the same body region during the same visit or office encounter;
13. sex transformation operations;
14. the following treatments for obesity:
 - non-surgical treatment, even if for morbid obesity; and
 - surgical treatment of obesity unless there is a diagnosis of morbid obesity as described under *Obesity Surgery* in Section 6, *Additional Coverage Details*;
15. medical and surgical treatment of hyperhidrosis (excessive sweating);
16. the following services for the diagnosis and treatment of TMJ: surface electromyography; Doppler analysis; vibration analysis; computerized mandibular scan or jaw tracking; cranosacral therapy; orthodontics; occlusal adjustment; dental restorations;
17. upper and lower jawbone surgery except as required for direct treatment of acute traumatic Injury, dislocation, tumor or cancer. Orthognathic surgery (procedure to correct underbite or overbite) and jaw alignment, except as treatment of obstructive sleep apnea; and
18. breast reduction except as coverage is required by the Women's Health and Cancer Right's Act of 1998 for which Benefits are described under *Reconstructive Procedures* in Section 6, *Additional Coverage Details*.

Providers

Services:

1. performed by a provider who is a family member by birth or marriage, including your Spouse, brother, sister, parent or child;
2. a provider may perform on himself or herself;
3. performed by a provider with your same legal residence;
4. ordered or delivered by a Christian Science practitioner;

5. performed by an unlicensed provider or a provider who is operating outside of the scope of his/her license;
6. provided at a diagnostic facility (Hospital or free-standing) without a written order from a provider;
7. which are self-directed to a free-standing or Hospital-based diagnostic facility; and
8. ordered by a provider affiliated with a diagnostic facility (Hospital or free-standing), when that provider is not actively involved in your medical care:
 - prior to ordering the service; or
 - after the service is received.

This exclusion does not apply to mammography testing.

Reproduction

1. health services and associated expenses for infertility treatments, including assisted reproductive technology, regardless of the reason for the treatment

This exclusion does not apply to services required to treat or correct underlying causes of infertility.

2. storage and retrieval of all reproductive materials (examples include eggs, sperm, testicular tissue and ovarian tissue);
3. surrogate parenting, donor eggs, donor sperm and host uterus;
4. the reversal of voluntary sterilization;
5. artificial reproductive treatments done for genetic or eugenic (selective breeding) purposes;
6. prenatal, labor and delivery coverage for enrolled Dependent children except those that have Complications of Pregnancy as defined in Section 14, *Glossary*;
7. fetal reduction surgery;
8. elective surgical, non-surgical or drug induced Pregnancy termination;

This exclusion does not apply to treatment of a molar Pregnancy, ectopic Pregnancy, or missed abortion (commonly known as a miscarriage).

9. services provided by a doula (labor aide); and
10. parenting or birthing classes.

Services Provided under Another Plan

Services for which coverage is available:

1. under another plan, except for Eligible Expenses payable as described in Section 10, *Coordination of Benefits (COB)*;
2. under workers' compensation, no-fault automobile coverage or similar legislation if you could elect it, or could have it elected for you;
3. while on active military duty; and
4. for treatment of military service-related disabilities when you are legally entitled to other coverage, and facilities are reasonably accessible.

Transplants

1. health services for organ and tissue transplants, except as identified under *Transplantation Services* in Section 6, *Additional Coverage Details* unless UnitedHealthcare determines the transplant to be appropriate according to UnitedHealthcare's transplant guidelines;
2. mechanical or animal organ transplants, except services related to the implant or removal of a circulatory assist device (a device that supports the heart while the patient waits for a suitable donor heart to become available);
3. transplants that are not performed at a Designated Facility (this exclusion does not apply to cornea transplants); and
4. donor costs for organ or tissue transplantation to another person (these costs may be payable through the recipient's benefit plan).

Travel

1. health services provided in a foreign country, unless required as Emergency Health Services; and
2. travel or transportation expenses, even if ordered by a Physician, except as identified under *Travel and Lodging* in Section 6, *Additional Coverage Details*. Additional travel expenses related to Covered Health Services received from a Designated Facility or Designated Physician may be reimbursed at the Plan's discretion.

Treatment of Gender Identity Disorder

1. reversal of genital surgery or reversal of surgery to revise secondary sex characteristics;
2. sperm preservation in advance of hormone treatment or gender surgery;
3. cryopreservation of fertilized embryos;
4. voice modification surgery; and

5. facial feminization surgery, including but not limited to: facial bone reduction, face “lift,” facial hair removal, and certain facial plastic procedures.

Types of Care

1. Custodial Care as defined in Section 14, *Glossary* or maintenance care;
2. Domiciliary Care, as defined in Section 14, *Glossary*;
3. multi-disciplinary pain management programs provided on an inpatient basis for acute pain or for exacerbation of chronic pain;
4. Private Duty Nursing received on an inpatient basis;
5. respite care. This exclusion does not apply to respite care that is part of an integrated hospice care program of services provided to a terminally ill person by a licensed hospice care agency for which Benefits are described under *Hospice Care* in Section 6, *Additional Coverage Details*;
6. rest cures;
7. services of personal care attendants; and
8. work hardening (individualized treatment programs designed to return a person to work or to prepare a person for specific work).

Vision and Hearing

1. routine vision examinations, including refractive examinations to determine the need for vision correction;
2. implantable lenses used only to correct a refractive error (such as Intacs corneal implants);
3. purchase cost and associated fitting charges for eyeglasses or contact lenses;
4. purchase cost and associated fitting and testing charges for hearing aids, Bone Anchor Hearing Aids (BAHA) and all other hearing assistive devices;
5. eye exercise or vision therapy; and
6. surgery and other related treatment that is intended to correct nearsightedness, farsightedness, presbyopia and astigmatism including, but not limited to, procedures such as laser and other refractive eye surgery and radial keratotomy.

All Other Exclusions

1. autopsies and other coroner services and transportation services for a corpse;

2. charges for:
 - missed appointments;
 - room or facility reservations;
 - completion of claim forms; or
 - record processing.
3. charges prohibited by federal anti-kickback or self-referral statutes;
4. diagnostic tests that are:
 - delivered in other than a Physician's office or health care facility; and
 - self-administered home diagnostic tests, including but not limited to HIV and Pregnancy tests;
5. expenses for health services and supplies:
 - that do not meet the definition of a Covered Health Service in Section 14, *Glossary*;
 - that are received as a result of war or any act of war, whether declared or undeclared, while part of any armed service force of any country. This exclusion does not apply to Covered Persons who are civilians injured or otherwise affected by war, any act of war or terrorism in a non-war zone;
 - that are received after the date your coverage under this Plan ends, including health services for medical conditions which began before the date your coverage under the Plan ends;
 - for which you have no legal responsibility to pay, or for which a charge would not ordinarily be made in the absence of coverage under this Benefit Plan; or
 - that exceed Eligible Expenses or any specified limitation in this SPD;
6. foreign language and sign language services;
7. long term (more than 30 days) storage of blood, umbilical cord or other material. Examples include cryopreservation of tissue, blood and blood products; and
8. physical, psychiatric or psychological exams, testing, vaccinations, immunizations or treatments when:
 - required solely for purposes of education, sports or camp, insurance, marriage or adoption; or as a result of incarceration;
 - conducted for purposes of medical research;
 - related to judicial or administrative proceedings or orders; or
 - required to obtain or maintain a license of any type.
9. multi-disciplinary pain management programs provided on an inpatient basis for acute pain or for exacerbation of chronic pain;

SECTION 9 - CLAIMS PROCEDURES

What this section includes:

- How Network and non-Network claims work; and
- What to do if your claim is denied, in whole or in part.

Network Benefits

In general, if you receive Covered Health Services from a Network provider, UnitedHealthcare will pay the Physician or facility directly. If a Network provider bills you for any Covered Health Service other than your Copay or Coinsurance, please contact the provider or call UnitedHealthcare at the phone number on your ID card for assistance.

Keep in mind, you are responsible for meeting the Annual Deductible and paying any Copay or Coinsurance owed to a Network provider at the time of service, or when you receive a bill from the provider.

Non-Network Benefits

If you receive a bill for Covered Health Services from a non-Network provider as a result of an Emergency, you (or the provider if they prefer) must send the bill to UnitedHealthcare for processing. To make sure the claim is processed promptly and accurately, a completed claim form must be attached and mailed to UnitedHealthcare at the address on the back of your ID card.

Prescription Drug Benefit Claims

Prescription coverage is available through Caremark. For information on submitting your outpatient prescription drug claims, call the toll-free number on your ID Card or visit www.caremark.com.

If Your Provider Does Not File Your Claim

You can obtain a claim form by visiting www.myuhc.com, calling the toll-free number on your ID card or contacting City of Dallas Benefit Service Center. If you do not have a claim form, simply attach a brief letter of explanation to the bill, and verify that the bill contains the information listed below. If any of these items are missing from the bill, you can include them in your letter:

- your name and address;
- the patient's name, age and relationship to the Participant;
- the number as shown on your ID card;
- the name, address and tax identification number of the provider of the service(s);
- a diagnosis from the Physician;
- the date of service;

- an itemized bill from the provider that includes:
 - the Current Procedural Terminology (CPT) codes;
 - a description of, and the charge for, each service;
 - the date the Sickness or Injury began; and
 - a statement indicating either that you are, or you are not, enrolled for coverage under any other health insurance plan or program. If you are enrolled for other coverage you must include the name and address of the other carrier(s).

Failure to provide all the information listed above may delay any reimbursement that may be due you.

For medical claims, the above information should be filed with UnitedHealthcare[®] at the address on your ID card. When filing a claim for outpatient Prescription Drug Product Benefits, submit your claim to the pharmacy benefit manager claims address noted on your ID card.

After UnitedHealthcare has processed your claim, you will receive payment for Benefits that the Plan allows. It is your responsibility to pay the provider the charges you incurred, including any difference between what you were billed and what the Plan paid.

You may not assign your Benefits under the Plan to a provider without UnitedHealthcare's consent. When you assign your Benefits under the Plan to a provider with UnitedHealthcare's consent, and the provider submits a claim for payment, you and the provider represent and warrant that the Covered Health Services were actually provided and were medically appropriate.

When UnitedHealthcare has not consented to an assignment, UnitedHealthcare will send the reimbursement directly to you (the Participant) for you to reimburse the provider upon receipt of their bill. However, UnitedHealthcare reserves the right, in its discretion, to pay the provider directly for services rendered to you. When exercising its discretion with respect to payment, UnitedHealthcare may consider whether you have requested that payment of your Benefits be made directly to the provider. Under no circumstances will UnitedHealthcare pay Benefits to anyone other than you or, in its discretion, your provider. Direct payment to a provider shall not be deemed to constitute consent by UnitedHealthcare to an assignment or to waive the consent requirement. When UnitedHealthcare in its discretion directs payment to a provider, you remain the sole beneficiary of the payment, and the provider does not thereby become a beneficiary. Accordingly, legally required notices concerning your Benefits will be directed to you, although UnitedHealthcare may in its discretion send information concerning the Benefits to the provider as well. If payment to a provider is made, the Plan reserves the right to offset Benefits to be paid to the provider by any amounts that the provider owes the Plan, pursuant to *Refund of Overpayments* in Section 10, *Coordination of Benefits*.

Health Statements

Each month in which UnitedHealthcare processes at least one claim for you or a covered Dependent, you will receive a Health Statement in the mail. Health Statements make it easy for you to manage your family's medical costs by providing claims information in easy-to-understand terms.

If you would rather track claims for yourself and your covered Dependents online, you may do so at www.myuhc.com. You may also elect to discontinue receipt of paper Health Statements by making the appropriate selection on this site.

Explanation of Benefits (EOB)

You may request that UnitedHealthcare send you a paper copy of an Explanation of Benefits (EOB) after processing the claim. The EOB will let you know if there is any portion of the claim you need to pay. If any claims are denied in whole or in part, the EOB will include the reason for the denial or partial payment. If you would like paper copies of the EOBs, you may call the toll-free number on your ID card to request them. You can also view and print all of your EOBs online at www.myuhc.com. See Section 14, *Glossary* for the definition of Explanation of Benefits.

Important - Timely Filing of Claims

All claim forms must be submitted within 90 days after the date of service. Otherwise, the Plan will not pay any Benefits for that Eligible Expense, or Benefits will be reduced, as determined by City of Dallas. This 90 day requirement does not apply if you are legally incapacitated. If your claim relates to an Inpatient Stay, the date of service is the date your Inpatient Stay ends.

Claim Denials and Appeals

If Your Claim is Denied

If a claim for Benefits is denied in part or in whole, you may call UnitedHealthcare at the number on your ID card before requesting a formal appeal. If UnitedHealthcare cannot resolve the issue to your satisfaction over the phone, you have the right to file a formal appeal as described below.

How to Appeal a Denied Claim

If you wish to appeal a denied pre-service request for Benefits, post-service claim or a rescission of coverage determination as described below, you or your authorized representative must submit your appeal in writing within 180 days of receiving the denial. This written communication should include:

- the patient's name and ID number as shown on the ID card;
- the provider's name;
- the date of medical service;
- the reason you disagree with the denial; and
- any documentation or other written information to support your request.

You or your enrolled Dependent may send a written request for an appeal to:

UnitedHealthcare - Appeals
P.O. Box 30432
Salt Lake City, Utah 84130-0432

Customer Service: 800-736-1364

For Urgent Care requests for Benefits that have been denied, you or your provider can call UnitedHealthcare at the toll-free number on your ID card to request an appeal.

Types of claims

The timing of the claims appeal process is based on the type of claim you are appealing. If you wish to appeal a claim, it helps to understand whether it is an:

- urgent care request for Benefits;
- pre-service request for Benefits;
- post-service claim; or
- concurrent claim.

Review of an Appeal

UnitedHealthcare will conduct a full and fair review of your appeal. The appeal may be reviewed by:

- an appropriate individual(s) who did not make the initial benefit determination; and
- a health care professional with appropriate expertise who was not consulted during the initial benefit determination process.

Once the review is complete, if UnitedHealthcare upholds the denial, you will receive a written explanation of the reasons and facts relating to the denial.

Filing a Second Appeal

Your Plan offers two levels of appeal. If you are not satisfied with the first level appeal decision, you have the right to request a second level appeal from City of Dallas within 60 days from receipt of the first level appeal determination. City of Dallas must notify you of the appeal determination within 15 days after receiving the completed appeal for a pre-service denial and 30 days after receiving the completed post-service appeal.

Note: Upon written request and free of charge, any Covered Persons may examine documents relevant to their claim and/or appeals and submit opinions and comments. City of Dallas will review all claims in accordance with the rules established by the U.S. Department of Labor. City of Dallas's decision will be final.

Federal External Review Program

If, after exhausting your internal appeals, you are not satisfied with the determination made by City of Dallas, or if City of Dallas fails to respond to your appeal in accordance with

applicable regulations regarding timing, you may be entitled to request an external review of City of Dallas' determination. The process is available at no charge to you.

If one of the above conditions is met, you may request an external review of adverse benefit determinations based upon any of the following:

- clinical reasons;
- the exclusions for Experimental or Investigational Services or Unproven Services;
- rescission of coverage (coverage that was cancelled or discontinued retroactively); or
- as otherwise required by applicable law.

You or your representative may request a standard external review by sending a written request to the address set out in the determination letter. You or your representative may request an expedited external review, in urgent situations as detailed below, by calling the toll-free number on your ID card or by sending a written request to the address set out in the determination letter. A request must be made within four months after the date you received City of Dallas' decision.

An external review request should include all of the following:

- a specific request for an external review;
- the Covered Person's name, address, and insurance ID number;
- your designated representative's name and address, when applicable;
- the service that was denied; and
- any new, relevant information that was not provided during the internal appeal.

An external review will be performed by an Independent Review Organization (IRO). UnitedHealthcare has entered into agreements with three or more IROs that have agreed to perform such reviews. There are two types of external reviews available:

- a standard external review; and
- an expedited external review.

Standard External Review

A standard external review is comprised of all of the following:

- a preliminary review by UnitedHealthcare of the request;
- a referral of the request by UnitedHealthcare to the IRO; and
- a decision by the IRO.

Within the applicable timeframe after receipt of the request, UnitedHealthcare will complete a preliminary review to determine whether the individual for whom the request was submitted meets all of the following:

- is or was covered under the Plan at the time the health care service or procedure that is at issue in the request was provided;
- has exhausted the applicable internal appeals process; and
- has provided all the information and forms required so that UnitedHealthcare may process the request.

After UnitedHealthcare completes the preliminary review, UnitedHealthcare will issue a notification in writing to you. If the request is eligible for external review, UnitedHealthcare will assign an IRO to conduct such review. UnitedHealthcare will assign requests by either rotating claims assignments among the IROs or by using a random selection process.

The IRO will notify you in writing of the request's eligibility and acceptance for external review. You may submit in writing to the IRO within ten business days following the date of receipt of the notice additional information that the IRO will consider when conducting the external review. The IRO is not required to, but may, accept and consider additional information submitted by you after ten business days.

UnitedHealthcare will provide to the assigned IRO the documents and information considered in making City of Dallas' determination. The documents include:

- all relevant medical records;
- all other documents relied upon by City of Dallas; and
- all other information or evidence that you or your Physician submitted. If there is any information or evidence you or your Physician wish to submit that was not previously provided, you may include this information with your external review request and UnitedHealthcare will include it with the documents forwarded to the IRO.

In reaching a decision, the IRO will review the claim anew and not be bound by any decisions or conclusions reached by City of Dallas. The IRO will provide written notice of its determination (the "Final External Review Decision") within 45 days after it receives the request for the external review (unless they request additional time and you agree). The IRO will deliver the notice of Final External Review Decision to you and UnitedHealthcare, and it will include the clinical basis for the determination.

Upon receipt of a Final External Review Decision reversing City of Dallas' determination, the Plan will immediately provide coverage or payment for the benefit claim at issue in accordance with the terms and conditions of the Plan, and any applicable law regarding plan remedies. If the Final External Review Decision is that payment or referral will not be made, the Plan will not be obligated to provide Benefits for the health care service or procedure.

Expedited External Review

An expedited external review is similar to a standard external review. The most significant difference between the two is that the time periods for completing certain portions of the review process are much shorter, and in some instances you may file an expedited external review before completing the internal appeals process.

You may make a written or verbal request for an expedited external review if you receive either of the following:

- an adverse benefit determination of a claim or appeal if the adverse benefit determination involves a medical condition for which the time frame for completion of an expedited internal appeal would seriously jeopardize the life or health of the individual or would jeopardize the individual's ability to regain maximum function and you have filed a request for an expedited internal appeal; or
- a final appeal decision, if the determination involves a medical condition where the timeframe for completion of a standard external review would seriously jeopardize the life or health of the individual or would jeopardize the individual's ability to regain maximum function, or if the final appeal decision concerns an admission, availability of care, continued stay, or health care service, procedure or product for which the individual received emergency services, but has not been discharged from a facility.

Immediately upon receipt of the request, UnitedHealthcare will determine whether the individual meets both of the following:

- is or was covered under the Plan at the time the health care service or procedure that is at issue in the request was provided.
- has provided all the information and forms required so that UnitedHealthcare may process the request.

After UnitedHealthcare completes the review, UnitedHealthcare will immediately send a notice in writing to you. Upon a determination that a request is eligible for expedited external review, UnitedHealthcare will assign an IRO in the same manner UnitedHealthcare utilizes to assign standard external reviews to IROs. UnitedHealthcare will provide all necessary documents and information considered in making the adverse benefit determination or final adverse benefit determination to the assigned IRO electronically or by telephone or facsimile or any other available expeditious method. The IRO, to the extent the information or documents are available and the IRO considers them appropriate, must consider the same type of information and documents considered in a standard external review.

In reaching a decision, the IRO will review the claim anew and not be bound by any decisions or conclusions reached by City of Dallas. The IRO will provide notice of the final external review decision for an expedited external review as expeditiously as the claimant's medical condition or circumstances require, but in no event more than 72 hours after the IRO receives the request. If the initial notice is not in writing, within 48 hours after the date of providing the initial notice, the assigned IRO will provide written confirmation of the decision to you and to UnitedHealthcare.

You may contact UnitedHealthcare at the toll-free number on your ID card for more information regarding external review rights, or if making a verbal request for an expedited external review.

Timing of Appeals Determinations

Separate schedules apply to the timing of claims appeals, depending on the type of claim. There are three types of claims:

- Urgent Care request for Benefits - a request for Benefits provided in connection with Urgent Care services, as defined in Section 14, *Glossary*;
- Pre-Service request for Benefits - a request for Benefits which the Plan must approve or in which you must notify UnitedHealthcare before non-Urgent Care is provided; and
- Post-Service - a claim for reimbursement of the cost of non-Urgent Care that has already been provided.

The tables below describe the time frames which you and UnitedHealthcare are required to follow.

Pre-Service Request for Benefits	
Type of Request for Benefits or Appeal	Timing
If your request for Benefits is incomplete, UnitedHealthcare must notify you within:	15 days
You must then provide completed request for Benefits information to UnitedHealthcare within:	45 days after receiving an extension notice*
If UnitedHealthcare denies your initial request for Benefits, they must notify you of the denial:	
■ if the initial request for Benefits is complete, within:	15 days
■ after receiving the completed request for Benefits (if the initial request for Benefits is incomplete), within:	15 days
You must appeal the request for Benefits denial no later than:	180 days after receiving the denial
UnitedHealthcare must notify you of the first level appeal decision within:	15 days after receiving the first level appeal
You must appeal the first level appeal (file a second level appeal) within:	60 days after receiving the first level appeal decision
City of Dallas must notify you of the second level appeal decision within:	15 days after receiving the second level appeal**

Pre-Service Request for Benefits	
Type of Request for Benefits or Appeal	Timing

*UnitedHealthcare may require a one-time extension of no more than 15 days only if more time is needed due to circumstances beyond their control.

**City of Dallas may require a one-time extension of no more than 15 days only if more time is needed due to circumstances beyond their control.

Post-Service Claims	
Type of Claim or Appeal	Timing
If your claim is incomplete, UnitedHealthcare must notify you within:	30 days
You must then provide completed claim information to UnitedHealthcare within:	45 days after receiving an extension notice *
If UnitedHealthcare denies your initial claim, they must notify you of the denial:	
■ if the initial claim is complete, within:	30 days
■ after receiving the completed claim (if the initial claim is incomplete), within:	30 days
You must appeal the claim denial no later than:	180 days after receiving the denial
UnitedHealthcare must notify you of the first level appeal decision within:	30 days after receiving the first level appeal
You must appeal the first level appeal (file a second level appeal) within:	60 days after receiving the first level appeal decision
City of Dallas must notify you of the second level appeal decision within:	30 days after receiving the second level appeal

*UnitedHealthcare may be entitled to a one-time extension of no more than 15 days only if more time is needed due to circumstances beyond their control.

**City of Dallas may require a one-time extension of no more than 15 days only if more time is needed due to circumstances beyond their control.

Concurrent Care Claims

If an on-going course of treatment was previously approved for a specific period of time or number of treatments, and your request to extend the treatment is an Urgent Care request for Benefits as defined above, your request will be decided within 24 hours, provided your

request is made at least 24 hours prior to the end of the approved treatment. UnitedHealthcare will make a determination on your request for the extended treatment within 24 hours from receipt of your request.

If your request for extended treatment is not made at least 24 hours prior to the end of the approved treatment, the request will be treated as an Urgent Care request for Benefits and decided according to the timeframes described above. If an on-going course of treatment was previously approved for a specific period of time or number of treatments, and you request to extend treatment in a non-urgent circumstance, your request will be considered a new request and decided according to post-service or pre-service timeframes, whichever applies.

Limitation of Action

You cannot bring any legal action against City of Dallas or the Claims Administrator to recover reimbursement until 90 days after you have properly submitted a request for reimbursement as described in this section and all required reviews of your claim have been completed. If you want to bring a legal action against City of Dallas or the Claims Administrator, you must do so within three years from the expiration of the time period in which a request for reimbursement must be submitted or you lose any rights to bring such an action against City of Dallas or the Claims Administrator.

You cannot bring any legal action against City of Dallas or the Claims Administrator for any other reason unless you first complete all the steps in the appeal process described in this section. After completing that process, if you want to bring a legal action against City of Dallas or the Claims Administrator you must do so within three years of the date you are notified of our final decision on your appeal or you lose any rights to bring such an action against City of Dallas or the Claims Administrator.

SECTION 10 - COORDINATION OF BENEFITS (COB)

What this section includes:

- How your Benefits under this Plan coordinate with other medical plans;
- How coverage is affected if you become eligible for Medicare; and
- Procedures in the event the Plan overpays Benefits.

Coordination of Benefits (COB) applies to you if you are covered by more than one health benefits plan, including any one of the following:

- another employer sponsored health benefits plan;
- a medical component of a group long-term care plan, such as skilled nursing care;
- no-fault or traditional "fault" type medical payment benefits or personal injury protection benefits under an auto insurance policy;
- medical payment benefits under any premises liability or other types of liability coverage; or
- Medicare or other governmental health benefit.

If coverage is provided under two or more plans, COB determines which plan is primary and which plan is secondary. The plan considered primary pays its benefits first, without regard to the possibility that another plan may cover some expenses. Any remaining expenses may be paid under the other plan, which is considered secondary. The secondary plan may determine its benefits based on the benefits paid by the primary plan.

Don't forget to update your Dependents' Medical Coverage Information

Avoid delays on your Dependent claims by updating your Dependent's medical coverage information. Just log on to www.myuhc.com or call the toll-free number on your ID card to update your COB information. You will need the name of your Dependent's other medical coverage, along with the policy number.

Determining Which Plan is Primary

If you are covered by two or more plans, the benefit payment follows the rules below in this order:

- this Plan will always be secondary to medical payment coverage or personal injury protection coverage under any auto liability or no-fault insurance policy;
- when you have coverage under two or more medical plans and only one has COB provisions, the plan without COB provisions will pay benefits first;
- a plan that covers a person as an employee pays benefits before a plan that covers the person as a dependent;
- if you are receiving COBRA continuation coverage under another employer plan, this Plan will pay Benefits first;

- your dependent children will receive primary coverage from the parent whose birth date occurs first in a calendar year. If both parents have the same birth date, the plan that pays benefits first is the one that has been in effect the longest. This birthday rule applies only if:
 - the parents are married or living together whether or not they have ever been married and not legally separated; or
 - a court decree awards joint custody without specifying that one party has the responsibility to provide health care coverage;
- if two or more plans cover a dependent child of divorced or separated parents and if there is no court decree stating that one parent is responsible for health care, the child will be covered under the plan of:
 - the parent with custody of the child; then
 - the Spouse of the parent with custody of the child; then
 - the parent not having custody of the child; then
 - the Spouse of the parent not having custody of the child;
- plans for active employees pay before plans covering laid-off or retired employees;
- the plan that has covered the individual claimant the longest will pay first; Only expenses normally paid by the Plan will be paid under COB; and
- finally, if none of the above rules determines which plan is primary or secondary, the allowable expenses shall be shared equally between the plans meeting the definition of Plan. In addition, this Plan will not pay more than it would have paid had it been the primary Plan.

The following examples illustrate how the Plan determines which plan pays first and which plan pays second.

Determining Primary and Secondary Plan – Examples

- 1) Let's say you and your Spouse both have family medical coverage through your respective employers. You are unwell and go to see a Physician. Since you're covered as a Participant under this Plan, and as a Dependent under your Spouse's plan, this Plan will pay Benefits for the Physician's office visit first.
- 2) Again, let's say you and your Spouse both have family medical coverage through your respective employers. You take your Dependent child to see a Physician. This Plan will look at your birthday and your Spouse's birthday to determine which plan pays first. If you were born on June 11 and your Spouse was born on May 30, your Spouse's plan will pay first.

When This Plan is Secondary

If this Plan is secondary, it determines the amount it will pay for a Covered Health Service by following the steps below.

- the Plan determines the amount it would have paid based on the primary plan's allowable expense.
- if this Plan would have paid less than the primary plan paid, the Plan pays no Benefits.

- if this Plan would have paid more than the primary plan paid, the Plan will pay the difference.

The maximum combined payment you can receive from all plans may be less than 100% of the total allowable expense.

Determining the Allowable Expense When This Plan is Secondary

When this Plan is secondary, the allowable expense is the primary plan's Network rate. If the primary plan bases its reimbursement on reasonable and customary charges, the allowable expense is the primary plan's reasonable and customary charge. If both the primary plan and this Plan do not have a contracted rate, the allowable expense will be the greater of the two plans' reasonable and customary charges.

What is an allowable expense?

For purposes of COB, an allowable expense is a health care expense that is covered at least in part by one of the health benefit plans covering you.

When a Covered Person Qualifies for Medicare

Determining Which Plan is Primary

To the extent permitted by law, this Plan will pay Benefits second to Medicare when you become eligible for Medicare, even if you don't elect it. There are, however, Medicare-eligible individuals for whom the Plan pays Benefits first and Medicare pays benefits second:

- employees with active current employment status age 65 or older and their Spouses age 65 or older; and
- individuals with end-stage renal disease, for a limited period of time.

Determining the Allowable Expense When This Plan is Secondary

If this Plan is secondary to Medicare, the Medicare approved amount is the allowable expense, as long as the provider accepts Medicare. If the provider does not accept Medicare, the Medicare limiting charge (the most a provider can charge you if they don't accept Medicare) will be the allowable expense. Medicare payments, combined with Plan Benefits, will not exceed 100% of the total allowable expense.

If you are eligible for, but not enrolled in, Medicare, and this Plan is secondary to Medicare, Benefits payable under this Plan will be reduced by the amount that would have been paid if you had been enrolled in Medicare.

Right to Receive and Release Needed Information

Certain facts about health care coverage and services are needed to apply these COB rules and to determine benefits payable under this Plan and other plans. The Plan Administrator may get the facts needed from, or give them to, other organizations or persons for the purpose of applying these rules and determining benefits payable under this Plan and other plans covering the person claiming benefits.

The Plan Administrator does not need to tell, or get the consent of, any person to do this. Each person claiming benefits under this Plan must give UnitedHealthcare any facts needed to apply those rules and determine benefits payable. If you do not provide UnitedHealthcare the information needed to apply these rules and determine the Benefits payable, your claim for Benefits will be denied.

Overpayment and Underpayment of Benefits

If you are covered under more than one medical plan, there is a possibility that the other plan will pay a benefit that UnitedHealthcare should have paid. If this occurs, the Plan may pay the other plan the amount owed.

If the Plan pays you more than it owes under this COB provision, you should pay the excess back promptly. Otherwise, the Company may recover the amount in the form of salary, wages, or benefits payable under any Company-sponsored benefit plans, including this Plan. The Company also reserves the right to recover any overpayment by legal action or offset payments on future Eligible Expenses.

If the Plan overpays a health care provider, UnitedHealthcare reserves the right to recover the excess amount from the provider pursuant to *Refund of Overpayments*, below.

Refund of Overpayments

If the Plan pays for Benefits for expenses incurred on account of a Covered Person, that Covered Person, or any other person or organization that was paid, must make a refund to the Plan if:

- the Plan's obligation to pay Benefits was contingent on the expenses incurred being legally owed and paid by the Covered Person, but all or some of the expenses were not paid by the Covered Person or did not legally have to be paid by the Covered Person;
- all or some of the payment the Plan made exceeded the Benefits under the Plan; or
- all or some of the payment was made in error.

The amount that must be refunded equals the amount the Plan paid in excess of the amount that should have paid under the Plan. If the refund is due from another person or organization, the Covered Person agrees to help the Plan get the refund when requested.

If the Covered Person, or any other person or organization that was paid, does not promptly refund the full amount owed, the Plan may recover the overpayment by reallocating the overpaid amount to pay, in whole or in part, (i) future Benefits for the Covered Person that are payable under the Plan; (ii) future Benefits that are payable to other Covered Persons under the Plan; or (iii) future benefits that are payable for services provided to persons under other plans for which UnitedHealthcare makes payments, with the understanding that UnitedHealthcare will then reimburse the Plan the amount of the reallocated payment. The reallocated payment amount will equal the amount of the required refund or, if less than the full amount of the required refund, will be deducted from the amount of refund owed to the Plan. The Plan may have other rights in addition to the right to reallocate overpaid amounts and other enumerated rights, including the right to commence a legal action.

SECTION 11 - SUBROGATION AND REIMBURSEMENT

What this section includes:

- How your Benefits are impacted if you suffer a Sickness or Injury caused by a third party.

The Plan has a right to subrogation and reimbursement.

Subrogation applies when the plan has paid Benefits on your behalf for a Sickness or Injury for which a third party is alleged to be responsible. The right to subrogation means that the Plan is substituted to and shall succeed to any and all legal claims that you may be entitled to pursue against any third party for the Benefits that the Plan has paid that are related to the Sickness or Injury for which a third party is alleged to be responsible.

Subrogation – Example

Suppose you are injured in a car accident that is not your fault, and you receive Benefits under the Plan to treat your injuries. Under subrogation, the Plan has the right to take legal action in your name against the driver who caused the accident and that driver's insurance carrier to recover the cost of those Benefits.

The right to reimbursement means that if a third party causes or is alleged to have caused a Sickness or Injury for which you receive a settlement, judgment, or other recovery from any third party, you must use those proceeds to fully return to the Plan 100% of any Benefits you received for that Sickness or Injury.

Reimbursement – Example

Suppose you are injured in a boating accident that is not your fault, and you receive Benefits under the Plan as a result of your injuries. In addition, you receive a settlement in a court proceeding from the individual who caused the accident. You must use the settlement funds to return to the plan 100% of any Benefits you received to treat your injuries.

The following persons and entities are considered third parties:

- a person or entity alleged to have caused you to suffer a Sickness, Injury or damages, or who is legally responsible for the Sickness, Injury or damages;
- any insurer or other indemnifier of any person or entity alleged to have caused or who caused the Sickness, Injury or damages;
- the Plan Sponsor (for example workers' compensation cases);
- any person or entity who is or may be obligated to provide benefits or payments to you, including benefits or payments for underinsured or uninsured motorist protection, no-fault or traditional auto insurance, medical payment coverage (auto, homeowners or otherwise), workers' compensation coverage, other insurance carriers or third party administrators; and
- any person or entity that is liable for payment to you on any equitable or legal liability theory.

You agree as follows:

- You will cooperate with the Plan in protecting its legal and equitable rights to subrogation and reimbursement in a timely manner, including, but not limited to:
 - notifying the Plan, in writing, of any potential legal claim(s) you may have against any third party for acts which caused Benefits to be paid or become payable;
 - providing any relevant information requested by the Plan;
 - signing and/or delivering such documents as the Plan or its agents reasonably request to secure the subrogation and reimbursement claim;
 - responding to requests for information about any accident or injuries;
 - making court appearances;
 - obtaining the Plan's consent or its agents' consent before releasing any party from liability or payment of medical expenses; and
 - complying with the terms of this section.

Your failure to cooperate with the Plan is considered a breach of contract. As such, the Plan has the right to terminate your Benefits, deny future Benefits, take legal action against you, and/or set off from any future Benefits the value of Benefits the Plan has paid relating to any Sickness or Injury alleged to have been caused or caused by any third party to the extent not recovered by the Plan due to you or your representative not cooperating with the Plan. If the Plan incurs attorneys' fees and costs in order to collect third party settlement funds held by you or your representative, the Plan has the right to recover those fees and costs from you. You will also be required to pay interest on any amounts you hold which should have been returned to the Plan.

- The Plan has a first priority right to receive payment on any claim against a third party before you receive payment from that third party. Further, the Plan's first priority right to payment is superior to any and all claims, debts or liens asserted by any medical providers, including but not limited to Hospitals or emergency treatment facilities, that assert a right to payment from funds payable from or recovered from an allegedly responsible third party and/or insurance carrier.
- The Plan's subrogation and reimbursement rights apply to full and partial settlements, judgments, or other recoveries paid or payable to you or your representative, no matter how those proceeds are captioned or characterized. Payments include, but are not limited to, economic, non-economic, and punitive damages. The Plan is not required to help you to pursue your claim for damages or personal injuries and no amount of associated costs, including attorneys' fees, shall be deducted from the Plan's recovery without the Plan's express written consent. No so-called "Fund Doctrine" or "Common Fund Doctrine" or "Attorney's Fund Doctrine" shall defeat this right.
- Regardless of whether you have been fully compensated or made whole, the Plan may collect from you the proceeds of any full or partial recovery that you or your legal representative obtain, whether in the form of a settlement (either before or after any determination of liability) or judgment, no matter how those proceeds are captioned or characterized. Proceeds from which the Plan may collect include, but are not limited to, economic, non-economic, and punitive damages. No "collateral source" rule, any "Made-Whole Doctrine" or "Make-Whole Doctrine," claim of unjust enrichment, nor any other equitable limitation shall limit the Plan's subrogation and reimbursement rights.

- Benefits paid by the Plan may also be considered to be Benefits advanced.
- If you receive any payment from any party as a result of Sickness or Injury, and the Plan alleges some or all of those funds are due and owed to the Plan, you shall hold those funds in trust, either in a separate bank account in your name or in your attorney's trust account. You agree that you will serve as a trustee over those funds to the extent of the Benefits the Plan has paid.
- The Plan's rights to recovery will not be reduced due to your own negligence.
- Upon the Plan's request, you will assign to the Plan all rights of recovery against third parties, to the extent of the Benefits the Plan has paid for the Sickness or Injury.
- The Plan may, at its option, take necessary and appropriate action to preserve its rights under these subrogation provisions, including but not limited to, providing or exchanging medical payment information with an insurer, the insurer's legal representative or other third party and filing suit in your name, which does not obligate the Plan in any way to pay you part of any recovery the Plan might obtain.
- You may not accept any settlement that does not fully reimburse the Plan, without its written approval.
- The Plan has the authority and discretion to resolve all disputes regarding the interpretation of the language stated herein.
- In the case of your wrongful death or survival claim, the provisions of this section apply to your estate, the personal representative of your estate, and your heirs or beneficiaries.
- No allocation of damages, settlement funds or any other recovery, by you, your estate, the personal representative of your estate, your heirs, your beneficiaries or any other person or party, shall be valid if it does not reimburse the Plan for 100% of its interest unless the Plan provides written consent to the allocation.
- The provisions of this section apply to the parents, guardian, or other representative of a Dependent child who incurs a Sickness or Injury caused by a third party. If a parent or guardian may bring a claim for damages arising out of a minor's Sickness or Injury, the terms of this subrogation and reimbursement clause shall apply to that claim.
- If a third party causes or is alleged to have caused you to suffer a Sickness or Injury while you are covered under this Plan, the provisions of this section continue to apply, even after you are no longer covered.
- The Plan and all Administrators administering the terms and conditions of the Plan's subrogation and reimbursement rights have such powers and duties as are necessary to discharge its duties and functions, including the exercise of its discretionary authority to (1) construe and enforce the terms of the Plan's subrogation and reimbursement rights and (2) make determinations with respect to the subrogation amounts and reimbursements owed to the Plan.

Right of Recovery

The Plan also has the right to recover benefits it has paid on you or your Dependent's behalf that were:

- made in error;
- due to a mistake in fact;
- advanced during the time period of meeting the calendar year Deductible; or
- advanced during the time period of meeting the Out-of-Pocket Maximum for the calendar year.

Benefits paid because you or your Dependent misrepresented facts are also subject to recovery.

If the Plan provides a Benefit for you or your Dependent that exceeds the amount that should have been paid, the Plan will:

- require that the overpayment be returned when requested, or
- reduce a future benefit payment for you or your Dependent by the amount of the overpayment.

If the Plan provides an advancement of benefits to you or your Dependent during the time period of meeting the Deductible and/or meeting the Out-of-Pocket Maximum for the calendar year, the Plan will send you or your Dependent a monthly statement identifying the amount you owe with payment instructions. The Plan has the right to recover Benefits it has advanced by:

- submitting a reminder letter to you or a covered Dependent that details any outstanding balance owed to the Plan; and
- conducting courtesy calls to you or a covered Dependent to discuss any outstanding balance owed to the Plan.

SECTION 12 - WHEN COVERAGE ENDS

What this section includes:

- Circumstances that cause coverage to end; and
- How to continue coverage after it ends.

Your entitlement to Benefits automatically ends on the date that coverage ends, even if you are hospitalized or are otherwise receiving medical treatment on that date.

When your coverage ends, City of Dallas will still pay claims for Covered Health Services that you received before your coverage ended. However, once your coverage ends, Benefits are not provided for health services that you receive after coverage ended, even if the underlying medical condition occurred before your coverage ended.

Your coverage under the Plan will end on the earliest of:

- the last day of the month your employment with the Company ends;
- the date the Plan ends;
- the last day of the month you stop making the required contributions;
- the last day of the month you are no longer eligible;
- the last day of the month UnitedHealthcare receives written notice from City of Dallas to end your coverage, or the date requested in the notice, if later; or
- the last day of the month you retire or are pensioned under the Plan, unless specific coverage is available for retired or pensioned persons and you are eligible for that coverage.

Coverage for your eligible Dependents will end on the earliest of:

- the date your coverage ends;
- the last day of the month you stop making the required contributions;
- the last day of the month UnitedHealthcare receives written notice from City of Dallas to end your coverage, or the date requested in the notice, if later; or
- the last day of the month your Dependents no longer qualify as Dependents under this Plan.

The Plan will provide written notice to you that your coverage has ended if any of the following occur:

- you permit an unauthorized person to use your ID card or you use another person's ID card;
- you knowingly give UnitedHealthcare false material information including, but not limited to, false information relating to another person's eligibility or status as a Dependent;

- you commit an act of physical or verbal abuse that imposes a threat to City of Dallas' staff, UnitedHealthcare's staff, a provider or another Covered Person; or
- you violate any terms of the Plan.

Note: City of Dallas has the right to demand that you pay back Benefits City of Dallas paid to you, or paid in your name, during the time you were incorrectly covered under the Plan.

Coverage for a Disabled Child

If an unmarried enrolled Dependent child with a mental or physical disability reaches an age when coverage would otherwise end, the Plan will continue to cover the child, as long as:

- the child is unable to be self-supporting due to a mental or physical handicap or disability;
- the child depends mainly on you for support;
- you provide to City of Dallas proof of the child's incapacity and dependency within 31 days of the date coverage would have otherwise ended because the child reached a certain age; and
- you provide proof, upon City of Dallas' request, that the child continues to meet these conditions.

The proof might include medical examinations at City of Dallas' expense. However, you will not be asked for this information more than once a year. If you do not supply such proof within 31 days, the Plan will no longer pay Benefits for that child.

Coverage will continue, as long as the enrolled Dependent is incapacitated and dependent upon you, unless coverage is otherwise terminated in accordance with the terms of the Plan.

Continuing Coverage Through COBRA

If you lose your Plan coverage, you may have the right to extend it under COBRA.

Continuation coverage under COBRA is available only to Plans that are subject to the terms of COBRA. You can contact your Plan Administrator to determine if City of Dallas is subject to the provisions of COBRA.

Continuation Coverage under Federal Law (COBRA)

Much of the language in this section comes from the federal law that governs continuation coverage. You should call your Plan Administrator if you have questions about your right to continue coverage.

In order to be eligible for continuation coverage under federal law, you must meet the definition of a "Qualified Beneficiary". A Qualified Beneficiary is any of the following persons who were covered under the Plan on the day before a qualifying event:

- a Participant;

- a Participant's enrolled Dependent, including with respect to the Participant's children, a child born to or placed for adoption with the Participant during a period of continuation coverage under federal law; or
- a Participant's former Spouse.

Qualifying Events for Continuation Coverage under COBRA

The following table outlines situations in which you may elect to continue coverage under COBRA for yourself and your Dependents, and the maximum length of time you can receive continued coverage. These situations are considered qualifying events.

If Coverage Ends Because of the Following Qualifying Events:	You May Elect COBRA:		
	For Yourself	For Your Spouse	For Your Child(ren)
Your work hours are reduced	18 months	18 months	18 months
Your employment terminates for any reason (other than gross misconduct)	18 months	18 months	18 months
You or your family member become eligible for Social Security disability benefits at any time within the first 60 days of losing coverage ¹	29 months	29 months	29 months
You die	N/A	36 months	36 months
You divorce (or legally separate)	N/A	36 months	36 months
Your child is no longer an eligible family member (e.g., reaches the maximum age limit)	N/A	N/A	36 months
You become entitled to Medicare	N/A	See table below	See table below
City of Dallas files for bankruptcy under Title 11, United States Code. ²	36 months	36 months ³	36 months ³

¹Subject to the following conditions: (i) notice of the disability must be provided within the latest of 60 days after a). the determination of the disability, b). the date of the qualifying event, c). the date the Qualified Beneficiary would lose coverage under the Plan, and in no event later than the end of the first 18 months; (ii) the Qualified Beneficiary must agree to pay any increase in the required premium for the additional 11 months over the original 18 months; and (iii) if the Qualified Beneficiary entitled to the 11 months of coverage has non-disabled family members who are also Qualified Beneficiaries, then those non-disabled Qualified Beneficiaries are also entitled to the

additional 11 months of continuation coverage. Notice of any final determination that the Qualified Beneficiary is no longer disabled must be provided within 30 days of such determination. Thereafter, continuation coverage may be terminated on the first day of the month that begins more than 30 days after the date of that determination.

²This is a qualifying event for any Retired Participant and his or her enrolled Dependents if there is a substantial elimination of coverage within one year before or after the date the bankruptcy was filed.

³From the date of the Participant's death if the Participant dies during the continuation coverage.

How Your Medicare Eligibility Affects Dependent COBRA Coverage

The table below outlines how your Dependents' COBRA coverage is impacted if you become entitled to Medicare.

If Dependent Coverage Ends When:	You May Elect COBRA Dependent Coverage For Up To:
You become entitled to Medicare and don't experience any additional qualifying events	18 months
You become entitled to Medicare, after which you experience a second qualifying event* before the initial 18-month period expires	36 months
You experience a qualifying event*, after which you become entitled to Medicare before the initial 18-month period expires; and, if absent this initial qualifying event, your Medicare entitlement would have resulted in loss of Dependent coverage under the Plan	36 months

* Your work hours are reduced or your employment is terminated for reasons other than gross misconduct.

Getting Started

You will be notified by mail if you become eligible for COBRA coverage as a result of a reduction in work hours or termination of employment. The notification will give you instructions for electing COBRA coverage, and advise you of the monthly cost. Your monthly cost is the full cost, including both Participant and Employer costs, plus a 2% administrative fee or other cost as permitted by law.

You will have up to 60 days from the date you receive notification or 60 days from the date your coverage ends to elect COBRA coverage, whichever is later. You will then have an additional 45 days to pay the cost of your COBRA coverage, retroactive to the date your Plan coverage ended.

During the 60-day election period, the Plan will, only in response to a request from a provider, inform that provider of your right to elect COBRA coverage, retroactive to the date your COBRA eligibility began.

While you are a participant in the medical Plan under COBRA, you have the right to change your coverage election:

- during Open Enrollment; and
- following a change in family status, as described under *Changing Your Coverage* in Section 2, *Introduction*.

Notification Requirements

If your covered Dependents lose coverage due to divorce, legal separation, or loss of Dependent status, you or your Dependents must notify the Plan Administrator within 60 days of the latest of:

- the date of the divorce, legal separation or an enrolled Dependent's loss of eligibility as an enrolled Dependent;
- the date your enrolled Dependent would lose coverage under the Plan; or
- the date on which you or your enrolled Dependent are informed of your obligation to provide notice and the procedures for providing such notice.

You or your Dependents must also notify the Plan Administrator when a qualifying event occurs that will extend continuation coverage.

If you or your Dependents fail to notify the Plan Administrator of these events within the 60 day period, the Plan Administrator is not obligated to provide continued coverage to the affected Qualified Beneficiary. If you are continuing coverage under federal law, you must notify the Plan Administrator within 60 days of the birth or adoption of a child.

Once you have notified the Plan Administrator, you will then be notified by mail of your election rights under COBRA.

Notification Requirements for Disability Determination

If you extend your COBRA coverage beyond 18 months because you are eligible for disability benefits from Social Security, you must provide City of Dallas Benefit Service Center with notice of the Social Security Administration's determination within 60 days after you receive that determination, and before the end of your initial 18-month continuation period.

The notice requirements will be satisfied by providing written notice to the Plan Administrator at the address stated in Section 16, *Important Administrative Information: ERISA*. The contents of the notice must be such that the Plan Administrator is able to determine the covered Employee and qualified beneficiary(ies), the qualifying event or disability, and the date on which the qualifying event occurred.

Trade Act of 2002

The Trade Act of 2002 amended COBRA to provide for a special second 60-day COBRA election period for certain Participants who have experienced a termination or reduction of hours and who lose group health plan coverage as a result. The special second COBRA

election period is available only to a very limited group of individuals: generally, those who are receiving trade adjustment assistance (TAA) or 'alternative trade adjustment assistance' under a federal law called the Trade Act of 1974. These Participants are entitled to a second opportunity to elect COBRA coverage for themselves and certain family members (if they did not already elect COBRA coverage), but only within a limited period of 60 days from the first day of the month when an individual begins receiving TAA (or would be eligible to receive TAA but for the requirement that unemployment benefits be exhausted) and only during the six months immediately after their group health plan coverage ended.

If a Participant qualifies or may qualify for assistance under the Trade Act of 1974, he or she should contact the Plan Administrator for additional information. The Participant must contact the Plan Administrator promptly after qualifying for assistance under the Trade Act of 1974 or the Participant will lose his or her special COBRA rights. COBRA coverage elected during the special second election period is not retroactive to the date that Plan coverage was lost, but begins on the first day of the special second election period.

When COBRA Ends

COBRA coverage will end before the maximum continuation period shown above if:

- you or your covered Dependent becomes covered under another group medical plan, as long as the other plan doesn't limit your coverage due to a preexisting condition; or if the other plan does exclude coverage due to your preexisting condition, your COBRA benefits would end when the exclusion period ends;
- you or your covered Dependent becomes entitled to, and enrolls in, Medicare after electing COBRA;
- the first required premium is not paid within 45 days;
- any other monthly premium is not paid within 30 days of its due date;
- the entire Plan ends; or
- coverage would otherwise terminate under the Plan as described in the beginning of this section.

Note: If you selected continuation coverage under a prior plan which was then replaced by coverage under this Plan, continuation coverage will end as scheduled under the prior plan or in accordance with the terminating events listed in this section, whichever is earlier.

Uniformed Services Employment and Reemployment Rights Act

A Participant who is absent from employment for more than 30 days by reason of service in the Uniformed Services may elect to continue Plan coverage for the Participant and the Participant's Dependents in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended (USERRA).

The terms "Uniformed Services" or "Military Service" mean the Armed Forces, the Army National Guard and the Air National Guard when engaged in active duty for training, inactive duty training, or full-time National Guard duty, the commissioned corps of the

Public Health Service, and any other category of persons designated by the President in time of war or national emergency.

If qualified to continue coverage pursuant to the USERRA, Participants may elect to continue coverage under the Plan by notifying the Plan Administrator in advance, and providing payment of any required contribution for the health coverage. This may include the amount the Plan Administrator normally pays on a Participant's behalf. If a Participant's Military Service is for a period of time less than 31 days, the Participant may not be required to pay more than the regular contribution amount, if any, for continuation of health coverage.

A Participant may continue Plan coverage under USERRA for up to the lesser of:

- the 24 month period beginning on the date of the Participant's absence from work; or
- the day after the date on which the Participant fails to apply for, or return to, a position of employment.

Regardless of whether a Participant continues health coverage, if the Participant returns to a position of employment, the Participant's health coverage and that of the Participant's eligible Dependents will be reinstated under the Plan. No exclusions or waiting period may be imposed on a Participant or the Participant's eligible Dependents in connection with this reinstatement, unless a Sickness or Injury is determined by the Secretary of Veterans Affairs to have been incurred in, or aggravated during, the performance of military service.

You should call the Plan Administrator if you have questions about your rights to continue health coverage under USERRA.

Survivorship Coverage

If the employee dies while covered under the Plan, the surviving spouse and any eligible dependents may continue coverage under the Plan until the end of the month following a period of 90 days subsequent to the employee's death. After the initial 90 days following the employee's date of death, coverage is then available to the surviving spouse and any eligible dependents through the COBRA provision, except for a surviving spouse of an active uniformed officer killed in the line of duty. A surviving spouse of an active uniformed officer may continue coverage on the existing plan at active rates. If a surviving spouse remarries, coverage under the Plan will terminate.

A surviving spouse who is covered under a retiree Plan may continue coverage as long as he/she is eligible for pension benefits. Any dependents acquired through the remarriage of a retired employee's surviving spouse will not be eligible for coverage under the Plan.

A surviving spouse and eligible dependents of a retired employee may remain in the Plan after the death of the retired employee:

- If the person was covered as a dependent spouse of the deceased retired employee at the time of the retired employee's death and is eligible to receive pension benefits;

- If carried as a dependent child, the person remains a dependent of the surviving spouse, but only if the spouse is receiving monthly survivor's benefits from one of the retirement funds.

Coverage for all surviving dependents ceases if coverage for the surviving spouse stops because of death, termination of monthly benefits, or any other reason.

A retired employee, or a surviving spouse or dependent who is eligible for Medicare participation by reason of age or disability or any other reason, must enroll and remain enrolled in Medicare Parts A and B in order to retain eligibility in the Plan.

The City will pay the Medicare Part A monthly premium on behalf of the retired employees and spouses of retired employees who are not otherwise qualified for Medicare. Retired employees are responsible for notifying the City, otherwise, they will be responsible for payment of the Medicare Part A premium. The retired employee and retired employee's spouse are responsible for payment of all Medicare Part B premiums.

If a retired employee is enrolled in this Plan on January 1, and elects to discontinue coverage in this Plan, the retired employee will not be eligible to enroll at a later date or in a subsequent plan

SECTION 13 - OTHER IMPORTANT INFORMATION

What this section includes:

- Court-ordered Benefits for Dependent children;
- Your relationship with UnitedHealthcare and City of Dallas;
- Relationships with providers;
- Interpretation of Benefits;
- Information and records;
- Incentives to providers and you;
- The future of the Plan; and
- How to access the official Plan documents.

Qualified Medical Child Support Orders (QMCSOs)

A qualified medical child support order (QMCSO) is a judgment, decree or order issued by a court or appropriate state agency that requires a child to be covered for medical benefits. Generally, a QMCSO is issued as part of a paternity, divorce, or other child support settlement.

If the Plan receives a medical child support order for your child that instructs the Plan to cover the child, the Plan Administrator will review it to determine if it meets the requirements for a QMCSO. If it determines that it does, your child will be enrolled in the Plan as your Dependent, and the Plan will be required to pay Benefits as directed by the order.

You may obtain, without charge, a copy of the procedures governing QMCSOs from the Plan Administrator.

Note: A National Medical Support Notice will be recognized as a QMCSO if it meets the requirements of a QMCSO.

Your Relationship with UnitedHealthcare and City of Dallas

In order to make choices about your health care coverage and treatment, City of Dallas believes that it is important for you to understand how UnitedHealthcare interacts with the Plan Sponsor's benefit Plan and how it may affect you. UnitedHealthcare helps administer the Plan Sponsor's benefit Plan in which you are enrolled. UnitedHealthcare does not provide medical services or make treatment decisions. This means:

- City of Dallas and UnitedHealthcare do not decide what care you need or will receive. You and your Physician make those decisions;
- UnitedHealthcare communicates to you decisions about whether the Plan will cover or pay for the health care that you may receive (the Plan pays for Covered Health Services, which are more fully described in this SPD); and

- the Plan may not pay for all treatments you or your Physician may believe are necessary. If the Plan does not pay, you will be responsible for the cost.

City of Dallas and UnitedHealthcare may use individually identifiable information about you to identify for you (and you alone) procedures, products or services that you may find valuable. City of Dallas and UnitedHealthcare will use individually identifiable information about you as permitted or required by law, including in our operations and in our research. City of Dallas and UnitedHealthcare will use de-identified data for commercial purposes including research.

Relationship with Providers

The relationships between City of Dallas, UnitedHealthcare and Network providers are solely contractual relationships between independent contractors. Network providers are not City of Dallas' agents or employees, nor are they agents or employees of UnitedHealthcare. City of Dallas and any of its employees are not agents or employees of Network providers, nor are UnitedHealthcare and any of its employees agents or employees of Network providers.

City of Dallas and UnitedHealthcare do not provide health care services or supplies, nor do they practice medicine. Instead, City of Dallas and UnitedHealthcare arranges for health care providers to participate in a Network and pay Benefits. Network providers are independent practitioners who run their own offices and facilities. UnitedHealthcare's credentialing process confirms public information about the providers' licenses and other credentials, but does not assure the quality of the services provided. They are not City of Dallas' employees nor are they employees of UnitedHealthcare. City of Dallas and UnitedHealthcare do not have any other relationship with Network providers such as principal-agent or joint venture. City of Dallas and UnitedHealthcare are not liable for any act or omission of any provider.

UnitedHealthcare is not considered to be an employer of the Plan Administrator for any purpose with respect to the administration or provision of benefits under this Plan.

City of Dallas as the Plan Administrator is solely responsible for:

- enrollment and classification changes (including classification changes resulting in your enrollment or the termination of your coverage);
- the timely payment of Benefits; and
- notifying you of the termination or modifications to the Plan.

Your Relationship with Providers

The relationship between you and any provider is that of provider and patient. Your provider is solely responsible for the quality of the services provided to you. You:

- are responsible for choosing your own provider;

- are responsible for paying, directly to your provider, any amount identified as a member responsibility, including Copayments, Coinsurance, any Annual Deductible and any amount that exceeds Eligible Expenses;
- are responsible for paying, directly to your provider, the cost of any non-Covered Health Service;
- must decide if any provider treating you is right for you (this includes Network providers you choose and providers to whom you have been referred); and
- must decide with your provider what care you should receive.

Interpretation of Benefits

City of Dallas and UnitedHealthcare have the sole and exclusive discretion to:

- interpret Benefits under the Plan;
- interpret the other terms, conditions, limitations and exclusions of the Plan, including this SPD and any Riders and/or Amendments; and
- make factual determinations related to the Plan and its Benefits.

City of Dallas and UnitedHealthcare may delegate this discretionary authority to other persons or entities that provide services in regard to the administration of the Plan.

In certain circumstances, for purposes of overall cost savings or efficiency, City of Dallas may, in its discretion, offer Benefits for services that would otherwise not be Covered Health Services. The fact that City of Dallas does so in any particular case shall not in any way be deemed to require City of Dallas to do so in other similar cases.

Information and Records

City of Dallas and UnitedHealthcare may use your individually identifiable health information to administer the Plan and pay claims, to identify procedures, products, or services that you may find valuable, and as otherwise permitted or required by law. City of Dallas and UnitedHealthcare may request additional information from you to decide your claim for Benefits. City of Dallas and UnitedHealthcare will keep this information confidential. City of Dallas and UnitedHealthcare may also use your de-identified data for commercial purposes, including research, as permitted by law.

By accepting Benefits under the Plan, you authorize and direct any person or institution that has provided services to you to furnish City of Dallas and UnitedHealthcare with all information or copies of records relating to the services provided to you. City of Dallas and UnitedHealthcare have the right to request this information at any reasonable time. This applies to all Covered Persons, including enrolled Dependents whether or not they have signed the Participant's enrollment form. City of Dallas and UnitedHealthcare agree that such information and records will be considered confidential.

City of Dallas and UnitedHealthcare have the right to release any and all records concerning health care services which are necessary to implement and administer the terms of the Plan,

for appropriate medical review or quality assessment, or as City of Dallas is required to do by law or regulation. During and after the term of the Plan, City of Dallas and UnitedHealthcare and its related entities may use and transfer the information gathered under the Plan in a de-identified format for commercial purposes, including research and analytic purposes.

For complete listings of your medical records or billing statements City of Dallas recommends that you contact your health care provider. Providers may charge you reasonable fees to cover their costs for providing records or completing requested forms.

If you request medical forms or records from UnitedHealthcare, they also may charge you reasonable fees to cover costs for completing the forms or providing the records.

In some cases, City of Dallas and UnitedHealthcare will designate other persons or entities to request records or information from or related to you, and to release those records as necessary. Our designees have the same rights to this information as does the Plan Administrator.

Incentives to Providers

Network providers may be provided financial incentives by UnitedHealthcare to promote the delivery of health care in a cost efficient and effective manner. These financial incentives are not intended to affect your access to health care.

Examples of financial incentives for Network providers are:

- bonuses for performance based on factors that may include quality, member satisfaction, and/or cost-effectiveness; or
- a practice called capitation which is when a group of Network providers receives a monthly payment from UnitedHealthcare for each Covered Person who selects a Network provider within the group to perform or coordinate certain health services. The Network providers receive this monthly payment regardless of whether the cost of providing or arranging to provide the Covered Person's health care is less than or more than the payment.

If you have any questions regarding financial incentives you may contact the telephone number on your ID card. You can ask whether your Network provider is paid by any financial incentive, including those listed above; however, the specific terms of the contract, including rates of payment, are confidential and cannot be disclosed. In addition, you may choose to discuss these financial incentives with your Network provider.

Incentives to You

Sometimes you may be offered coupons or other incentives to encourage you to participate in various wellness programs or certain disease management programs. The decision about whether or not to participate is yours alone but City of Dallas recommends that you discuss participating in such programs with your Physician. These incentives are not Benefits and do not alter or affect your Benefits. You may call the number on the back of your ID card if you have any questions.

Rebates and Other Payments

City of Dallas and UnitedHealthcare may receive rebates for certain drugs that are administered to you in a Physician's office, or at a Hospital or Alternate Facility. This includes rebates for those drugs that are administered to you before you meet your Annual Deductible. City of Dallas and UnitedHealthcare do not pass these rebates on to you, nor are they applied to your Annual Deductible or taken into account in determining your Copays or Coinsurance.

Workers' Compensation Not Affected

Benefits provided under the Plan do not substitute for and do not affect any requirements for coverage by workers' compensation insurance.

SECTION 14 - GLOSSARY

What this section includes:

- Definitions of terms used throughout this SPD.

Many of the terms used throughout this SPD may be unfamiliar to you or have a specific meaning with regard to the way the Plan is administered and how Benefits are paid. This section defines terms used throughout this SPD, but it does not describe the Benefits provided by the Plan.

Addendum – any attached written description of additional or revised provisions to the Plan. The benefits and exclusions of this SPD and any amendments thereto shall apply to the Addendum except that in the case of any conflict between the Addendum and SPD and/or Amendments to the SPD, the Addendum shall be controlling.

Alternate Facility – a health care facility that is not a Hospital and that provides one or more of the following services on an outpatient basis, as permitted by law:

- surgical services;
- Emergency Health Services; or
- rehabilitative, laboratory, diagnostic or therapeutic services.

An Alternate Facility may also provide Mental Health or Substance Use Disorder Services on an outpatient basis or inpatient basis (for example a Residential Treatment Facility).

Amendment – any attached written description of additional or alternative provisions to the Plan. Amendments are effective only when distributed by the Plan Sponsor or the Plan Administrator. Amendments are subject to all conditions, limitations and exclusions of the Plan, except for those that the amendment is specifically changing.

Annual Deductible (or Deductible) – the amount of Eligible Expenses you must pay for Covered Health Services in a calendar year before you are eligible to begin receiving Benefits in that calendar year. The Deductible is shown in the first table in Section 5, *Plan Highlights*.

Autism Spectrum Disorders - a condition marked by enduring problems communicating and interacting with others, along with restricted and repetitive behavior, interests or activities. **Benefits** – Plan payments for Covered Health Services, subject to the terms and conditions of the Plan and any Addendums and/or Amendments.

Body Mass Index (BMI) – a calculation used in obesity risk assessment which uses a person's weight and height to approximate body fat.

BMI – see Body Mass Index (BMI).

Cancer Resource Services (CRS) – a program administered by UnitedHealthcare or its affiliates made available to you by City of Dallas. The CRS program provides:

- specialized consulting services, on a limited basis, to Participants and enrolled Dependents with cancer;
- access to cancer centers with expertise in treating the most rare or complex cancers; and
- education to help patients understand their cancer and make informed decisions about their care and course of treatment.

Certificate of Creditable Coverage - A document furnished by a group health plan or a health insurance company that shows the amount of time the individual has had coverage. This document is used to reduce or eliminate the length of time a preexisting condition exclusion applies.

CHD – see Congenital Heart Disease (CHD).

Claims Administrator – UnitedHealthcare (also known as UnitedHealthcare Services, Inc.) and its affiliates, who provide certain claim administration services for the Plan.

Clinical Trial – a scientific study designed to identify new health services that improve health outcomes. In a Clinical Trial, two or more treatments are compared to each other and the patient is not allowed to choose which treatment will be received.

COBRA – see Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA).

Coinsurance – the percentage of Eligible Expenses you are required to pay for certain Covered Health Services as described in Section 3, *How the Plan Works*.

Company – City of Dallas.

Complications of Pregnancy – a condition suffered by a Dependent child that requires medical treatment before or after Pregnancy ends.

Congenital Anomaly – a physical developmental defect that is present at birth and is identified within the first twelve months of birth.

Congenital Heart Disease (CHD) – any structural heart problem or abnormality that has been present since birth. Congenital heart defects may:

- be passed from a parent to a child (inherited);
- develop in the fetus of a woman who has an infection or is exposed to radiation or other toxic substances during her Pregnancy; or
- have no known cause.

Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) – a federal law that requires employers to offer continued health insurance coverage to certain employees and their dependents whose group health insurance has been terminated.

Copayment (or Copay) – the set dollar amount you are required to pay for certain Covered Health Services as described in Section 3, *How the Plan Works*.

Cosmetic Procedures – procedures or services that change or improve appearance without significantly improving physiological function, as determined by the Claims Administrator. Reshaping a nose with a prominent bump is a good example of a Cosmetic Procedure because appearance would be improved, but there would be no improvement in function like breathing.

Cost-Effective – the least expensive equipment that performs the necessary function. This term applies to Durable Medical Equipment and prosthetic devices.

Covered Health Services – those health services, including services, supplies or Pharmaceutical Products, which City of Dallas determines to be:

- provided for the purpose of preventing, diagnosing or treating Sickness, Injury, Mental Illness, Substance Use Disorders, or their symptoms;
- consistent with nationally recognized scientific evidence as available, and prevailing medical standards and clinical guidelines as described below;
- not provided for the convenience of the Covered Person, Physician, facility or any other person;
- included in Sections 5 and 6, Plan Highlights and Additional Coverage Details;
- provided to a Covered Person who meets the Plan's eligibility requirements, as described under *Eligibility* in Section 2, *Introduction*; and
- not identified in Section 8, *Exclusions*.

In applying the above definition, "scientific evidence" and "prevailing medical standards" have the following meanings:

- "scientific evidence" means the results of controlled Clinical Trials or other studies published in peer-reviewed, medical literature generally recognized by the relevant medical specialty community; and
- "prevailing medical standards and clinical guidelines" means nationally recognized professional standards of care including, but not limited to, national consensus statements, nationally recognized clinical guidelines, and national specialty society guidelines.

The Claims Administrator maintains clinical protocols that describe the scientific evidence, prevailing medical standards and clinical guidelines supporting its determinations regarding specific services. You can access these clinical protocols (as revised from time to time) on www.myuhc.com or by calling the number on the back of your ID card. This information is available to Physicians and other health care professionals on UnitedHealthcareOnline.

Covered Person – either the Participant or an enrolled Dependent only while enrolled and eligible for Benefits under the Plan. References to "you" and "your" throughout this SPD are references to a Covered Person.

CRS – see Cancer Resource Services (CRS).

Custodial Care – services that do not require special skills or training and that:

- provide assistance in activities of daily living (including but not limited to feeding, dressing, bathing, ostomy care, incontinence care, checking of routine vital signs, transferring and ambulating);
- are provided for the primary purpose of meeting the personal needs of the patient or maintaining a level of function (even if the specific services are considered to be skilled services), as opposed to improving that function to an extent that might allow for a more independent existence; or
- do not require continued administration by trained medical personnel in order to be delivered safely and effectively.

Deductible – see Annual Deductible.

Dependent – an individual who meets the eligibility requirements specified in the Plan, as described under *Eligibility* in Section 2, *Introduction*. A Dependent does not include anyone who is also enrolled as a Participant. No one can be a Dependent of more than one Participant.

Designated Facility – a facility that has entered into an agreement with the Claims Administrator or with an organization contracting on behalf of the Plan, to provide Covered Health Services for the treatment of specified diseases or conditions. A Designated Facility may or may not be located within your geographic area.

To be considered a Designated Facility, a facility must meet certain standards of excellence and have a proven track record of treating specific conditions.

DME – see Durable Medical Equipment (DME).

Domestic Partner – an individual of the same sex with whom you have established a domestic partnership as described below.

A domestic partnership is a relationship between a Participant and one other person of the same sex. Both persons must:

- not be so closely related that marriage would otherwise be prohibited;
- not be legally married to, or the Domestic Partner of, another person under either statutory or common law;
- be at least 18 years old;
- live together and share the common necessities of life;
- be mentally competent to enter into a contract; and
- be financially interdependent and have furnished documents to support at least two of the following conditions of such financial interdependence:
 - they have a single dedicated relationship of at least 6 months duration;

- they have joint ownership of a residence; or
- they have at least two of the following:
 - ◆ a joint ownership of an automobile;
 - ◆ a joint checking, bank or investment account;
 - ◆ a joint credit account;
 - ◆ a lease for a residence identifying both partners as tenants; or
 - ◆ a will and/or life insurance policies which designate the other as primary beneficiary.

The Participant and Domestic Partner must jointly sign an affidavit of domestic partnership provided by City of Dallas Benefit Service Center upon your request.

Domiciliary Care – living arrangements designed to meet the needs of people who cannot live independently but do not require Skilled Nursing Facility services.

Durable Medical Equipment (DME) – medical equipment that is all of the following:

- used to serve a medical purpose with respect to treatment of a Sickness, Injury or their symptoms;
- not disposable;
- not of use to a person in the absence of a Sickness, Injury or their symptoms;
- durable enough to withstand repeated use;
- not implantable within the body; and
- appropriate for use, and primarily used, within the home.

Eligible Expenses – for Covered Health Services, incurred while the Plan is in effect, Eligible Expenses are determined by the Claims Administrator as stated below and as detailed in Section 3, *How the Plan Works*.

Eligible Expenses are determined solely in accordance with the Claims Administrator's reimbursement policy guidelines. The Claims Administrator develops the reimbursement policy guidelines, in the Claims Administrator's discretion, following evaluation and validation of all provider billings in accordance with one or more of the following methodologies:

- as indicated in the most recent edition of the Current Procedural Terminology (CPT), a publication of the American Medical Association, and/or the Centers for Medicare and Medicaid Services (CMS);
- as reported by generally recognized professionals or publications;
- as used for Medicare; or
- as determined by medical staff and outside medical consultants pursuant to other appropriate source or determination that the Claims Administrator accepts.

Emergency – a serious medical condition or symptom resulting from Injury, Sickness or Mental Illness, or Substance Use Disorders which:

- arises suddenly; and
- in the judgment of a reasonable person, requires immediate care and treatment, generally received within 24 hours of onset, to avoid jeopardy to life or health.

Emergency Health Services – health care services and supplies necessary for the treatment of an Emergency.

Employee Retirement Income Security Act of 1974 (ERISA) – the federal legislation that regulates retirement and employee welfare benefit programs maintained by employers and unions.

Employer – City of Dallas.

EOB – see Explanation of Benefits (EOB).

Experimental or Investigational Services – medical, surgical, diagnostic, psychiatric, mental health, substance-related and addictive disorders or other health care services, technologies, supplies, treatments, procedures, drug therapies, medications or devices that, at the time UnitedHealthcare and City of Dallas make a determination regarding coverage in a particular case, are determined to be any of the following:

- not approved by the U.S. Food and Drug Administration (FDA) to be lawfully marketed for the proposed use and not identified in the American Hospital Formulary Service or the United States Pharmacopoeia Dispensing Information as appropriate for the proposed use;
- subject to review and approval by any institutional review board for the proposed use (Devices which are FDA approved under the *Humanitarian Use Device* exemption are not considered to be Experimental or Investigational); or
- the subject of an ongoing Clinical Trial that meets the definition of a Phase 1, 2 or 3 Clinical Trial set forth in the FDA regulations, regardless of whether the trial is actually subject to FDA oversight.

Exceptions:

- Clinical trials for which Benefits are available as described under Clinical Trials in Section 6, *Additional Coverage Details*.
- If you are not a participant in a qualifying Clinical Trial as described under Section 6, *Additional Coverage Details*, and have a Sickness or condition that is likely to cause death within one year of the request for treatment, the Claims Administrator and City of Dallas may, at their discretion, consider an otherwise Experimental or Investigational Service to be a Covered Health Service for that Sickness or condition. Prior to such consideration, the Claims Administrator and City of Dallas must determine that, although unproven, the service has significant potential as an effective treatment for that Sickness or condition.

Explanation of Benefits (EOB) – a statement provided by UnitedHealthcare to you, your Physician, or another health care professional that explains:

- the Benefits provided (if any);
- the allowable reimbursement amounts;
- Deductibles;
- Coinsurance;
- any other reductions taken;
- the net amount paid by the Plan; and
- the reason(s) why the service or supply was not covered by the Plan.

Gender Identity Disorder – A disorder characterized by the following diagnostic criteria:

- a strong and persistent cross-gender identification (not merely a desire for any perceived cultural advantages of being the other sex);
- persistent discomfort with his or her sex or sense of inappropriateness in the gender role of that sex;
- the disturbance is not concurrent with a physical intersex condition;
- the disturbance causes clinically significant distress or impairment in social, occupational, or other important areas of functioning;
- the transsexual identity has been present persistently for at least two years; and
- the disorder is not a symptom of another mental disorder or a chromosomal abnormality.

Health Statement(s) – a single, integrated statement that summarizes EOB information by providing detailed content on account balances and claim activity.

Home Health Agency – a program or organization authorized by law to provide health care services in the home.

Hospital – an institution, operated as required by law, which is:

- primarily engaged in providing health services, on an inpatient basis, for the acute care and treatment of sick or injured individuals. Care is provided through medical, mental health, substance use disorders, diagnostic and surgical facilities, by or under the supervision of a staff of Physicians; and
- has 24 hour nursing services.

A Hospital is not primarily a place for rest, Custodial Care or care of the aged and is not a Skilled Nursing Facility, convalescent home or similar institution.

Injury – bodily damage other than Sickness, including all related conditions and recurrent symptoms.

Inpatient Rehabilitation Facility – a Hospital (or a special unit of a Hospital that is designated as an Inpatient Rehabilitation Facility) that provides physical therapy, occupational therapy and/or speech therapy on an inpatient basis, as authorized by law.

Inpatient Stay – an uninterrupted confinement, following formal admission to a Hospital, Skilled Nursing Facility or Inpatient Rehabilitation Facility.

Intensive Outpatient Treatment - a structured outpatient mental health or substance-related and addictive disorder treatment program that may be free-standing or Hospital-based and provides services for at least three hours per day, two or more days per week.

Intermittent Care – skilled nursing care that is provided or needed either:

- fewer than seven days each week; or
- fewer than eight hours each day for periods of 21 days or less.

Exceptions may be made in special circumstances when the need for additional care is finite and predictable.

Kidney Resource Services (KRS) – a program administered by UnitedHealthcare or its affiliates made available to you by City of Dallas. The KRS program provides:

- specialized consulting services to Participants and enrolled Dependents with ESRD or chronic kidney disease;
- access to dialysis centers with expertise in treating kidney disease; and
- guidance for the patient on the prescribed plan of care.

Manipulative Treatment – the therapeutic application of chiropractic and/or manipulative treatment with or without ancillary physiologic treatment and/or rehabilitative methods rendered to restore/improve motion, reduce pain and improve function in the management of an identifiable neuromusculoskeletal condition.

Medicaid – a federal program administered and operated individually by participating state and territorial governments that provides medical benefits to eligible low-income people needing health care. The federal and state governments share the program's costs.

Medicare – Parts A, B, C and D of the insurance program established by Title XVIII, United States Social Security Act, as amended by 42 U.S.C. Sections 1394, et seq. and as later amended.

Mental Health Services – Covered Health Services for the diagnosis and treatment of Mental Illnesses. The fact that a condition is listed in the current *Diagnostic and Statistical Manual of the American Psychiatric Association* does not mean that treatment for the condition is a Covered Health Service.

Mental Health/Substance Use Disorder (MH/SUD) Administrator – the organization or individual designated by City of Dallas who provides or arranges Mental Health and Substance Use Disorder Services under the Plan. The current Administrator is UnitedHealthcare

Mental Illness – mental health or psychiatric diagnostic categories listed in the current *Diagnostic and Statistical Manual of the American Psychiatric Association*, unless they are listed in Section 8, *Exclusions*.

Neonatal Resource Services (NRS) - a program administered by UnitedHealthcare or its affiliates made available to you by City of Dallas. The NRS program provides guided access to a network of credentialed NICU providers and specialized nurse consulting services to help manage NICU admissions.

Network – when used to describe a provider of health care services, this means a provider that has a participation agreement in effect (either directly or indirectly) with the Claims Administrator or with its affiliate to participate in the Network; however, this does not include those providers who have agreed to discount their charges for Covered Health Services by way of their participation in the Shared Savings Program. The Claims Administrator's affiliates are those entities affiliated with the Claims Administrator through common ownership or control with the Claims Administrator or with the Claims Administrator's ultimate corporate parent, including direct and indirect subsidiaries.

A provider may enter into an agreement to provide only certain Covered Health Services, but not all Covered Health Services, or to be a Network provider for only some products. In this case, the provider will be a Network provider for the Covered Health Services and products included in the participation agreement, and a non-Network provider for other Covered Health Services and products. The participation status of providers will change from time to time.

Network Benefits - description of how Benefits are paid for Covered Health Services provided by Network provider. Refer to Section 5, *Plan Highlights* for details about how Network Benefits apply.

Open Enrollment – the period of time, determined by City of Dallas, during which eligible Participants may enroll themselves and their Dependents under the Plan. City of Dallas determines the period of time that is the Open Enrollment period.

Out-of-Pocket Maximum – the maximum amount you pay every calendar year. Refer to Section 5, *Plan Highlights* for the Out-of-Pocket Maximum amount. See Section 3, *How the Plan Works* for a description of how the Out-of-Pocket Maximum works.

Partial Hospitalization/Day Treatment - a structured ambulatory program that may be a free-standing or Hospital-based program and that provides services for at least 20 hours per week.

Participant – a full-time Participant of the Employer who meets the eligibility requirements specified in the Plan, as described under *Eligibility* in Section 2, *Introduction*. A Participant must live and/or work in the United States.

Personal Health Support – programs provided by the Claims Administrator that focus on prevention, education, and closing the gaps in care designed to encourage an efficient system of care for you and your covered Dependents.

Personal Health Support Nurse – the primary nurse that UnitedHealthcare may assign to you if you have a chronic or complex health condition. If a Personal Health Support Nurse is assigned to you, this nurse will call you to assess your progress and provide you with information and education.

Pharmaceutical Products – FDA-approved prescription pharmaceutical products administered in connection with a Covered Health Service by a Physician or other health care provider within the scope of the provider’s license, and not otherwise excluded under the Plan.

Physician – any Doctor of Medicine or Doctor of Osteopathy who is properly licensed and qualified by law.

Please note: Any podiatrist, dentist, psychologist, chiropractor, optometrist or other provider who acts within the scope of his or her license will be considered on the same basis as a Physician. The fact that a provider is described as a Physician does not mean that Benefits for services from that provider are available to you under the Plan.

Plan – The City of Dallas Medical Plan.

Plan Administrator – City of Dallas or its designee.

Plan Sponsor – City of Dallas.

Pregnancy – includes prenatal care, postnatal care, childbirth, and any complications associated with Pregnancy.

Primary Physician – a Physician who has a majority of his or her practice in general pediatrics, internal medicine, obstetrics/gynecology, family practice or general medicine

Private Duty Nursing – nursing care that is provided to a patient on a one-to-one basis by licensed nurses in a home setting when any of the following are true:

- no skilled services are identified;
- skilled nursing resources are available in the facility;
- the skilled care can be provided by a Home Health Agency on a per visit basis for a specific purpose; or
- the service is provided to a Covered Person by an independent nurse who is hired directly by the Covered Person or his/her family. This includes nursing services provided on a home-care basis, whether the service is skilled or non-skilled independent nursing.

Reconstructive Procedure – a procedure performed to address a physical impairment where the expected outcome is restored or improved function. The primary purpose of a

Reconstructive Procedure is either to treat a medical condition or to improve or restore physiologic function. Reconstructive Procedures include surgery or other procedures which are associated with an Injury, Sickness or Congenital Anomaly. The primary result of the procedure is not changed or improved physical appearance. The fact that a person may suffer psychologically as a result of the impairment does not classify surgery or any other procedure done to relieve the impairment as a Reconstructive Procedure.

Residential Treatment Facility - a facility which provides a program of effective Mental Health Services or Substance Use Disorder Services treatment and which meets all of the following requirements:

- it is established and operated in accordance with applicable state law for residential treatment programs;
- it provides a program of treatment under the active participation and direction of a Physician and approved by the Mental Health/Substance Use Disorder Administrator;
- it has or maintains a written, specific and detailed treatment program requiring full-time residence and full-time participation by the patient; and
- it provides at least the following basic services in a 24-hour per day, structured milieu:
 - room and board;
 - evaluation and diagnosis;
 - counseling; and
 - referral and orientation to specialized community resources.

A Residential Treatment Facility that qualifies as a Hospital is considered a Hospital.

Retired Employee – an Employee who retires while covered under the Plan.

Semi-private Room - a room with two or more beds. When an Inpatient Stay in a Semi-private Room is a Covered Health Service, the difference in cost between a Semi-private Room and a private room is a benefit only when a private room is necessary in terms of generally accepted medical practice, or when a Semi-private Room is not available.

Shared Savings Program - the Shared Savings Program provides access to discounts from non-Network Physicians who participate in that program. UnitedHealthcare will use the Shared Savings Program to pay claims when doing so will lower Eligible Expenses. While UnitedHealthcare might negotiate lower Eligible Expenses for Non-Network Benefits, the Coinsurance will stay the same as described in Section 5, *Plan Highlights*.

UnitedHealthcare does not credential the Shared Savings Program providers and the Shared Savings Program providers are not Network providers. Accordingly, in benefit plans that have both Network and non-Network levels of Benefits, Benefits for Covered Health Services provided by Shared Savings Program providers will be paid at the non-Network Benefit level (except in situations when Benefits for Covered Health Services provided by non-Network providers are payable at Network Benefit levels, as in the case of Emergency Health Services). When UnitedHealthcare uses the Shared Savings Program to pay a claim,

the patient responsibility is limited to Coinsurance calculated on the contracted rate paid to the provider.

Sickness – physical illness, disease or Pregnancy. The term Sickness as used in this SPD does not include Mental Illness or Substance Use Disorder, regardless of the cause or origin of the Mental Illness or Substance Use Disorder.

Skilled Care – skilled nursing, teaching, and rehabilitation services when:

- they are delivered or supervised by licensed technical or professional medical personnel in order to obtain the specified medical outcome and provide for the safety of the patient;
- a Physician orders them;
- they are not delivered for the purpose of assisting with activities of daily living, including, but not limited to, dressing, feeding, bathing or transferring from a bed to a chair;
- they require clinical training in order to be delivered safely and effectively; and
- they are not Custodial Care, as defined in this section.

Skilled Nursing Facility – a nursing facility that is licensed and operated as required by law. A Skilled Nursing Facility that is part of a Hospital is considered a Skilled Nursing Facility for purposes of the Plan.

Specialist Physician - a Physician who has a majority of his or her practice in areas other than general pediatrics, internal medicine, obstetrics/gynecology, family practice or general medicine.

Spouse – an individual to whom you are legally married or a Domestic Partner as defined in this section.

Substance Use Disorder Services - Covered Health Services for the diagnosis and treatment of alcoholism and substance-related and addictive disorders that are listed in the current *Diagnostic and Statistical Manual of the American Psychiatric Association*, unless those services are specifically excluded.

Transitional Care – Mental Health Services/Substance Use Disorder Services that are provided through transitional living facilities, group homes and supervised apartments that provide 24-hour supervision that are either:

- sober living arrangements such as drug-free housing, alcohol/drug halfway houses. These are transitional, supervised living arrangements that provide stable and safe housing, an alcohol/drug-free environment and support for recovery. A sober living arrangement may be utilized as an adjunct to ambulatory treatment when treatment doesn't offer the intensity and structure needed to assist the Covered Person with recovery; or
- supervised living arrangement which are residences such as transitional living facilities, group homes and supervised apartments that provide members with stable and safe

housing and the opportunity to learn how to manage their activities of daily living. Supervised living arrangements may be utilized as an adjunct to treatment when treatment doesn't offer the intensity and structure needed to assist the Covered Person with recovery.

UnitedHealth Premium Program – a program that identifies network Physicians or facilities that have been designated as a UnitedHealth Premium Program Physician or facility for certain medical conditions.

To be designated as a UnitedHealth Premium provider, Physicians and facilities must meet program criteria. The fact that a Physician or facility is a Network Physician or facility does not mean that it is a UnitedHealth Premium Program Physician or facility.

Unproven Services – health services, including medications that are determined not to be effective for treatment of the medical condition and/or not to have a beneficial effect on health outcomes due to insufficient and inadequate clinical evidence from well-conducted randomized controlled trials or cohort studies in the prevailing published peer-reviewed medical literature:

- Well-conducted randomized controlled trials are two or more treatments compared to each other, with the patient not being allowed to choose which treatment is received.
- Well-conducted cohort studies are studies in which patients who receive study treatment are compared to a group of patients who receive standard therapy. The comparison group must be nearly identical to the study treatment group.

UnitedHealthcare has a process by which it compiles and reviews clinical evidence with respect to certain health services. From time to time, UnitedHealthcare issues medical and drug policies that describe the clinical evidence available with respect to specific health care services. These medical and drug policies are subject to change without prior notice. You can view these policies at www.myuhc.com.

Please note:

- If you have a life threatening Sickness or condition (one that is likely to cause death within one year of the request for treatment), UnitedHealthcare and City of Dallas may, at their discretion, consider an otherwise Unproven Service to be a Covered Health Service for that Sickness or condition. Prior to such a consideration, UnitedHealthcare and City of Dallas must first establish that there is sufficient evidence to conclude that, albeit unproven, the service has significant potential as an effective treatment for that Sickness or condition, and that the service would be provided under standards equivalent to those defined by the National Institutes of Health.

The decision about whether such a service can be deemed a Covered Health Service is solely at UnitedHealthcare and City of Dallas's discretion. Other apparently similar promising but unproven services may not qualify.

Urgent Care – treatment of an unexpected Sickness or Injury that is not life-threatening but requires outpatient medical care that cannot be postponed. An urgent situation requires

prompt medical attention to avoid complications and unnecessary suffering, such as high fever, a skin rash, or an ear infection.

Urgent Care Center – a facility that provides Urgent Care services, as previously defined in this section. In general, Urgent Care Centers:

- do not require an appointment;
- are open outside of normal business hours, so you can get medical attention for minor illnesses that occur at night or on weekends; and
- provide an alternative if you need immediate medical attention, but your Physician cannot see you right away.

SECTION 15 - IMPORTANT ADMINISTRATIVE INFORMATION: ERISA

What this section includes:

- Plan administrative information.

This section includes information on the administration of the medical Plan. While you may not need this information for your day-to-day participation, it is information you may find important.

Additional Plan Description

Claims Administrator: The company which provides certain administrative services for the Plan Benefits described in this Summary Plan Description.

UnitedHealthcare Services, Inc.
185 Asylum Street
Hartford, CT 06103-3408

The Claims Administrator shall not be deemed or construed as an employer for any purpose with respect to the administration or provision of benefits under the Plan Sponsor's Plan. The Claims Administrator shall not be responsible for fulfilling any duties or obligations of an employer with respect to the Plan Sponsor's Plan.

Type of Administration of the Plan: The Plan Sponsor provides certain administrative services in connection with its Plan. The Plan Sponsor may, from time to time in its sole discretion, contract with outside parties to arrange for the provision of other administrative services including arrangement of access to a Network provider; claims processing services, including coordination of benefits and subrogation; utilization management and complaint resolution assistance. This external administrator is referred to as the Claims Administrator. For Benefits as described in this Summary Plan Description, the Plan Sponsor also has selected a provider network established by UnitedHealthcare Services, Inc. The named fiduciary of Plan is City of Dallas, the Plan Sponsor.

The Plan Sponsor retains all fiduciary responsibilities with respect to the Plan except to the extent the Plan Sponsor has delegated or allocated to other persons or entities one or more fiduciary responsibility with respect to the Plan.

ATTACHMENT I - HEALTH CARE REFORM NOTICES

Patient Protection and Affordable Care Act (“PPACA”)

Patient Protection Notices

The Claims Administrator generally allows the designation of a primary care provider. You have the right to designate any primary care provider who participates in the Claims Administrator’s network and who is available to accept you or your family members. For information on how to select a primary care provider, and for a list of the participating primary care providers, contact the Claims Administrator at the number on the back of your ID card.

For children, you may designate a pediatrician as the primary care provider.

You do not need prior authorization from the Claims Administrator or from any other person (including a primary care provider) in order to obtain access to obstetrical or gynecological care from a health care professional in the Claims Administrator’s network who specializes in obstetrics or gynecology. The health care professional, however, may be required to comply with certain procedures, including obtaining prior authorization for certain services, following a pre-approved treatment plan, or procedures for making referrals. For a list of participating health care professionals who specialize in obstetrics or gynecology, contact the Claims Administrator at the number on the back of your ID card.

ATTACHMENT II – LEGAL NOTICES

Women's Health and Cancer Rights Act of 1998

As required by the Women's Health and Cancer Rights Act of 1998, we provide Benefits under the Plan for mastectomy, including reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy (including lymphedema).

If you are receiving Benefits in connection with a mastectomy, Benefits are also provided for the following Covered Health Services, as you determine appropriate with your attending Physician:

- all stages of reconstruction of the breast on which the mastectomy was performed;
- surgery and reconstruction of the other breast to produce a symmetrical appearance; and
- prostheses and treatment of physical complications of the mastectomy, including lymphedema.

The amount you must pay for such Covered Health Services (including Copayments and any Annual Deductible) are the same as are required for any other Covered Health Service. Limitations on Benefits are the same as for any other Covered Health Service.

Statement of Rights under the Newborns' and Mothers' Health Protection Act

Under Federal law, group health Plans and health insurance issuers offering group health insurance coverage generally may not restrict Benefits for any Hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a delivery by cesarean section. However, the Plan or issuer may pay for a shorter stay if the attending provider (e.g., your physician, nurse midwife, or physician assistant), after consultation with the mother, discharges the mother or newborn earlier.

Also, under Federal law, plans and issuers may not set the level of Benefits or out-of-pocket costs so that any later portion of the 48-hour (or 96-hour) stay is treated in a manner less favorable to the mother or newborn than any earlier portion of the stay.

In addition, a plan or issuer may not, under Federal law, require that a physician or other health care provider obtain authorization for prescribing a length of stay of up to 48 hours (or 96 hours). However, to use certain providers or facilities, or to reduce your out-of-pocket costs, you may be required to obtain precertification. For information on precertification, contact your issuer.

ADDENDUM - UNITEDHEALTH ALLIES

Introduction

This Addendum to the Summary Plan Description provides discounts for select non-Covered Health Services from Physicians and health care professionals.

When the words "you" and "your" are used the Plan is referring to people who are Covered Persons as the term is defined in the Summary Plan Description (SPD). See Section 14, *Glossary* in the SPD.

Important:

UnitedHealth Allies is not a health insurance plan. You are responsible for the full cost of any services purchased, minus the applicable discount. Always use your health insurance plan for Covered Health Services described in the Summary Plan Description (see Section 5, *Plan Highlights*) when a benefit is available.

What is UnitedHealth Allies?

UnitedHealth Allies is a health value program that offers savings on certain products and services that are not Covered Health Services under your health plan.

Because this is not a health insurance plan, you are not required to receive a referral or submit any claim forms.

Discounts through UnitedHealth Allies are available to you and your Dependents as defined in the Summary Plan Description in Section 14, *Glossary*.

Selecting a Discounted Product or Service

A list of available discounted products or services can be viewed online at www.healthallies.com or by calling the number on the back of your ID card.

After selecting a health care professional and product or service, reserve the preferred rate and print the rate confirmation letter. If you have reserved a product or service with a customer service representative, the rate confirmation letter will be faxed or mailed to you.

Important:

You must present the rate confirmation at the time of receiving the product or service in order to receive the discount.

Visiting Your Selected Health Care Professional

After reserving a preferred rate, make an appointment directly with the health care professional. Your appointment must be within ninety (90) days of the date on your rate confirmation letter.

Present the rate confirmation and your ID card at the time you receive the service. You will be required to pay the preferred rate directly to the health care professional at the time the service is received.

Additional UnitedHealth Allies Information

Additional information on the UnitedHealth Allies program can be obtained online at **www.healthallies.com** or by calling the toll-free phone number on the back of your ID card.

ADDENDUM - PARENTSTEPS®

Introduction

This Addendum to the Summary Plan Description illustrates the benefits you may be eligible for under the ParentSteps program.

When the words "you" and "your" are used the Plan is referring to people who are Covered Persons as the term is defined in the Summary Plan Description (SPD). See Section 14, *Glossary* in the SPD.

Important:

ParentSteps is not a health insurance plan. You are responsible for the full cost of any services purchased. ParentSteps will collect the provider payment from you online via the ParentSteps website and forward the payment to the provider on your behalf. Always use your health insurance plan for Covered Health Services described in the Summary Plan Description 5, *Plan Highlights*) when a benefit is available.

What is ParentSteps?

ParentSteps is a discount program that offers savings on certain medications and services for the treatment of infertility that are not Covered Health Services under your health plan.

This program also offers:

- guidance to help you make informed decisions on where to receive care;
- education and support resources through experienced infertility nurses;
- access to providers contracted with UnitedHealthcare that offer discounts for infertility medical services; and
- discounts on select medications when filled through a designated pharmacy partner.

Because this is not a health insurance plan, you are not required to receive a referral or submit any claim forms.

Discounts through this program are available to you and your Dependents. Dependents are defined in the Summary Plan Description in Section 14, *Glossary*.

Registering for ParentSteps

Prior to obtaining discounts on infertility medical treatment or speaking with an infertility nurse you need to register for the program online at www.myoptumhealthparentsteps.com or by calling ParentSteps toll-free at 1-877-801-3507.

Selecting a Contracted Provider

After registering for the program you can view ParentSteps facilities and clinics online based on location, compare IVF cycle outcome data for each participating provider and see the

specific rates negotiated by ParentSteps with each provider for select types of infertility treatment in order to make an informed decision.

Visiting Your Selected Health Care Professional

Once you have selected a provider, you will be asked to choose that clinic for a consultation. You should then call and make an appointment with that clinic and mention you are a ParentSteps member. ParentSteps will validate your choice and send a validation email to you and the clinic.

Obtaining a Discount

If you and your provider choose a treatment in which ParentSteps discounts apply, the provider will enter in your proposed course of treatment. ParentSteps will alert you, via email, that treatment has been assigned. Once you log in to the ParentSteps website, you will see your treatment plan with a cost breakdown for your review.

After reviewing the treatment plan and determining it is correct you can pay for the treatment online. Once this payment has been made successfully ParentSteps will notify your provider with a statement saying that treatments may begin.

Speaking with a Nurse

Once you have successfully registered for the ParentSteps program you may receive additional educational and support resources through an experienced infertility nurse. You may even work with a single nurse throughout your treatment if you choose.

For questions about diagnosis, treatment options, your plan of care or general support, please contact a ParentSteps nurse via phone (toll-free) by calling 1-866-774-4626.

ParentSteps nurses are available from 8 a.m. to 5 p.m. Central Time; Monday through Friday, excluding holidays.

Additional ParentSteps Information

Additional information on the ParentSteps program can be obtained online at www.myoptumhealthparentsteps.com or by calling 1-877-801-3507 (toll-free).

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): N/A
DEPARTMENT: Human Resources
CMO: A. C. Gonzalez, 670-3302
MAPSCO: N/A

SUBJECT

Authorize the second one-year extension of the three-year service contract with UnitedHealthcare Services, Inc. for the period January 1, 2016 through December 31, 2016, for services including: **(1)** Medical Third-Party Administration services; **(2)** fully-insured Medicare Advantage HMO, AARP Medicare Supplement, and enhanced Medicare “Part D” prescription drug plans for Medicare eligible retirees and their eligible spouses; **(3)** fully-insured vision and dental plans; and **(4)** a Diabetes Prevention and Control Alliance Program - Not to exceed \$6,906,640, from \$25,226,559 to \$32,133,199 - Financing: Employee Benefits Current Funds (subject to appropriations) (fully-insured vision and dental plans to be paid by employee/retiree payroll deductions)

BACKGROUND

The purpose of a service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis. The service contract will provide the City Third-Party Administration and related insurance services for an additional twelve months. In January 2011 the City issued a Request for Proposal (RFP) seeking a Third-Party Administrator (TPA) to provide medical administration and claims processing services, prescription drug services, a comprehensive wellness program, and fully-insured Medicare, Vision, and Dental insurance plans.

To obtain the most competitive pricing, proposals were accepted for bundled and unbundled services. All proposers were asked to give presentations related to their respective services and each service presented was scored by the Evaluation Committee. Buck Consultants, the City’s employee benefits consultant, prepared the financial analysis of all proposals.

The contract with UnitedHealthCare Services, Inc. provides claims processing administration, medical management, EPO network access, utilization review, large-case management, 24-hour nurse line service, COBRA and Flexible Spending Account administration; they also coordinate pharmacy claims with CVS/Caremark.

PRIOR ACTION/REVIEW (COUNCIL BOARDS, COMMISSIONS)

Authorized adoption of the 2006 Employee and Retiree Health Benefits Plan on December 14, 2005, by Resolution No. 05-3545.

On September 27, 2006, City Council authorized (1) termination of the contract with Blue Cross Blue Shield of Texas, previously approved on September 10, 2003, by Resolution No. 03-2578, which offered the fully-insured Health Maintenance Organization (HMO) plan for active employees, retirees and their eligible dependents, effective December 31, 2006; (2) an amendment to the contract with UnitedHealthcare Insurance Company to offer a self-insured Exclusive Provider Organization for active employees, eligible retirees and their eligible dependents to replace the fully-insured HMO plan; and (3) an amendment to the contract with UnitedHealthcare Insurance Company to offer fully-insured Medicare Advantage HMO, AARP Medicare Supplement and enhanced Medicare "Part D" prescription drug plans to Medicare eligible (Part A & B) retirees and their eligible spouses for the period January 1, 2007 through December 31, 2009, by Resolution No. 06-2641.

Authorized adoption of the 2007 Employee and Retiree Health Benefit Plans on September 27, 2006, by Resolution No. 06-2640.

Authorized adoption of the 2008 Employee and Retiree Health Benefit Plans on September 26, 2007, by Resolution No. 07-3828.

Authorized adoption of the 2009 Employee and Retiree Health Benefit Plans on September 24, 2008, by Resolution No. 08-2620.

On October, 14, 2009, City Council authorized (1) approval of the UnitedHealthcare restatement contract document which authorized a one-year renewal option allowing UnitedHealthcare Services, Inc. to continue services as the Third Party Administrator for the period January 1, 2010 through December 31, 2010, including all state and federal legal requirements in an amount not to exceed \$3,500,000; and (2) approval of the proposed health coverage premium rates. Total cost is based on the number of employee/retiree participants in the plan by Resolution No. 09-2566.

On June 23, 2010, City Council authorized (1) a one-year renewal option to the contact with UnitedHealthcare of Texas, Inc. to continue to serve as the Third Party Administrator for employee and retiree health benefits for the period January 1, 2011 through December 31, 2011 in an amount not to exceed \$3,737,454, from \$17,162,546 to \$20,900,000; and (2) a change in Pharmacy Benefits Managers from Medco to Prescription Solutions effective October 1, 2010 through December 31, 2011, by Resolution No. 10-1690.

PRIOR ACTION/REVIEW (COUNCIL BOARDS, COMMISSIONS) (Continued)

On June 13, 2011, briefed the Budget, Finance & Audit Committee.

On June 15, 2011, City Council authorized a three-year service contract, with two one-year renewal options, for the period January 1, 2012 through December 31, 2014 with United Healthcare Services, Inc., most advantageous proposer of ten, for: (1) Medical Third-Party Administration services; (2) fully insured Medicare Advantage HMO, AARP Medicare Supplement, and enhanced Medicare "Part D" prescription drug plans for Medicare eligible retirees and their eligible spouses; and (3) fully insured vision and dental plans by Resolution No. 11-1635.

On August 27, 2014, City Council authorized a one-year extension of the three-year service contract with UnitedHealthcare Services, Inc. to continue to serve as the Third Party Administrator for employee and retiree health benefits for the period January 1, 2015 through December 31, 2015, not to exceed \$6,306,640, from \$18,919,919 to \$25,226,559, by Resolution No. 14-1377.

On April 6, 2015, briefed the Budget, Finance & Audit Committee.

FISCAL INFORMATION

\$6,906,640 - Employee Benefits Current Funds (subject to appropriations) (fully-insured vision and dental plans to be paid by employee/retiree payroll deductions)

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize the second one-year extension of the three-year service contract with UnitedHealthcare Services, Inc. for the period January 1, 2016 through December 31, 2016, for services including: **(1)** Medical Third-Party Administration services; **(2)** fully-insured Medicare Advantage HMO, AARP Medicare Supplement, and enhanced Medicare "Part D" prescription drug plans for Medicare eligible retirees and their eligible spouses; **(3)** fully-insured vision and dental plans; and **(4)** a Diabetes Prevention and Control Alliance Program - Not to exceed \$6,906,640, from \$25,226,559 to \$32,133,199 - Financing: Employee Benefits Current Funds (subject to appropriations) (fully-insured vision and dental plans to be paid by employee/retiree payroll deductions)

UnitedHealthcare Services, Inc. is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Other Services

LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY

	<u>Amount</u>	<u>Percent</u>
Local contracts	\$6,306,640.00	100.00%
Non-local contracts	\$0.00	0.00%
TOTAL THIS ACTION	\$6,306,640.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
KDJ Consultants	WFWB63344N1016	\$815,980.00	12.94%
Buzz Printing	WFWBC252191015	\$656,716.00	10.41%
Total Minority - Local		\$1,472,696.00	23.35%

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE PARTICIPATION

	This Action		Participation to Date	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$128,520.00	0.41%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$1,472,696.00	23.35%	\$0.00	0.00%
Total	<u>\$1,472,696.00</u>	<u>23.35%</u>	<u>\$128,520.00</u>	<u>0.41%</u>

June 17, 2015

WHEREAS, on October 13, 2004, City Council authorized the adoption of the 2005 Employee and Retiree Health Benefit Plans by Resolution No. 04-2985; and,

WHEREAS, on October 12, 2005, City Council authorized (1) termination of the contract with Humana Insurance Company for claims processing administration, Preferred Provider Organization network access, utilization review, large-case management, 24-hour nurse line service, prescription drug services, COBRA and Flexible Spending Account administration, effective December 31, 2005, and (2) a forty-eight-month contract, with two twelve-month renewal options, for claims processing administration, Preferred Provider Organization network access, utilization review, large-case management, 24-hour nurse line service, prescription drug services, COBRA and Flexible Spending Account administration by Resolution No. 05-2962; and,

WHEREAS, on December 14, 2005, City Council authorized the adoption of the 2006 Employee and Retiree Health Benefit Plans by Resolution No. 05-3545; and,

WHEREAS, on September 27, 2006, City Council authorized (1) termination of the contract with Blue Cross Blue Shield of Texas, previously approved on September 10, 2003, by Resolution No. 03-2578, which offers the fully-insured Health Maintenance Organization (HMO) plan for active employees, retirees and their eligible dependents, effective December 31, 2006; (2) an amendment to the contract with UnitedHealthcare Insurance Company to offer a self-insured Exclusive Provider Organization for active employees, eligible retirees and their eligible dependents to replace the fully-insured HMO plan; and (3) an amendment to the contract with UnitedHealthcare Insurance Company to offer fully-insured Medicare Advantage HMO, AARP Medicare Supplement and enhanced Medicare "Part D" prescription drug plans to Medicare eligible (Part A & B) retirees and their eligible spouses for the period January 1, 2007 through December 31, 2009, by Resolution No. 06-2641; and,

WHEREAS, on September 27, 2006, City Council authorized the adoption of the 2007 Employee and Retiree Health Benefit Plans by Resolution No. 06-2640; and,

WHEREAS, on September 26, 2007, City Council authorized the adoption of the 2008 Employee and Retiree Health Benefit Plans by Resolution No. 07-3828; and,

WHEREAS, on September 24, 2008, City Council authorized the adoption of the 2009 Employee and Retiree Health Benefit Plans by Resolution No. 08-2620; and,

June 17, 2015

WHEREAS, on October, 14, 2009, City Council authorized (1) approval of the UnitedHealthcare restatement contract document which authorized a one-year renewal option allowing UnitedHealthcare to continue services as the Third Party Administrator for the period January 1, 2010 through December 31, 2010, including all state and federal legal requirements in an amount not to exceed \$3,500,000; and (2) approval of the proposed health coverage premium rates - Total cost is based on the number of employee/retiree participants in the plan by Resolution No. 09-2566; and,

WHEREAS, on June 23, 2010, City Council authorized (1) a one-year renewal option to the contract with UnitedHealthcare of Texas, Inc. to continue to serve as the Third Party Administrator for employee and retiree health benefits for the period January 1, 2011 through December 31, 2011 in an amount not to exceed \$3,737,454, from \$17,162,546 to \$20,900,000; and (2) a change in Pharmacy Benefits Managers from Medco to Prescription Solutions effective October 1, 2010 through December 31, 2011, by Resolution No. 10-1690; and,

WHEREAS, on June 15, 2011, Resolution No. 11-1635 authorized a three-year service contract with UnitedHealthcare of Texas, Inc., with two one-year renewal options, for the period January 1, 2012 through December 31, 2014, in the amount of \$18,919,918.07; and,

WHEREAS, on August 27, 2014, City Council authorized a one-year extension of the three-year service contract with UnitedHealthcare Services, Inc. to continue to serve as the Third Party Administrator for employee and retiree health benefits for the period January 1, 2015 through December 31, 2015, not to exceed \$6,306,640, from \$18,919,919 to \$25,226,559, by Resolution No. 14-1377; and,

WHEREAS, it is now desirable to authorize the second one-year renewal option to the service contract with UnitedHealthcare Services, Inc. for the period January 1, 2016 through December 31, 2016 for: (1) Medicare Third - Party Administration services; (2) fully insured Medicare Advantage HMO, AARP Medicare Supplement, and enhanced Medicare "Part D" prescription drug plans for Medicare eligible retirees and their eligible spouses; (3) fully insured vision and dental plans; and (4) a Diabetes Prevention and Control Alliance Program in an amount not to exceed \$6,906,640 (subject to appropriations).

June 17, 2015

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. The City Manager is authorized to execute the second one-year extension to the service contract with UnitedHealthcare Service Inc., for the period January 1, 2016 through December 31, 2016, upon approval as to form by the City Attorney, with UnitedHealthcare Services, Inc. (VS0000061054) in the amount not to exceed \$6,906,640 for Medical Third-Party Administration services, fully-insured Medicare Advantage HMO, AARP Medicare Supplement, and enhanced Medicare "Part D" prescription drug plans for Medicare eligible retirees and their eligible spouses and fully-insured vision and dental plans.

Section 2. Third-Party Administration fees to be paid from Employee Benefits Current Funds (\$6,906,640); Medicare Plans to be paid from Employee Benefits Current Funds (in accordance with the retiree contribution rates approved annually by the City Council and subject to appropriations) based on utilization; and fully-insured vision and dental plans to be paid by employee/retiree payroll deductions. That the Chief Financial Officer is authorized to disburse funds in an amount not to exceed \$6,906,640, from Employee Benefits Current Fund: 0260; Dept.: PER; Unit: 7906; Obj.: 3071; Amount: \$6,906,640 (subject to appropriations).

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): N/A
DEPARTMENT: Human Resources
CMO: A. C. Gonzalez, 670-3302
MAPSCO: N/A

SUBJECT

Authorize the second one-year extension of the three-year service contract with CVS/Caremark for the period January 1, 2016 through December 31, 2016, to provide Pharmacy Benefits Management services, for which CVS/Caremark will receive a \$1.00 dispensing fee for each prescription filled - Not to exceed \$270,000, from \$1,070,000 to \$1,340,000 - Financing: Employee Benefits Current Funds (subject to appropriations)

BACKGROUND

The purpose of a service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis. This service contract will provide the City Pharmacy Benefits Management services for a twelve month period, January 1, 2016 through December 31, 2016. In January 2011, the City issued a Request for Proposals (RFP) seeking a Third-Party Administrator (TPA) to provide medical administration and claims processing services, pharmacy benefits administration, a comprehensive wellness program, and fully-insured Medicare, Vision, and Dental insurance plans.

To obtain the most competitive pricing, proposals were accepted for bundled and unbundled services. All proposers were asked to give presentations related to their respective services and each service presented was scored by the Evaluation Committee. Buck Consultants, the City's employee benefits consultant, prepared the financial analysis of all proposals.

The contract with CVS/Caremark, provides pharmacy claims processing and network access to pharmacies. CVS/Caremark also coordinates pharmacy claims with UnitedHealthcare.

PRIOR ACTION/REVIEW (COUNCIL BOARDS, COMMISSIONS)

On June 13, 2011, the Budget, Finance & Audit Committee was briefed.

June 15, 2011, City Council authorized a three-year service contract, with two one-year renewal options, for the period January 1, 2012 through December 31, 2014, with CVS/Caremark, most advantageous proposer of ten, for Pharmacy Benefits Management services, by Resolution No. 11-1635.

On August 27, 2014, City Council authorize the first one-year extension of the three-year service contract with CVS/Caremark for the period January 1, 2015 through December 31, 2015, to provide Pharmacy Benefits Management services not to exceed \$270,000, from \$800,000 to \$1,070,000, by Resolution No. 14-1378.

On April 6, 2015, the Budget, Finance & Audit Committee was briefed regarding this matter.

FISCAL INFORMATION

\$270,000 - Employee Benefits Current Funds (subject to appropriations)

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize the second one-year extension of the three-year service contract with CVS/Caremark for the period January 1, 2016 through December 31, 2016, to provide Pharmacy Benefits Management services, for which CVS/Caremark will receive a \$1.00 dispensing fee for each prescription filled - Not to exceed \$270,000, from \$1,070,000 to \$1,340,000 - Financing: Employee Benefits Current Funds (subject to appropriations)

CaremarkPCS Health, LLC. is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Other Services

LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY

	<u>Amount</u>	<u>Percent</u>
Local contracts	\$270,000.00	100.00%
Non-local contracts	\$0.00	0.00%
TOTAL THIS ACTION	\$270,000.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Joy Promotions	BFBM07882N0417	\$32,130.00	11.90%
Alliance of Diversity	BFWBC150410216	\$32,130.00	11.90%
Total Minority - Local		\$64,260.00	23.80%

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE PARTICIPATION

	<u>This Action</u>		<u>Participation to Date</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
African American	\$64,260.00	23.80%	\$128,000.00	9.55%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$64,260.00	23.80%	\$128,000.00	9.55%

June 17, 2015

WHEREAS, on June 15, 2011, the City Manager was authorized to execute a three-year service contract, with two one-year renewal options, for the period January 1, 2012 through December 31, 2014, upon approval as to form by the City Attorney in an amount not to exceed \$800,000.

WHEREAS, on August 27, 2014, City Council authorize the first one-year extension of the three-year service contract with CVS/Caremark for the period January 1, 2015 through December 31, 2015, to provide Pharmacy Benefits Management services not to exceed \$270,000, from \$800,000 to \$1,070,000.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is authorized to execute the second one-year extension of a three-year service contract, with two one-year renewal options, for the period January 1, 2016 through December 31, 2016, in an amount not to exceed \$270,000, from \$1,070,000 to \$1,340,000, upon approval as to form by the City Attorney, with CVS/Caremark (VS0000024934) for prescription benefit management. CVS/Caremark receives a \$1.00 dispensing fee for each prescription filled in a total cost based on number of prescription filled in the plan year. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to CVS/Caremark shall be based only on the amount of the services directed to be performed by the City and properly performed by CVS/Caremark under the contract.

Section 2. That the Chief Financial Officer is authorized to disburse funds in an amount not to exceed \$270,000, from Employee Benefits Current Fund: 0260; Dept.: PER; Unit: 7906; Obj.: 3071; Amount: \$270,000. (subject to appropriations)

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

ADDENDUM ITEM # 16

KEY FOCUS AREA: Culture, Arts and Recreation and Educational Enhancements

AGENDA DATE: June 17, 2015

COUNCIL DISTRICT(S): All

DEPARTMENT: Park & Recreation

CMO: Willis Winters, 670-4071

MAPSCO: N/A

SUBJECT

Authorize a professional services contract with Kimley-Horn and Associates, Inc. for the Aquatics Facilities Master Plan - 2015 Update - Not to exceed \$54,500 - Financing: 2006 Bond Funds

BACKGROUND

This item is placed on the addendum as directed by the City Manager's Office.

This action will authorize a professional services contract to Kimley-Horn and Associates, Inc., in the amount of \$54,500 for the Aquatics Facilities Master Plan - 2015 Update. Kimley-Horn and Associates, Inc. previously prepared the 2012 Aquatics Facilities Master Plan and this contract would be an update to the 2012 plan including reviewing and documenting any changes to demographic data; updated recommendations on the types and locations for aquatic facilities; preparation of probable project costs for the aquatics facilities; attendance at meetings with City staff and the Park and Recreation Board; presentations at public input meetings; and an opinion of financial performance.

ESTIMATED SCHEDULE OF PROJECT

Begin Master Plan: July 2015
Complete Master Plan: November 2015

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Park and Recreation Board authorized award of the professional services contract on February 19, 2015.

FISCAL INFORMATION

2006 Bond Funds - \$54,500

M/WBE INFORMATION

See attached.

ETHNIC COMPOSITION

Kimley-Horn and Associates, Inc.

White Male	93	White Female	42
Black Male	2	Black Female	2
Hispanic Male	6	Hispanic Female	6
Other Male	4	Other Female	2

OWNER

Kimley-Horn and Associates, Inc.

Mark Wilson, President
Michael Byrd, Vice President
Nicholas Ellis, Secretary
Richard Cook, Treasurer

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a professional services contract with Kimley-Horn and Associates, Inc. for the Aquatics Facilities Master Plan - 2015 Update - Not to exceed \$54,500 - Financing: 2006 Bond Funds

Kimley-Horn and Associates, Inc. is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractor.

PROJECT CATEGORY: Architecture & Engineering

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$54,500.00	100.00%
Total non-local contracts	\$0.00	0.00%
TOTAL CONTRACT	\$54,500.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
K Strategies	BDFFW94791115	\$14,500.00	26.61%
Total Minority - Local		\$14,500.00	26.61%

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$14,500.00	26.61%	\$14,500.00	26.61%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$14,500.00	26.61%	\$14,500.00	26.61%

June 17, 2015

WHEREAS, it is necessary to hire a firm to provide professional services for the Aquatics Facilities Master Plan - 2015 Update, and the firm of Kimley-Horn and Associates, Inc. has presented a proposal dated January 28, 2015 for a fee not to exceed \$54,500.

Now, Therefore,

BE IT RESOLVED BY THE PARK AND RECREATION BOARD AND THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager is hereby authorized to enter into a professional services contract with Kimley-Horn and Associates, Inc. for the Aquatics Facilities Master Plan - 2015 Update, in an amount not to exceed \$54,500.

SECTION 2. That the President of the Park and Recreation Board and City Manager are hereby authorized to execute a contract with Kimley-Horn and Associates, Inc., after approval as to form by the City Attorney.

SECTION 3. That the Chief Financial Officer is hereby authorized to disburse the amount of \$54,500 to Kimley-Horn and Associates, Inc. from (2006) Park and Recreation Facilities Improvement Fund, Fund BT00, Department PKR, Unit T050, Object 3099, Activity AQFC, CT-PKR15019499, Program PK6T050.33, Commodity 92500, Vendor 135447.

SECTION 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Public Safety
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): All
DEPARTMENT: Police
CMO: Eric Campbell, 670-3255
MAPSCO: N/A

SUBJECT

Authorize **(1)** the acceptance of supplemental funding for the 2014/2015 Tobacco Enforcement Grant through the Texas School Safety Center at Texas State University - San Marcos in the amount of \$24,375 for the purpose of reducing youth access to tobacco products, and to ensure compliance with the Health and Safety Code, Chapter 161 for the period September 1, 2014 through August 31, 2015; and **(2)** execution of the grant agreement - Not to exceed \$24,375, from \$70,650 to \$95,025 - Financing: Texas School Safety Center Tobacco Compliance Grant Funds

BACKGROUND

This item is placed on the addendum due to the Dallas Police Department receiving notice of supplemental funding from the Texas School Safety Center at Texas State University on June 2, 2015. Acceptance of grant funding must be approved by the Public Safety Committee and City Council. The grant expires on August 2015.

The Texas School Safety Center 2014/2015 Tobacco Enforcement Program provides funding to support the enforcement and the reporting of tobacco compliance activities for the purpose of reducing youth access to tobacco products. The grant activities include Retailer Controlled Buys ("stings"), to ensure compliance with the Health and Safety Code, Chapter 161.082 - Sale of cigarettes or tobacco products to persons younger than 18 years of age is prohibited: Proof of age required.

Ongoing and consistent enforcement initiatives that involve on-site compliance inspections of cigarette or tobacco retail outlets will be required by law enforcement officers and may result in the issuance of citations.

The funding agency requires monthly enforcement activity reports and financial status reports to be provided to the Texas School Safety Center contractor for the Texas State University System.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized the 2012/2013 Tobacco Enforcement Grant through the Texas School Safety Center at Texas State University - San Marcos on September 26, 2012, by Resolution No. 12-2371.

Authorized the 2012/2013 Tobacco Enforcement Grant supplemental funds on January 9, 2013, by Resolution No. 13-0115.

Authorized the 2013/2014 Tobacco Enforcement Grant through the Texas School Safety Center at Texas State University - San Marcos on August 28, 2013, by Resolution No. 13-1445.

Authorized the 2013/2014 Tobacco Enforcement Grant supplemental funds on January 22, 2014, by Resolution No. 14-0187.

Authorized the 2014/2015 Tobacco Enforcement Grant through the Texas School Safety Center at Texas State University - San Marcos on August 27, 2014, by Resolution No. 14-1382.

Authorized the 2014/2015 Tobacco Enforcement Grant supplemental funds on December 10, 2014, by Resolution No. 14-2109.

The Public Safety Committee was briefed on June 8, 2015.

FISCAL INFORMATION

\$24,375 - Texas School Safety Center Tobacco Compliance Grant Funds

June 17, 2015

WHEREAS, the Texas State University System has made supplemental grant funds available to aid in reducing youth access to tobacco products, and to ensure compliance with the Health and Safety Code, Chapter 161 during the 2014-2015 fiscal year; and

WHEREAS, such funding was awarded to the City of Dallas on July 14, 2014; and

WHEREAS, City Council authorized acceptance of the first supplemental funding in the amount of \$21,900 on December 10, 2014, by Resolution No. 14-2109; and

WHEREAS, it is in the best interest of the City of Dallas to accept this second supplemental funding in the amount of \$24,375.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to accept supplemental funding for the Texas School Safety Center 2014/2015 Tobacco Enforcement Program in the amount of \$24,375, increasing the award from \$70,650 to \$95,025 for the period September 1, 2014 through August 31, 2015 and execute the grant agreement.

Section 2. That the Chief Financial Officer is hereby authorized to receive and deposit supplemental grant funds in an amount not to exceed \$24,375, in Fund S273, Department DPD, Unit 1629, Revenue Source 6516.

Section 3. That the City Manager is hereby authorized to increase appropriations in the Texas School Safety Center 2014/2015 Tobacco Enforcement Program funds in the amount of \$24,375, from \$70,650 to \$95,025, Fund S273, Department DPD, Unit 1629, Object Code 3099.

Section 4. That the Chief Financial Officer is authorized to disburse funds from Fund S273, Department DPD, Unit 1629, Object Code 3099, in an amount not to exceed \$24,375.

Section 5. That the City Manager is hereby authorized to reimburse to the Texas School Safety Center any expenditure identified as ineligible. That the City Manager shall notify the appropriate City Council Committee of expenditures identified as ineligible not later than 30 days after the reimbursement.

Section 6. That the City Manager shall keep the appropriate City Council Committee informed of all final granting agency monitoring reports not later than 30 days after the receipt of the report.

June 17, 2015

Section 7. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Public Safety
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): All
DEPARTMENT: Police
CMO: Eric Campbell, 670-3255
MAPSCO: N/A

SUBJECT

Authorize an application for the Office of the Attorney General - Other Victim Assistance Grant (OVAG) in the amount of \$42,000 to provide a Victim Advocate to work primarily with victims of sexual assault from the cold case backlog for the period September 1, 2015 through August 31, 2016 - Financing: No cost consideration to the City

BACKGROUND

This item is placed on the addendum due to the grant requires approval by governing body authorized officials as part of reviewing the application and prior to approval of awarding funds to the applicant. The grant funds one full time advocate to provide direct services primarily to victims of cold case sexual assaults. The advocate will work with the sexual assault detectives as they investigate the results of the backlog of sexual assault rape kits. The advocate will accompany the detectives to meet the victim and provide crisis counseling, information and referral, assist with Crime Victims Compensation, serve as the contact for any questions and link the victim to any services available to meet the psychological, medical, financial and emotional needs related to the crime. The advocate will also provide training for community groups as requested and attend information fairs as available.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Public Safety Committee was briefed on June 8, 2015.

FISCAL INFORMATION

No cost consideration to the City.

June 17, 2015

WHEREAS, the Texas Attorney General Crime Victim Services Division has made funds available for law enforcement projects during the 2015-16 fiscal year specifically for victim assistance; and

WHEREAS, the increased funding source would benefit the City of Dallas in its endeavor to provide assistance to victims of cold case sexual assault; and

WHEREAS, it is in the best interest of the City of Dallas to apply for such funding; and

WHEREAS, the City of Dallas has agreed that in the event of loss or misuse of the grant funds, City of Dallas assures that the grant will be returned in full to the Office of the Attorney General (OAG) - Other Victim Assistance Grant (OVAG); and

WHEREAS, the City of Dallas wishes to apply to the Office of the Attorney General, Crime Victim Services Division for the Other Victim Assistance Grant (OVAG); and

WHEREAS, the Dallas City Council has considered and supports the application filed or to be filed with the OAG; and

WHEREAS, the City of Dallas wishes to designate the City Manager or his designee as the "Authorized Official" who is given the power to apply for, accept, reject, alter or terminate this grant with the OAG, Crime Victim Services Division, as well as given the authority to sign all grant adjustment requests, inventory reports, progress reports and financial reports or any other official documents related to the grants on behalf of the grantee.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager or designee is hereby authorized to apply for grant funds from the Office of the Attorney General - Other Victim Assistance Grant in the amount of \$42,000 for the period of September 1, 2015 through August 31, 2016.

Section 2. In the event that the grant is awarded, the City of Dallas assures that the funds will be authorized to hire a full time Victim Advocate to provide services to victims of sexual assault.

Section 3. That the City of Dallas approves the submission of the Application to the OAG, Crime Victim Services Division as well as the designation of the Authorized Official.

June 17, 2015

Section 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Public Safety
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): 1, 2, 3, 4, 5, 6, 7, 8, 14
DEPARTMENT: Police
CMO: Eric Campbell, 670-3255
MAPSCO: N/A

SUBJECT

Authorize payment to the Dallas County Sheriff’s Office to reimburse Dallas County for program expenses associated with the Dallas County Highway Traffic Program for the period October 1, 2014 through September 30, 2015 - Not to exceed \$600,000 - Financing: Current Funds

BACKGROUND

This item is placed on the addendum due to the North Central Texas Council of Governments delaying the routing of the new agreement for FY 2014-15 until April 2015. The former agreement expired September 30, 2014. Routing of the new agreement was delayed.

In January 2008, the Dallas County Sheriff’s Office assumed primary freeway coverage responsibility in Southern Dallas County. This allows Dallas Police Department to reallocate resources to focus more intently on neighborhoods, while the Sheriff’s Office can provide a targeted regional response on the highways to achieve greater response times and enhanced response capabilities.

In FY 2011-12, the City assisted Dallas County in meeting budgetary shortfalls for the Dallas County Highway Program by contributing \$1M in financing towards the program. In addition, the agreement modified the traffic management coverage areas for the Dallas Police Department and the Dallas County Sheriff’s Office.

During FY 2012-13 and FY 2013-14, highway coverage remained the same and the City contributed \$800K to program expenses in FY 2012-13 and \$600K in FY 2013-14.

For FY 2014-15, highway coverage has remained the same and the City is being asked to contribute \$600K to cover program expenses in FY 2014-15. In addition to our support, the Dallas County Highway Traffic Program will receive additional financial support from the Regional Transportation Council for \$1M.

BACKGROUND (Continued)

Under this agreement, the Dallas County Sheriff's Office manages traffic coverage in the following locations:

Loop 12 - Trinity River to Interstate 35/Loop 12 (Walton Walker) split

Woodall Rodgers Freeway - from Central Expressway to River Front Boulevard

U.S. Highway 175 - from I-45 to City of Seagoville City limits

Interstate 45 - Woodall Rodgers Freeway to U.S. Highway 175

Interstate 30 - from the City of Irving City limits to the City of Mesquite City limits

Interstate 35 - from Woodall Rodgers to the City limits (North of 635) and from the Interstate 35/67 split to Woodall Rodgers

Interstate 20 - from the City of Balch Springs City Limits to the City limits of the City of Grand Prairie City limits

Dallas County is committed to reviewing and adjusting the traffic court fee collection process to identify improvements with the system. If additional revenue is collected, the revenue will be applied proportionately to reduce the funding contributed by Dallas County, the City of Dallas and NCTCOG as outlined above.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSION)

Authorized on December 14, 2011, by Resolution No. 11-3246 to approve payment of \$1M for FY 2011-12 Program Expenses for the Southern Dallas Highway Program.

Authorized on November 14, 2012, by Resolution No. 12-2755 to approve payment of \$800,000 for FY 2012-13 Program Expenses for the Southern Dallas Highway Program.

Authorized on January 22, 2014, by Resolution No. 14-0188 to approve payment of \$600,000 for FY 13-14 Program Expenses for Dallas County Highway Program.

The Public Safety Committee was briefed on June 8, 2015.

FISCAL INFORMATION

\$600,000 - Current Funds

<u>Council District</u>	<u>Amount</u>
1	\$ 66,666
2	\$ 66,666
3	\$ 66,666
4	\$ 66,667
5	\$ 66,667
6	\$ 66,667
7	\$ 66,667
8	\$ 66,667
14	<u>\$ 66,667</u>
Total	\$600,000

June 17, 2015

WHEREAS, Dallas County maintains a highway traffic program for limited-access facilities in portions of Dallas County (Traffic Program); and

WHEREAS, the Parties previously agreed upon a funding strategy for the Traffic Program to address an expected shortfall for FY2012, FY2013 and FY2014; and

WHEREAS, given the success of the funding strategy for FY2012, FY2013, and FY2014 the Parties now desire to enter into an agreement concerning the funding for the Traffic Program for FY2015; and

WHEREAS, in consideration of these premises, Dallas County, the City of Dallas, the Regional Transportation Council, and the North Central Texas Council of Governments agree to reimburse program expenses associated with the Dallas County Highway Traffic Program.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. The City Manager is hereby authorized to reimburse Dallas County for program expenses associated with the Dallas County Highway Traffic Program for the period October 1, 2014 through September 30, 2015.

Section 2. That the Chief Financial Officer is authorized to pay the Dallas County Sheriff's Office (VC14241) an amount not to exceed \$600,000 from Fund 0001, Department DPD, Unit 2121, Object 3070, Encumbrance No. PX2121CR15165.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): 14
DEPARTMENT: Public Works Department
CMO: Jill A. Jordan, P.E., 670-5299
MAPSCO: 45 A-M

SUBJECT

Authorize **(1)** a contract for the fabrication and installation of signs for the Central Business District (CBD) Wayfinding and Signage Program, Phase III with Architectural Graphics, Inc., only bidder, in the amount of \$184,082; **(2)** the receipt and deposit of funds from the Texas Department of Transportation in an amount not to exceed \$147,266; and **(3)** an increase in appropriations in the amount of \$147,266 in the Capital Projects Reimbursement Fund – Total not to exceed \$184,082 - Financing: Capital Projects Reimbursement Funds

BACKGROUND

Bids were received on May 21, 2015, for the fabrication and installation of signs for the Central Business District (CBD) Wayfinding and Signage Program, Phase III. This action will authorize a construction contract with Architectural Graphics, Inc. for the installation of thirty-eight wayfinding signs in the Dallas Central Business District.

Phase I construction was completed in August 2006 and included all of the planned gateway and district signs. It also included some of the destination, parking, and identification signs. Phase II was completed in December 2014 and installed approximately 154 of the destination, parking, identification and trail blazer signs. Phase III will install approximately thirty-eight destination, parking, and trail blazer signs in the Arts District. The estimated construction cost for Phase III is \$184,082.00. Downtown Improvement District (DID) will provide the twenty percent local match in amount of \$36,816.40 and costs overruns. The remaining construction cost in the amount of \$147,265.60 will be funded by the Texas Department of Transportation. No City of Dallas funds are required for this project.

BACKGROUND (Continued)

Architectural Graphics, Inc. has completed the following contractual activities for the past three years:

	<u>PBW</u>	<u>WTR</u>	<u>PKR</u>
Projects Completed	1	0	0
Change Orders	2	0	0
Projects Requiring Liquidated Damages	0	0	0
Projects Completed by Bonding Company	0	0	0

ESTIMATED SCHEDULE OF PROJECT

Began Design	April 2014
Completed Design	November 2014
Begin Construction	July 2015
Complete Construction	November 2015

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized Strategic Programming Initiative on March 27, 2002, by Resolution No. 02-1097.

Briefed the Council Transportation and Telecommunication Committee on May 13, 2002.

Briefed the Park Board on May 16, 2002.

Landmark Commission Approved the Certificate of Appropriateness on September 9, 2002.

Authorized endorsement of the recommendations from CBD Study on January 22, 2003, by Resolution No. 03-0396.

Authorized Participation Agreement with the Dallas Improvement District on January 22, 2003, by Resolution No. 03-0397.

Authorized an Interlocal Agreement (ILA) with TxDOT for Phase I of CBD Wayfinding and Signage Program on January 22, 2003, by Resolution No. 03-0398.

Authorized a contract with Bunting Graphics, Inc. for the fabrication and installation of signs for CBD Wayfinding and Signage Program, Phase I on June 23, 2004, by Resolution No. 04-2038.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

Authorized Supplemental Agreement No.1 of CBD Wayfinding and Signage Program, with DID on November 8, 2006, by Resolution No. 06-3078.

Authorized ILA with TxDOT for Phase II of CBD Wayfinding and Signage Program, on November 8, 2006, by Resolution No. 06-3079.

Authorized a contract with Architectural Graphics, Inc. for the fabrication and installation of signs for CBD Wayfinding and Signage Program, Phase II on April 14, 2010, by Resolution No. 10-0874.

Authorized Supplemental Agreement No.2 for Phase III of CBD Wayfinding and Signage Program, with DID on June 25, 2014, by Resolution No. 14-1083.

Authorized ILA with TxDOT for Phase III of CBD Wayfinding and Signage Program on June 25, 2014, by Resolution No. 14-1084.

FISCAL INFORMATION

Capital Projects Reimbursement Funds - \$184,082.00

M/WBE INFORMATION

See attached.

ETHNIC COMPOSITION

Architectural Graphics, Inc.

Hispanic Female	5	Hispanic Male	19
African-American Female	3	African-American Male	40
Other Female	7	Other Male	105
White Female	65	White Male	261

BID INFORMATION

The following bids with quotes were received and opened on May 21, 2015:

*Denotes successful bidder(s)

<u>BIDDERS</u>	<u>BID AMOUNT</u>
*Architectural Graphics, Inc. 2655 International Parkway Virginia Beach, VA 23452	\$184,082.00

Original Engineer's Estimate: PBW - \$ 210,485.00

Note: Pursuant to the Public Works Department's (PBW) request, the Auditor's office has reviewed the single bid item and submitted related documentation and has determined PBW followed Administrative Directive 4-05 provisions for processing this single bid item and made reasonable efforts to increase bid participation. This proposed procurement meets the requirements for a single bid.

OWNERS

Architectural Graphics, Inc.

Dave Ramsay, Chief Executive Officer, Founder
Craig C. Rohde, President

MAP

Attached.

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize **(1)** a contract for the fabrication and installation of signs for the Central Business District (CBD) Wayfinding and Signage Program, Phase III with Architectural Graphics, Inc., only bidder, in the amount of \$184,082; **(2)** the receipt and deposit of funds from the Texas Department of Transportation in an amount not to exceed \$147,266; and **(3)** an increase in appropriations in the amount of \$147,266 in the Capital Projects Reimbursement Fund – Total not to exceed \$184,082 - Financing: Capital Projects Reimbursement Funds

Architectural Graphics, Inc. is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Construction

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$0.00	0.00%
Total non-local contracts	\$184,082.00	100.00%
TOTAL CONTRACT	\$184,082.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

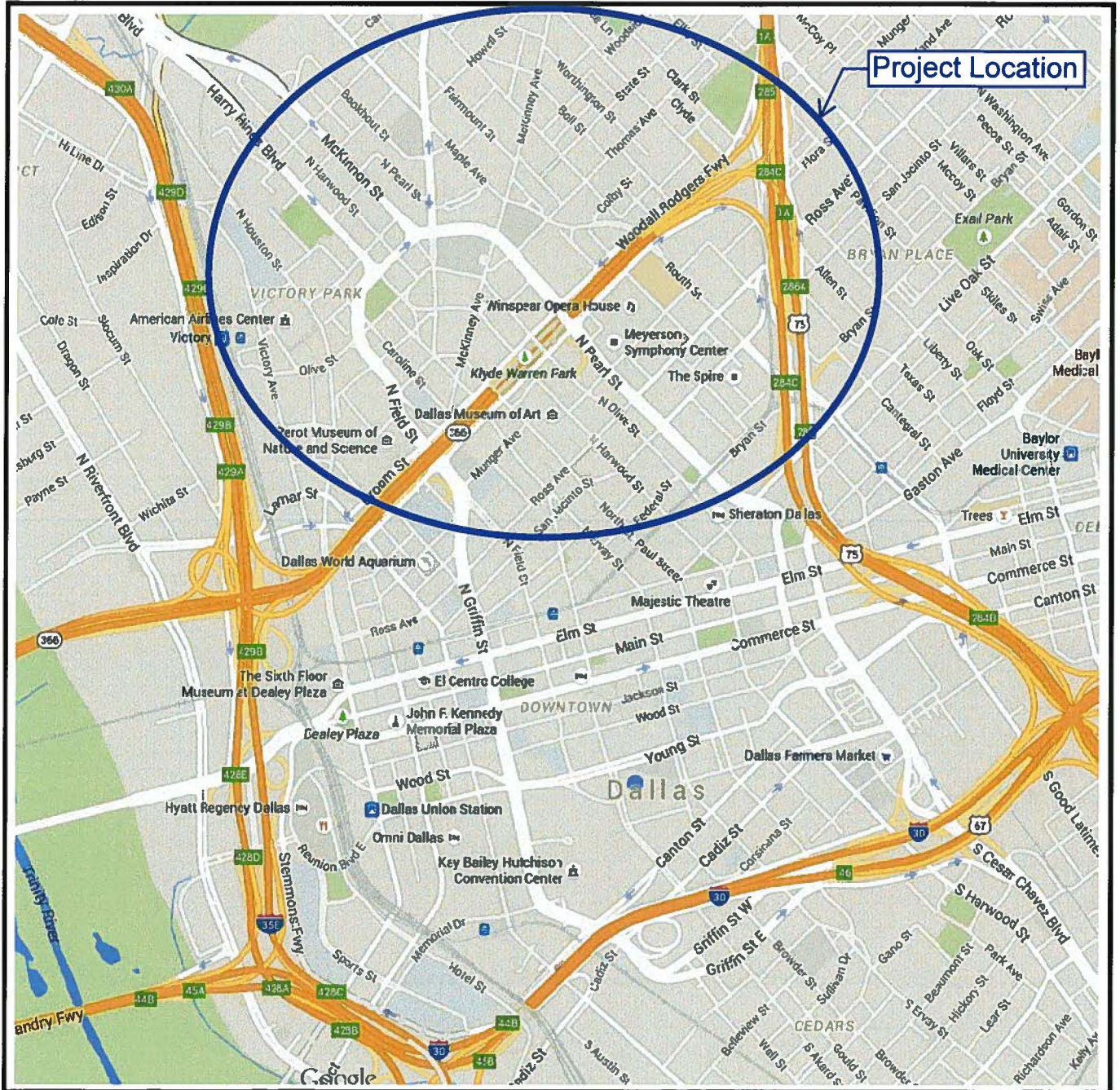
Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$0.00	0.00%	\$0.00	0.00%

CBD Wayfinding and Signage Program Phase III



45 A-M

June 17, 2015

WHEREAS, the Dallas Central Business District (CBD) Wayfinding and Signage Program implements the Dallas Plan's policies related to the Center City and the 1998 Center City Transportation System Management Study; and,

WHEREAS, the Wayfinding and Signage Program has been developed by the City of Dallas, City Center TIF, DART, Dallas Convention and Visitors Bureau, Dallas County, Dallas Downtown Improvement District (DID) and The Dallas Plan; and,

WHEREAS, on March 27, 2002, Resolution No. 02-1097 authorized the submission, acceptance and implementation of City of Dallas candidate projects selected for funding by the North Central Texas Council of Governments' (NCTCOG) Regional Transportation Council as part of the NCTCOG Strategic Programming Initiative under the Transportation Equity Act of the 21st Century (TEA-21); and,

WHEREAS, the CBD Wayfinding and Signage Program was accepted as a candidate project in the Strategic Programming Initiative Call for Projects under TEA-21 in July 2002; and,

WHEREAS, on January 22, 2003, Resolution No. 03-0396 authorized endorsement of the recommendations from the CBD Study; and,

WHEREAS, on January 22, 2003, Resolution No. 03-0397 authorized a Participation Agreement with Dallas Downtown Improvement District (DID) for the design and construction of the CBD Wayfinding and Signage Program; and,

WHEREAS, on January 22, 2003, Resolution No. 06-0398 authorized an Interlocal Agreement with the Texas Department of Transportation for the design and construction of Phase I of the CBD Wayfinding and Signage Program; and,

WHEREAS, on June 23, 2004, Resolution No. 04-2038 authorized a contract with Banting Graphics, Inc. for fabrication and installation of signs for the CBD Wayfinding and Signage Program, Phase I; and,

WHEREAS, on November 8, 2006, Resolution No. 06-3078 authorized Supplemental Agreement No.1 to the Participation Agreement with the DID for the design and construction of Phase II of the CBD Wayfinding and Signage Program; and,

WHEREAS, on November 8, 2006, Resolution No. 06-3079 authorized an Interlocal Agreement with the Texas Department of Transportation for the design and construction of Phase II of the CBD Wayfinding and Signage Program; and,

WHEREAS, on April 14, 2010, Resolution No. 10-0874 authorized a contract with Architectural Graphics, Inc. for fabrication and installation of signs for the CBD Wayfinding and Signage Program, Phase II; and,

June 17, 2015

WHEREAS, on June 25, 2014, Resolution No. 14-1083 authorized an Supplemental Agreement No. 2 with the DID for the design and construction of the CBD Wayfinding and Signage Program Phase III; and,

WHEREAS, only one bid was received on May 21, 2015, for the CBD Wayfinding and Signage Program, Phase III, as follows:

<u>BIDDER</u>	<u>BID AMOUNT</u>
Architectural Graphics, Inc.	\$184,082.00

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to enter into a contract with Architectural Graphics, Inc. for the CBD Wayfinding and Signage Program, Phase III in an amount not to exceed \$184,082.00, this being the only responsive bid received as indicated by the tabulation of bids, after it has been approved as to form by the City Attorney.

Section 2. That the Chief Financial Officer is hereby authorized to deposit funds from the Texas Department of Transportation in an amount not to exceed \$147,265.60 in Fund 0556, Department PBW, Unit. P899, Revenue Code 6526.

Section 3. That in accordance with the provisions of the City's Participation Agreement with the DID, should additional funding be necessary to complete the construction of the CBD Wayfinding and Signage Program, Phase III, the Chief Financial Officer is hereby authorized to deposit such additional funding as received from DID for this purpose and following project completion should final project costs be less than the total amounts received from DID, the Chief Financial Officer is hereby authorized to return same to DID.

Section 4. That the Chief Financial Officer is hereby authorized to increase appropriations in the Capital Projects Reimbursement Fund 0556 Department PBW, Unit P899, Obj. 4432, in the amount of \$147,265.60.

June 17, 2015

Section 5. That the Chief Financial Officer is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Capital Projects Reimbursement Fund	
Fund 0556, Department PBW, Unit P899, Act. TRMS	
Obj. 4432, Program #PBPRP899, CT PBWPRP899G1	
Vendor # VS0000053390, in an amount not to exceed	\$184,082.00

Section 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: June 17, 2015

COUNCIL DISTRICT(S): 14

DEPARTMENT: Public Works Department
Water Utilities

CMO: Jill A. Jordan, P.E., 670-5299
Mark McDaniel, 670-3256

MAPSCO: 36T X

SUBJECT

Authorize a contract with Gibson & Associates, Inc., lowest responsible bidder of two, for the reconstruction of street paving, storm drainage, streetscape, traffic signals, markings, landscape, water and wastewater main improvements for Greenville Avenue from Belmont Avenue to Bell Avenue and from Alta Avenue to Ross Avenue - Not to exceed \$3,909,257 - Financing: 2012 Bond Funds (\$3,022,826), Water Utilities Capital Improvement Funds (\$856,348) and Water Utilities Capital Construction Funds (\$30,083)

BACKGROUND

This item has been included as an addendum to the June 17, 2015 Council agenda in order to minimize construction impacts resulting from delaying this action. The stakeholders for this project have requested that this project be accelerated to the extent possible in order to have construction substantially completed in time for the next year's Greenville Avenue Saint Patrick's Day parade. In order to make this happen, it is necessary to bring this item for Council consideration on the June 17, 2015 agenda.

A professional services contract with Urban Engineers, Inc. was authorized on November 12, 2014, by Resolution No. 14-1917 for the engineering design of Greenville Avenue from Belmont Avenue to Bell Avenue and from Alta Avenue to Ross Avenue. This action will authorize a contract with Gibson & Associates, Inc. for the reconstruction of street paving, storm drainage, streetscape, traffic signals, markings, landscape, water and wastewater main improvements for Greenville Avenue from Belmont Street to Bell Avenue and from Alta Avenue to Ross Avenue.

BACKGROUND (Continued)

The project consists of reconstructing the existing 4-lane roadway to a 2-lane roadway with sidewalks, parallel street parking, pedestrian and traffic lights, landscape, irrigation, street furnishings and pedestrian crosswalks. The improvements will also include water and wastewater upgrades.

The following chart shows Gibson & Associates, Inc. completed contractual activities for the past three years:

	<u>PBW</u>	<u>WTR</u>	<u>PKR</u>
Projects Completed	3	0	0
Change Orders	0	0	0
Projects Requiring Liquidated Damages	0	0	0
Projects Completed by Bonding Company	0	0	0

ESTIMATED SCHEDULE OF PROJECT

Began Design	December 2014
Completed Design	May 2015
Begin Construction	July 2015
Complete Construction	April 2016

PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized a professional services contract for engineering services on November 12, 2014, by Resolution No. 14-1917.

FISCAL INFORMATION

2012 Bond Funds - \$3,022,825.72
Water Utilities Capital Improvement Funds - \$856,347.62
Water Utilities Capital Construction Funds - \$30,083.53

Design	\$ 402,849.60
Construction (this action)	
Paving & Drainage - PBW	\$3,022,825.72
Water & Wastewater - DWU	<u>\$ 886,431.15</u>
Total	\$4,312,106.47

M/WBE INFORMATION

See attached.

ETHNIC COMPOSITION

Gibson & Associates, Inc.

Hispanic Female	0	Hispanic Male	68
African-American Female	1	African-American Male	3
Other Female	0	Other Male	2
White Female	3	White Male	35

BID INFORMATION

The following bids with quotes were received and opened on May 14, 2015:

*Denotes successful bidder(s)

<u>BIDDERS</u>	<u>BID AMOUNT</u>
*Gibson & Associates, Inc. 11210 Ryliecrest Balch Springs, Texas 75180	\$3,909,256.87
Texas Standard Construction, Ltd.	\$4,224,389.50

Engineer's Estimate:	PBW	\$2,974,658.00
	DWU	<u>\$ 717,707.00</u>
Total		\$3,692,365.00

OWNER

Gibson & Associates, Inc.

William J. Gibson, President

MAP

Attached.

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a contract with Gibson & Associates, Inc., lowest responsible bidder of two, for the reconstruction of street paving, storm drainage, streetscape, traffic signals, markings, landscape, water and wastewater main improvements for Greenville Avenue from Belmont Avenue to Bell Avenue and from Alta Avenue to Ross Avenue - Not to exceed \$3,909,257 - Financing: 2012 Bond Funds (\$3,022,826), Water Utilities Capital Improvement Funds (\$856,348) and Water Utilities Capital Construction Funds (\$30,083)

Gibson & Associates, Inc. is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Construction

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$1,486,484.52	38.02%
Total non-local contracts	\$2,422,772.35	61.98%
TOTAL CONTRACT	\$3,909,256.87	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
T & R Excavation, Inc.	HFDB63869Y0615	\$184,756.00	12.43%
Total Minority - Local		\$184,756.00	12.43%

Non-Local Contractors / Sub-Contractors

<u>Non-local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
C. Green Scaping, LP	HFDB62119Y0615	\$232,500.00	9.60%
Rey-Mar Construction	HMDB64061Y0216	\$1,109,450.85	45.79%
A & A Construction	HMDB23577Y0416	\$204,225.00	8.43%
Road Master Striping	HMDB64683Y0316	\$4,980.50	0.21%
Axis Contracting	WFDB03204Y0516	\$463,875.00	19.15%
Buyers Barricades	WFDB24016Y0516	\$24,000.00	0.99%
Brock Environmental Services	WFWB61711Y0516	\$2,286.00	0.09%
Total Minority - Non-local		\$2,041,317.35	84.26%

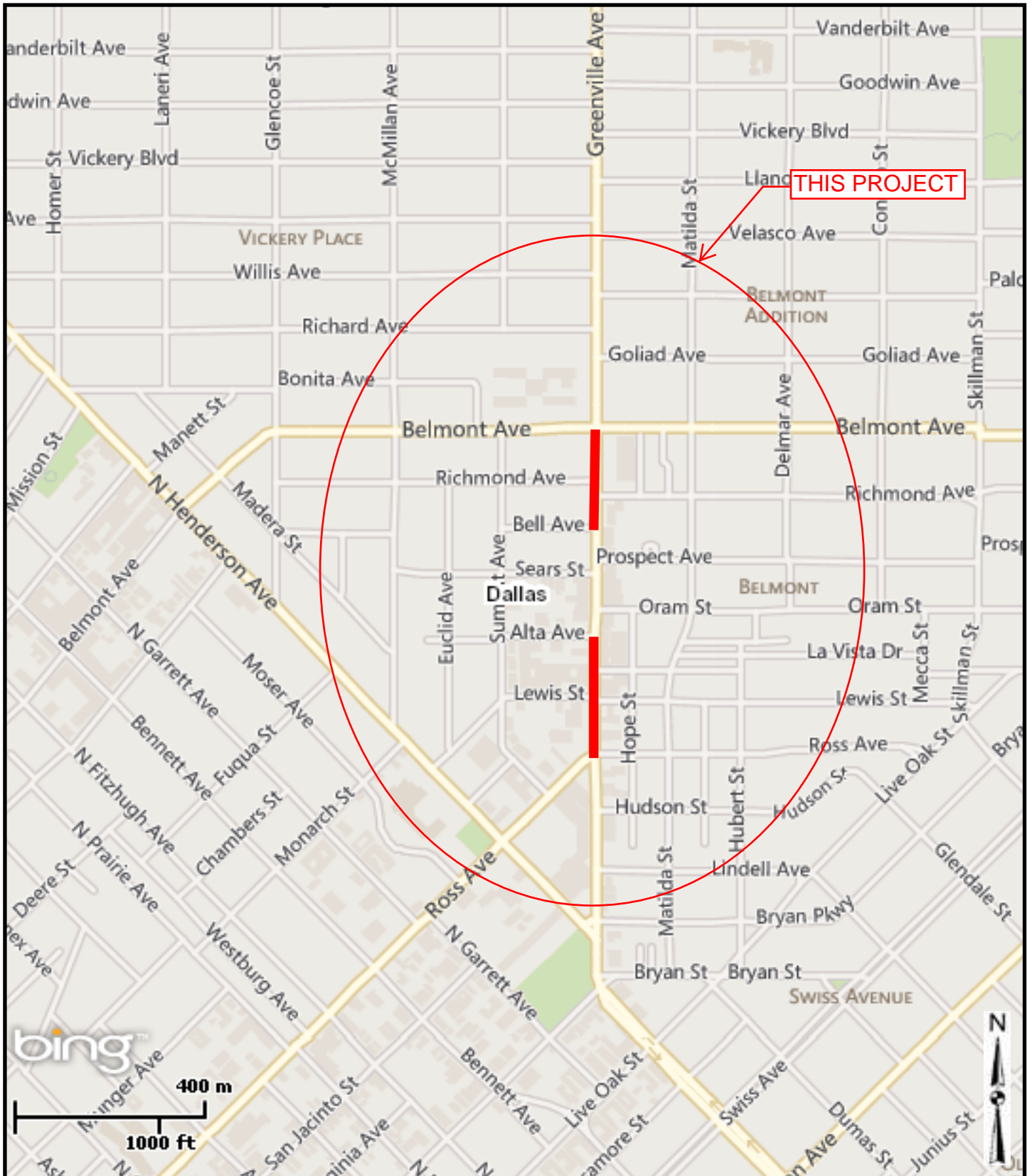
TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$184,756.00	12.43%	\$1,735,912.35	44.41%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$490,161.00	12.54%
Total	<u>\$184,756.00</u>	<u>12.43%</u>	<u>\$2,226,073.35</u>	<u>56.94%</u>

STREET RECONSTRUCTION

GREENVILLE AVE.

FROM BELMONT AVE. TO BELL AVE. AND FROM ALTA AVE. TO ROSS AVE.



MAPSCO 36T,X

June 17, 2015

WHEREAS, Urban Engineers, Inc. was selected through a competitive procurement process to provide the engineering design of streetscape improvements on Greenville Avenue from Belmont Avenue to Bell Avenue and from Alta Avenue to Ross Avenue; and,

WHEREAS, on November 12, 2014, Resolution No. 14-1917 authorized an engineering design contract with Urban Engineers, Inc. for the engineering design of Greenville Avenue from Belmont Avenue to Bell Avenue and from Alta Avenue to Ross Avenue in the amount of \$402,849.60; and,

WHEREAS, bids were received on May 14, 2015, for the reconstruction of street paving, storm drainage, traffic signals, markings, landscape, water and wastewater main improvements for Greenville Avenue from Belmont Avenue to Bell Avenue and from Alta Avenue to Ross Avenue as follows:

<u>BIDDERS</u>	<u>BID AMOUNT</u>
Gibson & Associates, Inc.	\$3,909,256.87
Texas Standard Construction, Ltd.	\$4,224,389.50

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to execute a contract with Gibson & Associates, Inc. for the reconstruction of street paving, storm drainage, streetscape, traffic signals, markings, landscape, water and wastewater main improvements for Greenville Avenue from Belmont Avenue to Bell Avenue and from Alta Avenue to Ross Avenue in an amount not to exceed \$3,909,256.87, this being the lowest responsive bid received as indicated by the tabulation of bids, after it has been approved as to form by the City Attorney.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Street and Transportation Improvements Fund	
Fund 2U22, Department PBW, Unit S394, Act. THRF	
Obj. 4510, Program #PB12S394, CT PBW12S39411	
Vendor #VS0000022657, in an amount not to exceed	\$3,022,825.72

June 17, 2015

Water Capital Improvement Fund Fund 3115, Department DWU, Unit PW42 Obj. 4550, Program #715337, CT PBW715337CP Vendor #VS0000022657, in an amount not to exceed	\$ 726,689.19
Water Construction Fund Fund 0102, Department DWU, Unit CW42 Obj. 3221, Program #715337X, CT DWU715337EN Vendor #VS0000022657, in an amount not to exceed	\$ 14,654.36
Wastewater Capital Improvement Fund Fund 3116, Department DWU, Unit PS42 Obj. 4560, Program #715338, CT PBW715338CP Vendor #VS0000022657, in an amount not to exceed	\$ 129,658.43
Wastewater Construction Fund Fund 0103, Department DWU, Unit CS42 Obj. 3222, Program #715338X, CT PBW715338EN Vendor #VS0000022657, in an amount not to exceed	<u>\$ 15,429.17</u>
Total amount not to exceed	\$3,909,256.87

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: June 17, 2015

COUNCIL DISTRICT(S): 14

DEPARTMENT: Public Works Department
Office of Cultural Affairs

CMO: Jill A. Jordan, P.E., 670-5299
Joey Zapata, 670-1204

MAPSCO: 35X

SUBJECT

Authorize **(1)** a construction services contract with DMI Corp. dba Decker Mechanical, best value proposer of two, for heating, ventilation and air conditioning upgrades for the Kalita Humphreys Theater located at 3636 Turtle Creek Boulevard in the amount of \$1,438,043; and **(2)** an increase in appropriations in the amount of \$160,000 in the Cultural Arts Facilities Fund - Total not to exceed \$1,438,043 - Financing: 2006 Bond Funds (\$928,958), Private Funds (\$239,808), Majestic/Music Hall Major Maintenance Funds (\$37,679), Capital Construction Funds (\$75,000), 2003 Bonds Funds (\$122,608) and 1998 Bond Funds (\$33,990)

BACKGROUND

The historic Kalita Humphreys Theater, located at 3636 Turtle Creek Blvd., Dallas, TX 75219, is the only existing freestanding theater designed by world renowned Architect Frank Lloyd Wright. Over the years the building has had two additions and the HVAC system renovated in response to various needs. The existing mechanical system and various added systems fail to adequately control the interior environment, are not responsive enough to adjust to the changing needs of the theater, and induce noticeable vibrations, drafts and noise when in operation.

The 2006 Bond Program included funds for HVAC improvements to the Kalita Humphreys Theater to provide significantly greater environmental control of the interior spaces while removing exposed and unsightly mechanical equipment. Improvements are restricted to the original 1959 Theater area and are not to extend into the two later additions.

BACKGROUND (Continued)

On Wednesday, March 4, 2015, the Kalita Humphreys Theater - HVAC Upgrades was advertised for Competitive Sealed Proposals. On March 26, 2015, two Competitive Sealed proposals were received. The Proposal Evaluation Committee evaluated and ranked all proposals according to grading criteria provided in the project specifications. DMI Corp. dba Decker Mechanical was chosen as the most qualified firm of the two proposers and it is recommended that the City of Dallas enter into a construction contract with DMI Corp. dba Decker Mechanical for the scope of work detailed in the project Manual and Construction Documents.

ESTIMATED SCHEDULE OF PROJECT

Began Design	April 2014
Complete Design	February 2015
Begin Construction	October 2015
Complete Construction	January 2016

PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized a consulting services contract with G and S Consulting Engineers, LLC for the Kalita Humphreys Theater - HVAC Upgrades on April 9, 2014, by Resolution No. 14-0596.

FISCAL INFORMATION

2006 Bond Funds - \$928,957.57
 2003 Bond Funds - \$122,608.00
 1998 Bond Funds - \$33,990.00
 Majestic/Music Hall Major Maintenance Funds - \$37,679.25
 Private Funds - \$239,808.49
 Capital Construction Funds - \$75,000.00

M/WBE INFORMATION

See attached.

ETHNIC COMPOSITION

DMI Corp. dba Decker Mechanical

Hispanic Female	0	Hispanic Male	23
African-American Female	0	African-American Male	3
Other Female	0	Other Male	1
White Female	6	White Male	76

PROPOSAL INFORMATION

Two competitive sealed proposals were received and opened on March 26, 2015. The selection committee ranked the proposers as follows:

*Denotes the best value proposer

<u>Bidder</u>	<u>Base</u>	<u>Alt. No. 1</u>	<u>Total</u>
*DMI Corp. dba Decker Mechanical 1002 KCK Way Cedar Hill, TX 75104	\$1,400,070	\$37,973	\$1,438,043
Native Solutions, Inc.	\$1,974,063	\$22,924	\$1,996,987

Alternate No. 1 - Stage Smoke Vent

OWNER

DMI Corp. dba Decker Mechanical

Wade Decker, President

MAP

Attached.

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize **(1)** an increase in appropriations in the amount of \$160,000 from interest earnings, and **(2)** a construction services contract with DMI Corp. dba Decker Mechanical, best value proposer of two, for the Kalita Humphreys Theater - HVAC Upgrades, located at 3636 Turtle Creek Blvd. - Total not to exceed \$1,438,043 - Financing: 2006 Bond Funds

DMI Corp. dba Decker Mechanical is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Construction

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$1,278,431.00	88.90%
Total non-local contracts	\$159,612.00	11.10%
TOTAL CONTRACT	\$1,438,043.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
All Tex Pipe & Supply Inc	WFWB64137N0217	\$399,290.00	31.23%
Total Minority - Local		\$399,290.00	31.23%

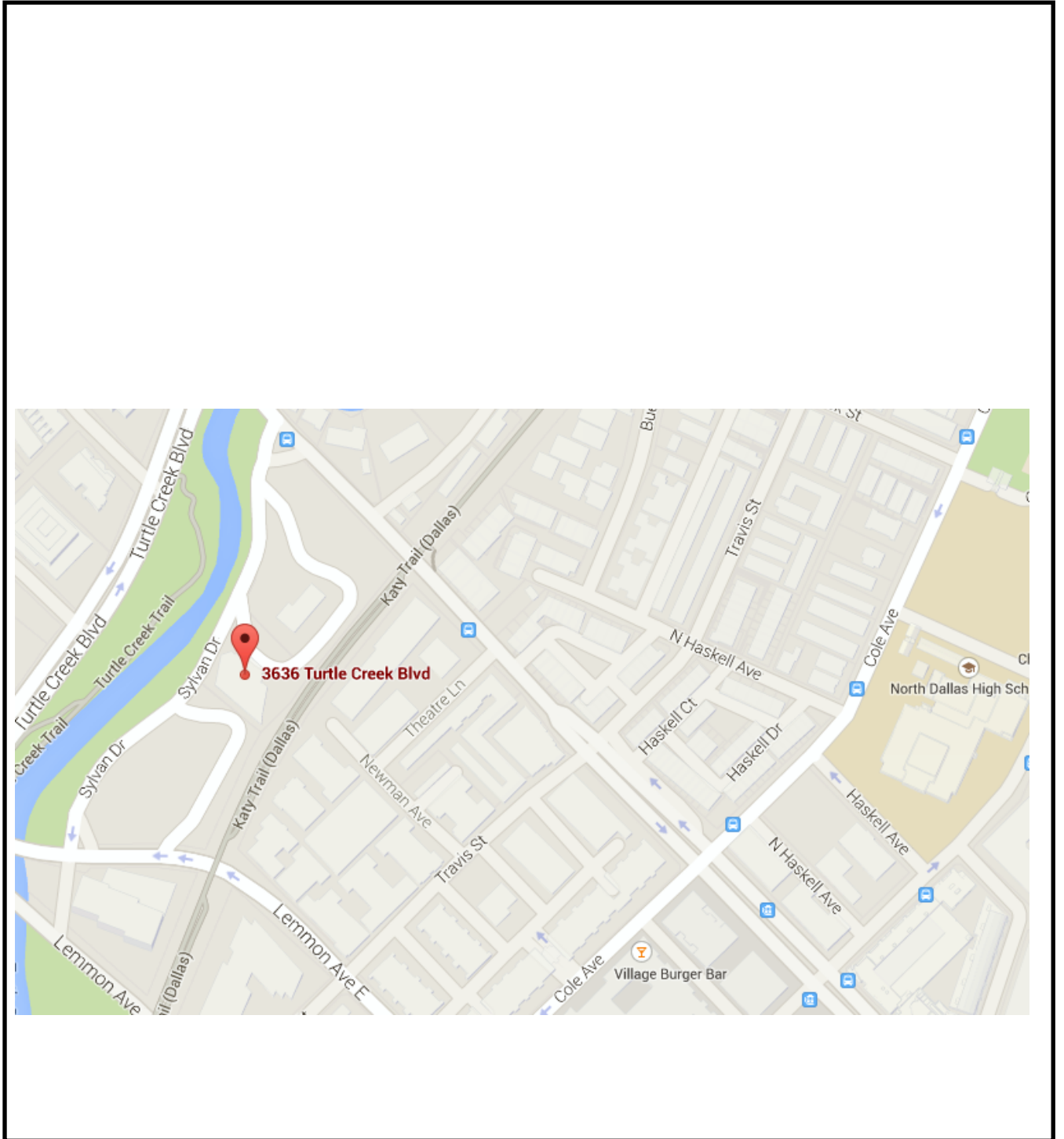
Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$399,290.00	31.23%	\$399,290.00	27.77%
Total	\$399,290.00	31.23%	\$399,290.00	27.77%

Kalita Humphreys Theater



Mapsc0 35X

June 17, 2015

WHEREAS, two proposals were received on March 26, 2015 for the Kalita Humphreys Theater – HVAC Upgrades as follows:

<u>Bidder</u>	<u>Base</u>	<u>Alt. No. 1</u>	<u>Total</u>
DMI Corp. dba Decker Mechanical	\$1,400,070	\$37,973	\$1,438,043
Native Solutions, Inc.	\$1,974,063	\$22,924	\$1,996,987

Alternate No. 1 – Stage Smoke Vent

WHEREAS, upon conclusion of a selection process conducted by City staff, DMI Corp. dba Decker Mechanical was chosen as the most qualified firm of the two proposers to provide construction services for the project; and,

WHEREAS, it is now desirable to authorize a contract with DMI Corp. dba Decker Mechanical, best value proposer of two, for heating, ventilation and air conditioning upgrades for the Kalita Humphreys Theater – located at 3636 Turtle Creek Blvd., in an amount not to exceed \$1,438,043.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to execute a construction contract with DMI Corp. dba Decker Mechanical for heating, ventilation and air conditioning upgrades for the Kalita Humphreys Theater – in the amount of \$1,438,043 after it has been approved as to form by the City Attorney.

Section 2. That the City Manager is hereby authorized to increase appropriations in the amount of \$160,000 in the following:

Cultural Arts Facilities Fund Fund BT49, Unit T706, Dept. PBW. Obj. 4310	\$30,000.00
Cultural Arts Facilities Fund Fund 5R49, Unit T706, Dept. PBW, Obj. 4310	\$60,766.00
Cultural Arts Facilities Fund Fund 6R49, Unit T706, Dept. PBW. Obj. 4310	\$35,244.00
Cultural Arts Facilities Fund Fund 9P49, Unit T706, Dept. PBW, Obj. 4310	\$33,990.00

June 17, 2015

Section 3. That the Chief Financial Officer is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Majestic Music Hall Major Maintenance Fund Fund 0504, Unit T706, Dept. PBW, Act. MMCF Obj. 4310, Program No. PB06T706, CT #PBW06T706I1 Vendor #338212 in an amount not to exceed	\$ 37,679.25
Cultural Arts Facilities Fund Fund 5R49, Unit T706, Dept: PBW, Act. MMCF Obj. 4310, Program No. PB06T706, CT #PBW06T706I1 Vendor #338212 in an amount not to exceed	\$ 26,597.69
Cultural Arts Facilities Fund Fund 8T49, Unit T706, Dept. PBW, Act. MMCF Obj. 4310, Program No. PB06T706, CT #PBW06T706I1 Vendor #338212 in an amount not to exceed	\$ 898,957.57
Dallas Black Dance Theater Participation Fund Fund DB49, Unit T706, Dept: PBW, Act. MMCF Obj. 4310, Program No. PB06T706, CT #PBW06T706I1 Vendor #338212 in an amount not to exceed	\$ 239,808.49
Capital Construction Funds Fund 0671, Unit P717, Dept. EBS, Act. MMCF Obj. 3210, Program No. PB06T706, CT #PBW06T706I1 Vendor #338212 in an amount not to exceed	\$ 75,000.00
Cultural Arts Facilities Fund Fund BT49, Unit T706, Dept. PBW, Act. MMCF Obj. 4310, Program No. PB06T706, CT #PBW06T706I1 Vendor #338212 in an amount not to exceed	\$ 30,000.00
Cultural Arts Facilities Fund Fund 5R49, Unit T706, Dept. PBW, Act. MMCF Obj. 4310, Program No. PB06T706, CT #PBW06T706I1 Vendor #338212 in an amount not to exceed	\$ 60,766.00
Cultural Arts Facilities Fund Fund 6R49, Unit T706, Dept. PBW, Act. MMCF Obj. 4310, Program No. PB06T706, CT #PBW06T706I1 Vendor #338212 in an amount not to exceed	\$ 35,244.00

June 17, 2015

Cultural Arts Facilities Fund
Fund 9P49, Unit T706, Dept. PBW, Act. MMCF
Obj. 4310, Program No. PB06T706, CT #PBW06T706I1
Vendor #338212 in an amount not to exceed

\$ 33,990.00

\$1,438,043.00

Section 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: June 17, 2015

COUNCIL DISTRICT(S): 14

DEPARTMENT: Public Works Department
Office of Risk Management

CMO: Jill A. Jordan, P.E., 670-5299
Jeanne Chipperfield, 670-7804

MAPSCO: 45K

SUBJECT

Ratify the emergency repair of damage to the roof, exterior wall and landscaping at the Dallas Museum of Art, located at 1717 North Harwood Street with Dee Brown, Inc. - Not to exceed \$215,003 - Financing: Current Funds (to be reimbursed by property insurance)

BACKGROUND

This item has been included as an addendum to the June 17, 2015 Council agenda in order to expedite the emergency repairs to a damaged City of Dallas building. In February 2015, the Dallas Museum of Art (DMA) contracted with Mike Sandone Productions, Inc. for the assembly and removal of a temporary 22,000 sq. ft. tent on the south plaza of the DMA for a special event at the museum. On April 3, 2015, at approximately 9:30 a. m., a crane owned and operated by a private operator under contract to Mike Sandone Productions, Inc. was parked on the south plaza of the DMA, preparing to assemble the tent. While lifting a section of the pre-assembled structural steel framework for the tent, the crane became unbalanced and fell, striking the parapet of the south elevation of the museum. Several limestone veneer wall panels and parapet capping stones sustained various degrees of damage. The roof at the parapet also sustained damage due to falling pieces of stone and displaced panels.

DMA administrative personnel immediately called Dee Brown, Inc. to survey the damage, remove dangerously loose pieces of stone and temporarily cover the exterior damage in order to prevent further loss. Dee Brown, Inc. was the contractor that supplied and installed the exterior and interior limestone panels when the DMA was constructed in 1984, and has provided numerous repairs over the years as necessary at the request of the DMA.

OWNER

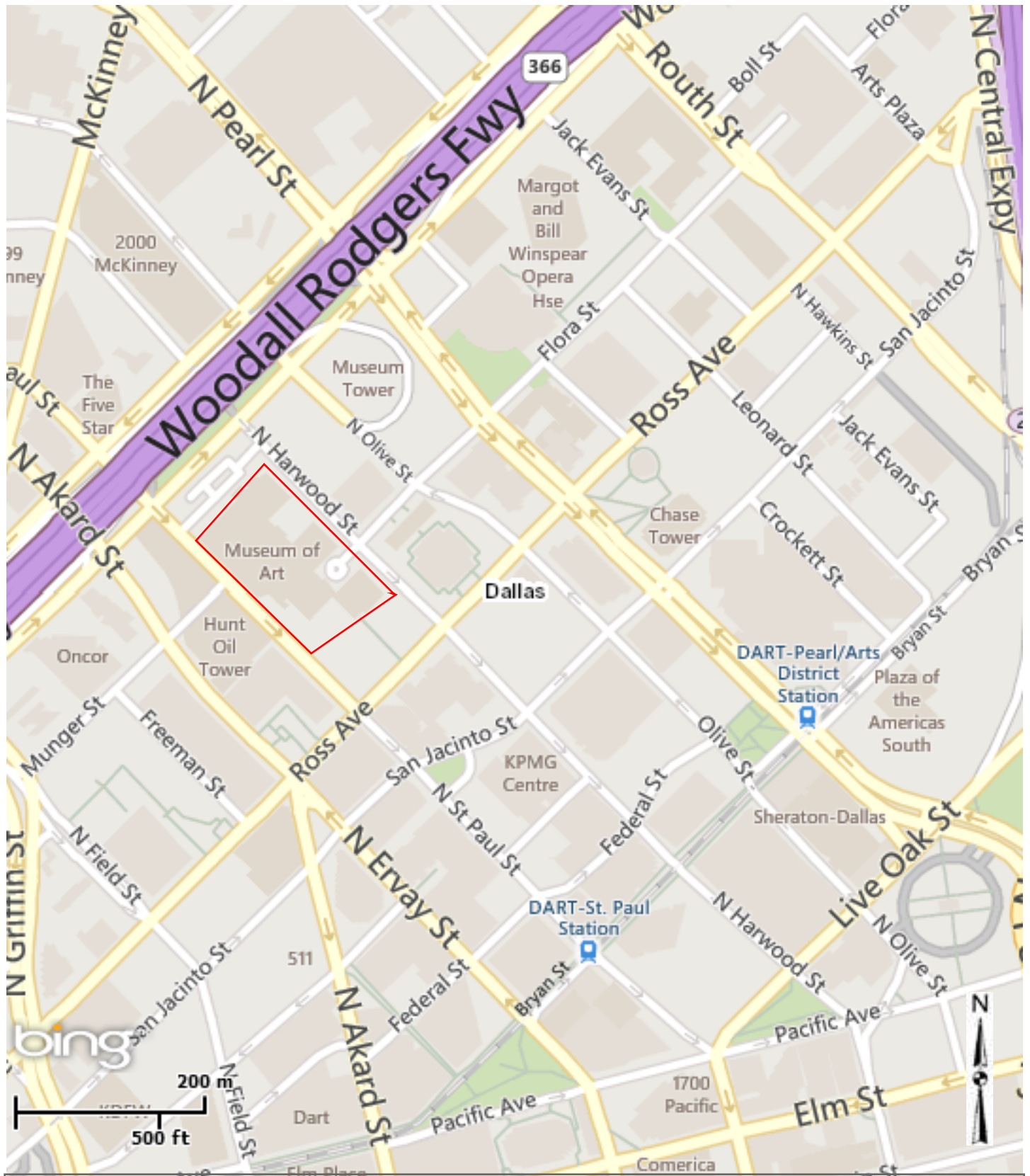
Dee Brown, Inc.

Robert V. Barnes, III, President, Chief Executive Officer

MAP

Attached.

1717 N Harwood St



Mapsco 45K

June 17, 2015

WHEREAS, on April 3, 2015, the Dallas Museum of Art (DMA), located at 1717 N. Harwood St., sustained damage to the south elevation when struck by a falling crane while assembling a tent; and,

WHEREAS, Dee Brown, Inc. responded to this emergency to survey the damage, remove dangerously loose pieces of stone and temporarily cover the exterior damage in order to prevent further loss; and,

WHEREAS, Dee Brown, Inc., the contractor responsible for the installation of the exterior limestone panels when the DMA was constructed in 1984, was requested by the City of Dallas to prepare and submit a proposal for all necessary emergency building repairs related to this incident; and,

WHEREAS, it is necessary to authorize the emergency repairs to the Dallas Museum of Art with Dee Brown, Inc. in an amount not to exceed \$215,003.00.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to execute a construction contract with Dee Brown, Inc. for emergency repairs to the Dallas Museum of Art located at 1717 N. Harwood Street in an amount not to exceed \$215,003.00 after it has been approved as to form by the City Attorney.

Section 2. That the Chief Financial Officer is authorized to disburse funds in accordance with the terms and conditions of the contract from:

Current Funds

Fund 0001, Unit 3040, Dept PBW, Act. PB08

Obj. 4310, Program #PBCUR019, CT #PBWCUR019I1

Vendor #244008 in an amount not to exceed \$215,003.00

Section 3. That the Chief Financial Officer is authorized to deposit any funds received from insurance for claim eligible expenses into General Fund 0001, Unit 3040, Dept PBW, Object 4310.

Section 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): 7
DEPARTMENT: Public Works Department
Office of Financial Services
CMO: Jill A. Jordan, P.E., 670-5299
Jeanne Chipperfield, 670-7804
MAPSCO: 46P

SUBJECT

Authorize an increase in the contract with Gibson & Associates, Inc. for additional work to include the construction of sidewalk pavers, drive approaches, pedestrian lighting, trees with tree lighting, benches and trash receptacles for the Martin Luther King, Jr. Boulevard from South Trunk Avenue to Robert B. Cullum Boulevard, Phase II project - Not to exceed \$594,980, from \$3,004,220 to \$3,599,200 - Financing: 2012 Bond Funds (\$172,866) and Current Funds (\$422,114)

BACKGROUND

This item is submitted as an addendum item because it is necessary to award this additional work at this time in order to have the construction substantially completed prior to the opening of the Texas State Fair in September 2015.

On February 25, 2015, Resolution No. 15-0381 authorized a construction contract with Gibson & Associates, Inc. for the construction of streetscape, landscape, water and wastewater adjustment improvements for Griffin Street from Young Street to Elm Street, and Browder Street Plaza from Jackson Street to Commerce Street. The additional work will include the construction of sidewalk pavers, drive approaches, pedestrian lighting, trees with tree lighting, benches and trash receptacles for Martin Luther King, Jr. Boulevard from South Trunk Avenue to Robert B. Cullum Boulevard, Phase II project. This action will authorize Change Order No. 1 to the construction contract with Gibson & Associates, Inc. for this additional work.

ESTIMATED SCHEDULE OF PROJECT

Began Design	January 2014
Completed Design	May 2015
Began Construction	June 2015
Complete Construction	September 2015

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized a professional services contract with Criado & Associates, Inc. for engineering design services on April 14, 2010, by Resolution No. 10-0875.

Authorized a construction contract with Gibson & Associates, Inc. on February 25, 2015, by Resolution No. 15-0381.

FISCAL INFORMATION

2012 Bond Funds - \$172,866.00

Current Funds - \$422,114.00

Design	\$ 466,221.00
Supplemental Agreement No. 1	\$ 49,875.00
Construction	
Paving & Drainage - (PBW)	\$2,926,890.20
Water & Wastewater - (DWU)	\$ 77,330.00
Change Order No. 1 (this action)	<u>\$ 594,980.00</u>
Total	\$4,115,296.20

M/WBE INFORMATION

See attached.

ETHNIC COMPOSITION

Gibson & Associates, Inc.

Hispanic Female	0	Hispanic Male	68
African-American Female	1	African-American Male	3
Other Female	0	Other Male	2
White Female	3	White Male	35

OWNER

Gibson & Associates, Inc.

William J. Gibson, President

MAP

Attached.

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize an increase in the contract with Gibson & Associates, Inc. for additional work to include the construction of sidewalk pavers, drive approaches, pedestrian lighting, trees with tree lighting, benches and trash receptacles for the Martin Luther King, Jr. Boulevard from South Trunk Avenue to Robert B. Cullum Boulevard, Phase II project - Not to exceed \$594,980, from \$3,004,220 to \$3,599,200 - Financing: 2012 Bond Funds (\$172,866) and Current Funds (\$422,114)

Gibson & Associates, Inc. is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Construction

LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY

	<u>Amount</u>	<u>Percent</u>
Local contracts	\$24,306.00	4.09%
Non-local contracts	\$570,674.00	95.91%
TOTAL THIS ACTION	\$594,980.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
T & R Excavation	HFDB63869Y0615	\$24,306.00	100.00%
Total Minority - Local		\$24,306.00	100.00%

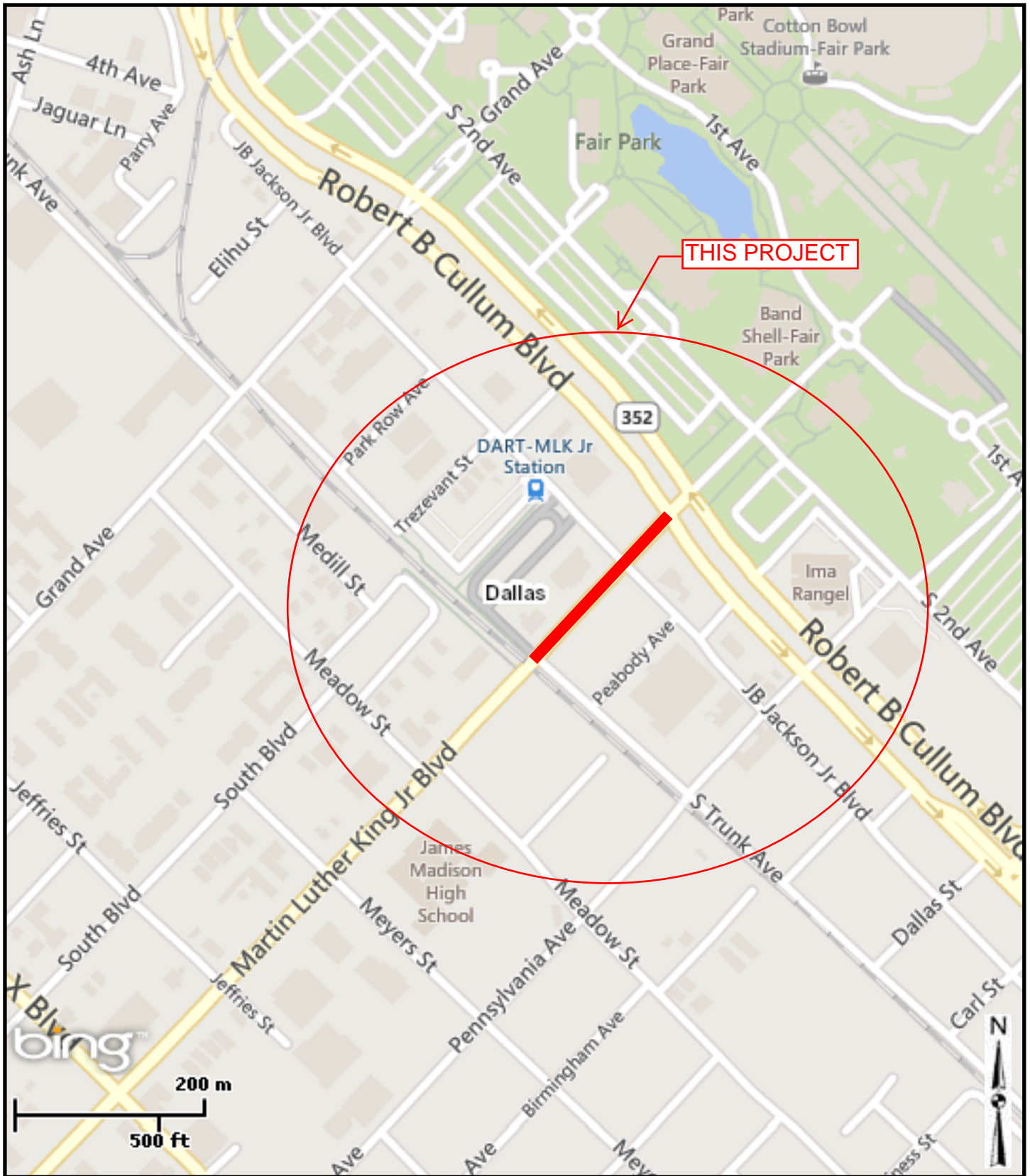
Non-Local Contractors / Sub-Contractors

<u>Non-local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
C. Green Scaping, LP	HFDB62119Y0615	\$40,782.00	7.15%
A & A Construction	HMDB23577Y0416	\$39,494.00	6.92%
Axis Contracting	WFDB03204Y0516	\$159,235.00	27.90%
Buyers Barricades	WFDB24016Y0516	\$5,772.00	1.01%
Total Minority - Non-local		\$245,283.00	42.98%

TOTAL M/WBE PARTICIPATION

	This Action		Participation to Date	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$104,582.00	17.58%	\$519,582.00	14.44%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$165,007.00	27.73%	\$1,125,507.00	31.27%
Total	<u>\$269,589.00</u>	<u>45.31%</u>	<u>\$1,645,089.00</u>	<u>45.71%</u>

STREETSCAPE IMPROVEMENTS MARTIN LUTHER KING JR. BLVD. FROM S. TRUNK AVE. TO ROBERT B. CULLUM BLVD.



June 17, 2015

WHEREAS, on January 6, 2010, Administrative Action No. 10-0299 authorized an Architectural Visioning Study to Hocker Design Group; and,

WHEREAS, on April 14, 2010, Resolution No. 10-0875 authorized an engineering design contract with Criado & Associates, Inc. for the engineering design of three streetscape projects; and,

WHEREAS, on April 1, 2014, Administrative Action No. 14-5768 authorized Supplemental Agreement No. 1 to the contract with Criado & Associates, Inc. for the revision of plans and to separate the original contract document set into two document sets; and,

WHEREAS, on , February 25, 2015, Resolution No. 15-0381 authorized the construction of streetscape, landscape, water and wastewater adjustment improvements for Griffin Street from Young Street to Elm Street, and Browder Street Plaza from Jackson Street to Commerce Street in the amount of \$3,004,220.20; and,

WHEREAS, it is now necessary to authorize Change Order No. 1 to the contract with Gibson & Associates, Inc. for additional work to include the construction of sidewalk pavers, drive approaches, pedestrian lighting, trees with tree lighting, benches and trash receptacles for Martin Luther King, Jr. Boulevard from South Trunk Avenue to Robert B. Cullum Boulevard, Phase II project in the amount of \$594,980.00, from \$3,004,220.20 to \$3,599,200.20.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to execute Change Order No. 1 to the contract with Gibson & Associates, Inc. for additional work to include the construction of sidewalk pavers, drive approaches, pedestrian lighting, trees with tree lighting, benches and trash receptacles for Martin Luther King, Jr. Boulevard from South Trunk Avenue to Robert B. Cullum Boulevard, Phase II project in the amount of \$594,980.00, from \$3,004,220.20 to \$3,599,200.20, after it has been approved as to form by the City Attorney.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Street and Transportation Improvements Fund
Fund 1U22, Department PBW, Unit U738, Act. SSUD
Obj. 4510, Program #PB06U738, CT PBW06U738D1
Vendor #230445, in an amount not to exceed

\$172,866.00

June 17, 2015

Current Funds

Fund 0001, Department BMS, Unit 1971, Act. OF01

Obj. 4510, Program #PB06U738, CT PBW06U738D1

Vendor #230445, in an amount not to exceed

\$422,114.00

Total amount not to exceed

\$594,980.00

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): 11
DEPARTMENT: Sustainable Development and Construction
CMO: Ryan S. Evans, 671-9837
MAPSCO: 15Y

SUBJECT

An ordinance abandoning portions of Crestway Drive and an alley to Unity Church of Dallas and CADG Forest Lane 18, LLC, the abutting owners, containing a total of approximately 52,502 square feet of land, located near the intersection of Crestway and Creekway Drives, and authorizing the quitclaim - Revenue: \$758,654, plus the \$20 ordinance publication fee

BACKGROUND

This item is on the addendum because it required additional time for review. This item authorizes the abandonment of portions of Crestway Drive and an alley to Unity Church of Dallas and CADG Forest Lane 18, LLC, the abutting owners. These areas will be included with the property of the abutting owners for a single-family detached residential development. The abandonment fee is based on an independent appraisal.

Notices were sent to 46 property owners located within 300 feet of the proposed abandonment area. There were no responses received in opposition to this request.

PRIOR ACTION /REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

Revenue: \$758,654, plus the \$20 ordinance publication fee

OWNERS

Unity Church of Dallas

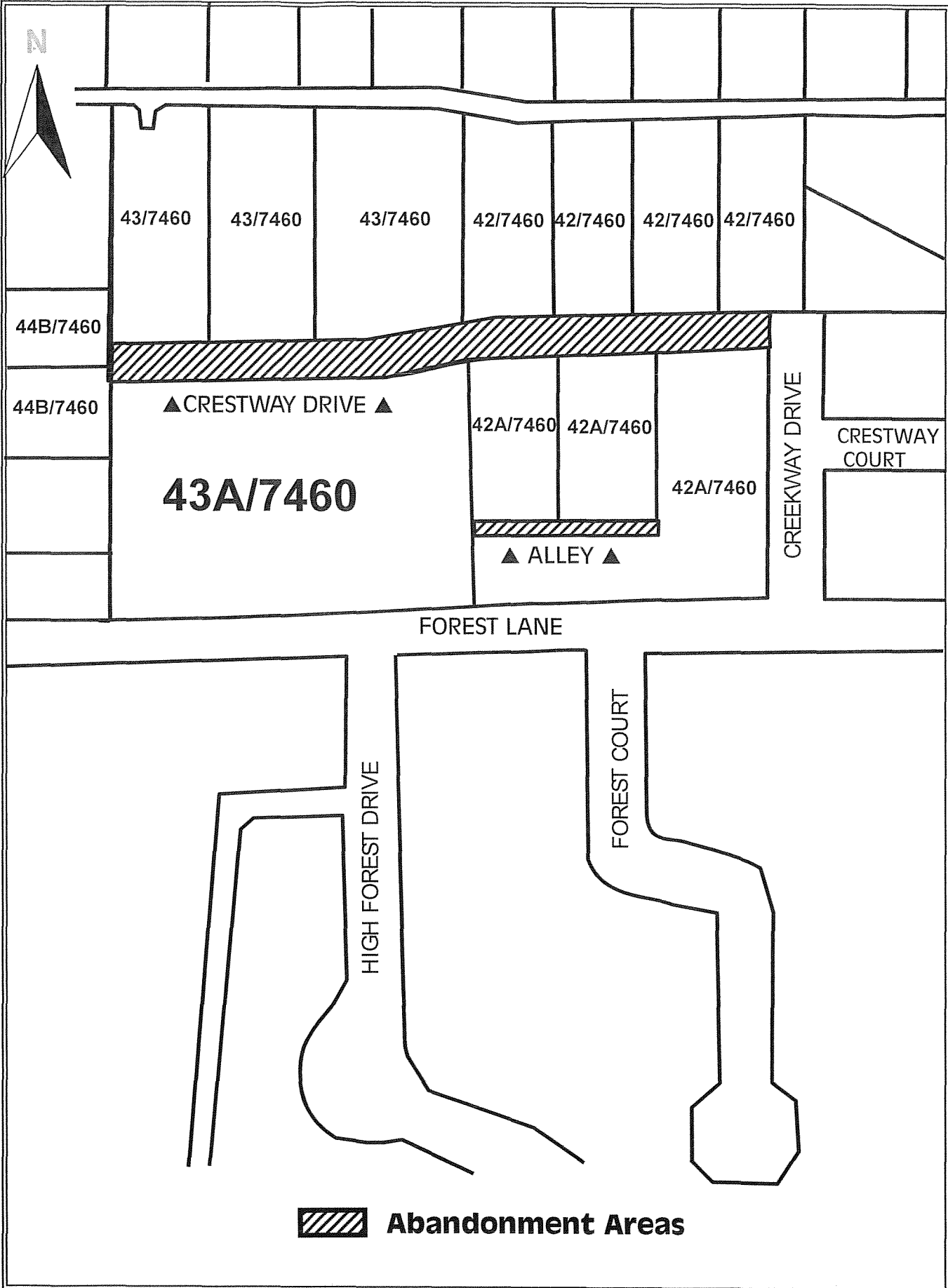
James W. Nippert, President

CADG Forest Lane 18, LLC

Mehrdad Moayedi, Manager

MAP

Attached



N

43/7460

43/7460

43/7460

42/7460

42/7460

42/7460

42/7460

44B/7460

44B/7460

▲ CRESTWAY DRIVE ▲

43A/7460

42A/7460

42A/7460

42A/7460

▲ ALLEY ▲

CREEKWAY DRIVE

CRESTWAY COURT

FOREST LANE

HIGH FOREST DRIVE

FOREST COURT



Abandonment Areas

ORDINANCE NO. _____

An ordinance providing for the abandonment of portions of Crestway Drive and an alley located in and adjacent to City Blocks 42/7460, 42A/7460, 43/7460, 43A/7460, and 44B/7460 in the City of Dallas and County of Dallas, Texas; providing for the quitclaim thereof to Unity Church of Dallas and CADG Forest Lane 18, LLC; providing for the terms and conditions of the abandonment and quitclaim made herein; providing for barricading; providing for the indemnification of the City of Dallas against damages arising out of the abandonment herein; providing for the consideration to be paid to the City of Dallas; providing for the payment of the publication fee; and providing an effective date for this ordinance.

ooo0ooo

WHEREAS, the City Council of the City of Dallas, acting pursuant to law and upon the request and petition of Unity Church of Dallas, a Texas non-profit corporation and CADG Forest Lane 18, LLC, a Texas limited liability company, hereinafter referred to collectively as **GRANTEE**, deems it advisable to abandon and quitclaim the hereinafter described tracts of land to **GRANTEE**, and is of the opinion that, subject to the terms and conditions herein provided, said portions of Crestway Drive and alley are not needed for public use, and same should be abandoned and quitclaimed to **GRANTEE**, as hereinafter stated; and

WHEREAS, the City Council of the City of Dallas is of the opinion that the best interest and welfare of the public will be served by abandoning and quitclaiming the same to **GRANTEE** for the consideration and subject to the terms and conditions hereinafter more fully set forth; **Now, Therefore,**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the tracts of land described in Exhibit A, which are attached hereto and made a part hereof for all purposes, be and the same are abandoned, vacated and closed insofar as the right, title and interest of the public are concerned; subject, however, to the conditions hereinafter more fully set out.

SECTION 2. That for and in monetary consideration of the sum of **SEVEN HUNDRED FIFTY-EIGHT THOUSAND SIX HUNDRED FIFTY-FOUR AND NO/100 DOLLARS (\$758,654.00)** paid by **GRANTEE**, and the further consideration described in Sections 8, 9, and 10, the City of Dallas does by these presents **FOREVER QUITCLAIM** unto the said **GRANTEE**, subject to the conditions, reservations, and exceptions hereinafter made and with the restrictions and upon the covenants below stated, all of their right, title and interest in and to the certain tracts of land hereinabove described in Exhibit A as follows: unto Unity Church of Dallas, all of its right, title and interest in Tract IA of Exhibit A; unto CADG Forest Lane 18, LLC, all of its right, title and interest in Tract IB of Exhibit A; and unto CADG Forest Lane 18, LLC, all of its right, title and interest in Tract II of Exhibit A. **TO HAVE AND TO HOLD** all of such right, title and interest in and to the property and premises, subject aforesaid, together with all and singular the rights, privileges, hereditaments and appurtenances thereto in any manner belonging unto the said **GRANTEE** forever.

SECTION 3. That upon payment of the monetary consideration set forth in Section 2, **GRANTEE** accepts the terms, provisions, and conditions of this ordinance.

SECTION 4. That the Chief Financial Officer is authorized to deposit the sum paid by **GRANTEE** pursuant to Section 2 above in the General Fund 0001, Department DEV, Balance Sheet 0519 and Department of Sustainable Development and Construction-Real Estate Division shall be reimbursed for the cost of obtaining the legal description, appraisal and other administrative costs incurred. The reimbursement proceeds shall be deposited in General Fund 0001, Department DEV, Unit 1183, Object 5011 and any remaining proceeds shall be transferred to the General Capital Reserve Fund 0625, Department BMS, Unit 8888, Revenue Source 8416.

SECTION 5. That the abandonment and quitclaim provided for herein are made subject to all present zoning and deed restrictions, if the latter exist, and are subject to all existing easement rights of others, if any, whether apparent or non-apparent, aerial, surface, underground or otherwise, and are further subject to the conditions contained in Exhibit B, which is attached hereto and made a part hereof for all purposes.

SECTION 6. That the terms and conditions contained in this ordinance shall be binding

upon **GRANTEE**, their successors and assigns.

SECTION 7. That the abandonment and quitclaim provided for herein shall extend only to the public right, title, easement and interest, and shall be construed to extend only to that interest the Governing Body of the City of Dallas may legally and lawfully abandon and vacate.

SECTION 8. That as a condition of this abandonment and as a part of the consideration for the quitclaim to **GRANTEE** herein, **GRANTEE**, their successors and assigns, agree to indemnify, defend, release and hold harmless the City of Dallas as to any and all claims for damages, fines, penalties, costs or expenses to persons or property that may arise out of, or be occasioned by or from: (i) the use and occupancy of the property described in Exhibit A by **GRANTEE**, their successors and assigns; (ii) the presence, generation, spillage, discharge, release, treatment or disposition of any Hazardous Substance on or affecting the areas set out in Exhibit A; (iii) all corrective actions concerning any discovered Hazardous Substances on or affecting the areas described in Exhibit A, which **GRANTEE**, their successors and assigns, agree to undertake and complete in accordance with applicable federal, state and local laws and regulations; and (iv) the abandonment, closing, vacation and quitclaim by the City of Dallas of the areas set out in Exhibit A. **GRANTEE**, their successors and assigns, hereby agree to defend any and all suits, claims, or causes of action brought against the City of Dallas on account of same, and discharge any judgment or judgments that may be rendered against the City of Dallas in connection therewith. For purposes hereof, “Hazardous Substance” means the following: (a) any “hazardous substances” under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq., as amended; (b) any “hazardous substance” under the Texas Hazardous Substances Spill Prevention and Control Act, TEX. WATER CODE, Section 26.261 et seq., as amended; (c) petroleum or petroleum-based products (or any derivative or hazardous constituents thereof or additives thereto), including without limitation, fuel and lubricating oils; (d) any “hazardous chemicals” or “toxic chemicals” under the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq., as amended; (e) any “hazardous waste” under the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., as amended; and (f) any “chemical substance”

under the Toxic Substance Control Act, 15 U.S.C. Section 2601 et seq., as amended. References to particular acts or codifications in this definition include all past and future amendments thereto, as well as applicable rules and regulations as now or hereafter promulgated thereunder.

SECTION 9. That as a condition of this abandonment and as a part of the consideration for the quitclaim made herein, **GRANTEE** shall file a final replat of the adjoining properties prior to the issuance of any building permits affecting the tracts of land abandoned and quitclaimed herein. This final replat shall be recorded by **GRANTEE** in the official real property records of the county in which the abandoned areas are located after its approval by the City Plan Commission of the City of Dallas.

SECTION 10. That as a condition of this abandonment and as a part of the consideration for the quitclaim made herein, **GRANTEE** shall, immediately upon the passage of this ordinance, close, barricade and/or place signs in the areas described in Exhibit A in accordance with detailed plans approved by the Director of Department of Sustainable Development and Construction. **GRANTEE's** responsibility for keeping the areas described in Exhibit A closed, barricaded and/or the signs in place shall continue until the street improvements and intersection returns are removed by **GRANTEE**, their successors and assigns, to the satisfaction of the Director of Department of Sustainable Development and Construction.



SECTION 11. That the City Secretary is hereby authorized and directed to certify a copy of this ordinance for recordation in the official real property records of the county in which the abandonment areas are located, which certified copy shall be delivered to the Director of Department of Sustainable Development and Construction, or designee. Upon receipt of the monetary consideration set forth in Section 2, plus the fee for the publishing of this ordinance, which **GRANTEE** shall likewise pay the Director of Department of Sustainable Development and Construction, or designee: (i) shall deliver to **GRANTEE** a certified copy of this ordinance, and (ii) is authorized to and shall prepare and deliver a **QUITCLAIM DEED** with regard to the areas abandoned herein, to **GRANTEE** hereunder, same to be executed by the City Manager on behalf of the City of Dallas, attested by the City Secretary and approved as to form by the City Attorney.

The Director of Department of Sustainable Development and Construction, or designee, shall be the sole source for receiving certified copies of this ordinance for one year after its passage.

SECTION 12. That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:
WARREN M. S. ERNST
City Attorney

DAVID COSSUM
Director of Department of Sustainable
Development and Construction

BY  BY 
Assistant City Attorney Assistant Director

Passed _____.

RIGHT-OF-WAY ABANDONMENT

BEING PART OF CRESTWAY DRIVE
ADJACENT TO BLOCKS 43A/7460, 43/7460, AND 44B/7460
T. DYKES SURVEY, ABSTRACT NO. 405
CITY OF DALLAS, DALLAS COUNTY, TEXAS

EXHIBIT A-Tract IA

Being a 28,003 square foot partial right-of-way abandonment of Crestway Drive located in the T. DYKE SURVEY Abstract 405, City of Dallas, Dallas County, Texas, adjacent to Blocks 43A/7460, 43/7460, and 44B/7460, being created in FINE ESTATES NO. 2 ADDITION, an Addition to the City of Dallas, Dallas County, Texas, according to the Plat thereof recorded in Volume 72012, Page 946, Deed Records, Dallas County, Texas, and being more particularly described as follows:

Commencing at a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set for corner at the intersection of the North line of Forest Lane, a 120-foot right-of-way, with the Southerly West line of said Crestway Drive, a 50-foot right-of-way, and being at the Southeast corner of UNITY CHURCH ADDITION NO. 1, an Addition to the City of Dallas, Dallas County, Texas, according to the Plat thereof recorded in Volume 77109, Page 51, Deed Records, Dallas County, Texas;

Thence North 00 deg. 02 min. 00 sec. West, along said Southerly West line, and being the East line of said UNITY CHURCH ADDITION, NO. 1, a distance of 234.38 feet to a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set at the Northeast corner of Lot 3, Block 42A/7460, of said UNITY CHURCH ADDITION NO. 1, and being at an interior 'ell' corner of said Crestway Drive;

Thence South 89 deg. 58 min. 00 sec. West, along the South line of Crestway Drive, and being the North line of said Lot 3, passing at a distance of 190.98 feet the Northwest corner of said Lot 3, and being the Northeast corner of Lot 2, Block 42A/7460, AUDUBON ESTATES ADDITION, Second Section, an Addition to the City of Dallas, Dallas County, Texas, according to the Plat thereof recorded in Volume 791, Page 70, Deed Records, Dallas County, Texas, continuing a total distance of 420.98 feet to a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set for corner at the PLACE OF BEGINNING of the tract described herein, said point being in the East line of said FINE ESTATES NO. 2 ADDITION, and being at the Northwest corner of Lot 1, Block 42A/7460, of said AUDUBON ESTATES ADDITION, Second Section, and being the Northeast corner of Block 43A/7460, of said FINE ESTATES NO. 2 ADDITION, and being in a tangent curve to the left, having a central angle of 12 deg. 53 min. 45 sec., a radius of 275.00 feet, and a chord bearing and distance of South 83 deg. 31 min. 15 sec. West, 61.77 feet;

Thence Southwesterly, along said South line, and said curve to the left, an arc distance of 61.90 feet to a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set for corner at a reverse curve, having a central angle of 11 deg. 40 min. 41 sec., a radius of 325.00 feet, and a chord bearing and distance of South 82 deg. 54 min. 43 sec. West, 66.13 feet;

Thence Southwesterly, along said reverse curve, and said South line, an arc distance of 66.24 feet to a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set for corner;

Thence South 88 deg. 45 min. 00 sec. West, continuing along said South line, and the North line of said Block 43A/7460, a distance of 431.93 feet to a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set for corner in the West line of said FINE ESTATES ADDITION, and being in the East line of FOREST ON THE CREEK, an Addition to the City of Dallas, Dallas County, Texas, according to the Plat thereof recorded in Volume 94153, Page 3699, Deed Records, Dallas County, Texas;

Thence North 00 deg. 01 min. 00 sec. West, along said West line, same being the most Westerly line of said Crestway Drive, and being the said East line of FOREST ON THE CREEK, a distance of 50.01 feet to a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set at the Northwest corner of said Crestway Drive, and being at the Southwest corner of Lot 8, Block 43/7460, of said FINE ESTATES NO. 2 ADDITION;

(FOR SPRG USE ONLY)

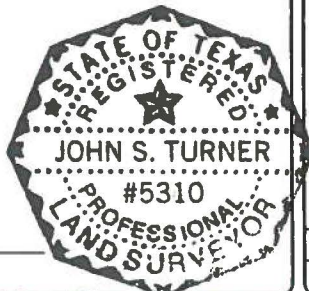
REVIEWED BY: JL
DATE: 6-8-15
SPRG NO: 3341

NOTE

BASIS OF BEARING IS THE SOUTH LINE OF CRESTWAY DRIVE, BEING SOUTH 88 DEG. 45 MIN. 00 SEC. WEST, AS RECORDED IN VOL. 72012, PG. 946, DEED RECORDS, DALLAS COUNTY, TEXAS.

SHEET 1 OF 4


John S. Turner, R.P.L.S. #5310



A&W SURVEYORS, INC.

Professional Land Surveyors

P.O. BOX 870029, MESQUITE, TX. 75187
PHONE: (972) 681-4975 FAX: (972) 681-4954
WWW.AWSURVEY.COM

Job Number: 13-1480

Date: 06/03/2015

Drafter: 024

"A professional company operating in your best interest"

RIGHT-OF-WAY ABANDONMENT

BEING PART OF CRESTWAY DRIVE
ADJACENT TO BLOCKS 43A/7460, 43/7460, AND 44B/7460
T. DYKES SURVEY, ABSTRACT NO. 405
CITY OF DALLAS, DALLAS COUNTY, TEXAS

EXHIBIT A-Tract IA

CONTINUED FROM PAGE 1

Thence North 88 deg. 45 min. 00 sec. East, along the North line of said Crestway Drive, passing at a distance of 117.11 feet the common South corner of Lots 7 and 8, of Block 43/7460, continuing a total distance of 430.85 feet to a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set for corner at the beginning of a tangent curve to the left, having a central angle of 11 deg. 40 min. 41 sec., a radius of 275.00 feet, and a chord bearing and distance of North 82 deg. 54 min. 43 sec. East, 55.95 feet;

Thence Northeasterly, along said curve to the left, and said North line, an arc distance of 56.05 feet to a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set for corner at the beginning of a reverse curve, having a central angle of 12 deg. 53 min. 45 sec., a radius of 325.00 feet, and a chord bearing and distance of North 83 deg. 31 min. 15 sec. East, 73.00 feet;

Thence Northeasterly, along said reverse curve, and said North line, an arc distance of 73.15 feet to a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set at the Southeast corner of Lot 6, of said Block 43/7460, and being in the East line of FINE ESTATES NO. 2 ADDITION, and being the West line of the aforementioned AUDUBON ESTATES ADDITION, Second Section;

Thence South 00 deg. 02 min. 00 sec. East, passing through said Crestway Drive, along said East line of FINE ESTATES NO. 2, ADDITION, same being the said West line of AUDUBON ESTATES ADDITION, Second Section, a distance of 50.00 feet to the PLACE OF BEGINNING and containing 28,003 square feet or 0.643 of an acre of land.

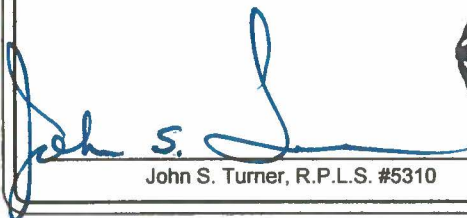
(FOR SPRG USE ONLY)

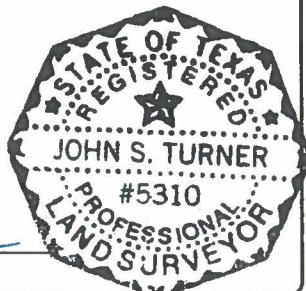
REVIEWED BY: JL
DATE: 6-8-15
SPRG NO: 3341

NOTE

BASIS OF BEARING IS THE SOUTH LINE OF CRESTWAY DRIVE, BEING SOUTH 88 DEG. 45 MIN. 00 SEC. WEST, AS RECORDED IN VOL. 72012, PG. 946, DEED RECORDS, DALLAS COUNTY, TEXAS.

SHEET 2 OF 4


John S. Turner, R.P.L.S. #5310



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Job Number: 13-1480

Date: 06/03/2015

Drafter: 024

"A professional company operating in your best interest"

RIGHT-OF-WAY ABANDONMENT

BEING PART OF CRESTWAY DRIVE
 ADJACENT TO BLOCKS 43A/7460, 43/7460, AND 44B/7460
 T. DYKES SURVEY, ABSTRACT NO. 405
 CITY OF DALLAS, DALLAS COUNTY, TEXAS

TRACT 3
 CADG FOREST LANE 18, LLC, INST. NO. 201400147113, O.P.R.D.C.T.

LOT 8, BLOCK 42/7460,
 AUDUBON ESTATES ADDITION,
 SECOND SECTION
 VOL. 791, PG. 70, D.R.D.C.T.

LOT 7, BLOCK 42/7460,
 AUDUBON ESTATES ADDITION,
 SECOND SECTION
 VOL. 791, PG. 70, D.R.D.C.T.

LOT 6, BLOCK 42/7460,
 AUDUBON ESTATES ADDITION,
 SECOND SECTION
 VOL. 791, PG. 70, D.R.D.C.T.

LOT 5, BLOCK 42/7460,
 AUDUBON ESTATES ADDITION,
 SECOND SECTION
 VOL. 791, PG. 70, D.R.D.C.T.

LOT 3, BLOCK 41A/7460,
 FOREST OAKS ADDITION,
 VOL. 80074, PG. 7, D.R.D.C.T.

CRESTWAY DRIVE

50' RIGHT-OF-WAY, VOL. 791, PG. 70, D.R.D.C.T.

L2

LOT 1, BLOCK 42A/7460,
 AUDUBON ESTATES ADDITION,
 SECOND SECTION
 VOL. 791, PG. 70, D.R.D.C.T.

LOT 2, BLOCK 42A/7460,
 AUDUBON ESTATES ADDITION,
 SECOND SECTION
 VOL. 791, PG. 70, D.R.D.C.T.

LOT 3, BLOCK 42-A/7460,
 UNITY CHURCH ADDITION NO. 1,
 VOL. 77109, PG. 51, D.R.D.C.T.

NOT TO SCALE

MATCH LINE B
 MATCH LINE A

TRACT 1
 CADG FOREST LANE 18, LLC,
 INST. NO. 201400147113,
 O.P.R.D.C.T.

TRACT 2
 CADG FOREST LANE 18, LLC,
 INST. NO. 201400147113,
 O.P.R.D.C.T.

LOT 1, BLOCK 41A/7460,
 FOREST OAKS ADDITION,
 VOL. 80074, PG. 7, D.R.D.C.T.

LOT 2, BLOCK 41A/7460,
 FOREST OAKS ADDITION,
 VOL. 80074, PG. 7, D.R.D.C.T.

NOTE
 BASIS OF BEARING IS THE SOUTH LINE OF CRESTWAY DRIVE, BEING
 SOUTH 88 DEG. 45 MIN. 00 SEC. WEST, AS RECORDED IN VOL. 72012,
 PG. 946, DEED RECORDS, DALLAS COUNTY, TEXAS.

LEGEND

IRS
 O.P.R.D.C.T.
 D.R.D.C.T.
 INST. NO.
 C.M.
 PG.
 VOL.

IRON ROD WITH YELLOW CAP STAMPED "RPLS 5310"
 OFFICIAL PUBLIC RECORDS, DALLAS COUNTY, TEXAS
 DEED RECORDS, DALLAS COUNTY, TEXAS
 INSTRUMENT NUMBER
 CONTROLLING MONUMENT
 PAGE
 VOLUME

LINE TABLE AND CURVE
 TABLE ARE ON SHEET 4 OF 4



PLACE OF
 COMMENCING

1/2" IRS
 25.0'
 50.0'
 25.0'
 120' RIGHT-OF-WAY

CREEKWAY DRIVE
 RIGHT-OF-WAY, VOL. 791, PG. 70, D.R.D.C.T.
 RIGHT-OF-WAY, VOL. 80074, PG. 7, D.R.D.C.T.

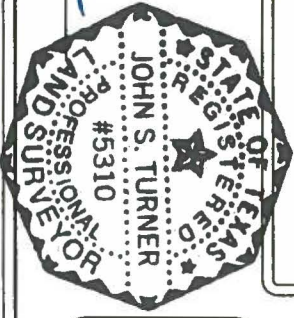
N 11°54'38"
 141.95 TO
 12" IRS (C)

CRESTWAY COURT
 37' RIGHT-OF-WAY,
 VOL. 791, PG. 70, D.R.D.C.T.

LOT 11, BLOCK 41A/7460,
 FOREST OAKS ADDITION,
 VOL. 80074, PG. 7, D.R.D.C.T.

SHEET 3 OF 4

John S. Turner
 John S. Turner, R.P.L.S. #5310



(FOR SPRG USE ONLY)
 REVIEWED BY: ST
 DATE: 6-8-15
 SPRG NO.: 3341



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 WWW.AWSURVEY.COM

Job Number: 13-1480 Date: 06/03/2015 Drafter: 024
 "A professional company operating in your best interest"

RIGHT-OF-WAY ABANDONMENT

BEING PART OF CRESTWAY DRIVE
 ADJACENT TO BLOCKS 43A/7460, 43/7460, AND 44B/7460
 T. DYKES SURVEY, ABSTRACT NO. 405
 CITY OF DALLAS, DALLAS COUNTY, TEXAS

LOT 4, BLOCK 44B/7460, FOREST ON THE CREEK, VOL. 94153, PG. 3699, D.R.D.C.T. LOT 5, BLOCK 44B/7460, FOREST ON THE CREEK, VOL. 94153, PG. 3699, D.R.D.C.T.

TRACT 3
 UNITY CHURCH OF DALLAS,
 VOL. 87168, PG. 5942, D.R.D.C.T.
 LOT 8, BLOCK 43/7460,
 FINE ESTATES NO. 2 ADDITION,
 VOL. 72012, PG. 946, D.R.D.C.T.

THE UNITY CHURCH OF DALLAS,
 VOL. 2005006, PG. 5960, D.R.D.C.T.
 LOT 7, BLOCK 43/7460,
 FINE ESTATES NO. 2 ADDITION,
 VOL. 72012, PG. 946, D.R.D.C.T.

6" DALLAS POWER
 AND LIGHT CO. EASEMENT
 VOL. 75076, PG. 429,
 D.R.D.C.T.

TRACT 2
 UNITY CHURCH OF DALLAS,
 VOL. 87168, PG. 5942, D.R.D.C.T.
 LOT 6, BLOCK 43/7460,
 FINE ESTATES NO. 2 ADDITION,
 VOL. 72012, PG. 946, D.R.D.C.T.

CRESTWAY DRIVE

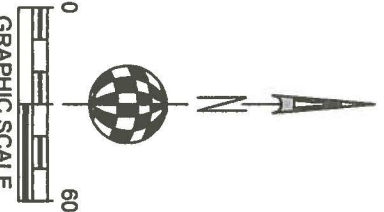
50' RIGHT-OF-WAY, VOL. 72012, PG. 946, D.R.D.C.T.

28,003 SQ. FT.
 OR 0.643 ACRE

LINE	LENGTH	BEARING
L1	234.38'	N00°02'00"W
L2	420.98'	S89°58'00"W
L3	431.93'	S88°45'00"W
L4	50.01'	N00°01'00"W
L5	430.85'	N88°45'00"E
L6	50.00'	S00°02'00"E

CURVE	DELTA	RADIUS	LENGTH	CH. BEAR.	CHORD
C1	12°53'45"	275.00'	61.90'	S83°31'15"W	61.77'
C2	11°40'41"	325.00'	66.24'	S82°54'43"W	66.13'
C3	11°40'41"	275.00'	56.05'	N82°54'43"E	55.95'
C4	12°53'45"	325.00'	73.15'	N83°31'15"E	73.00'

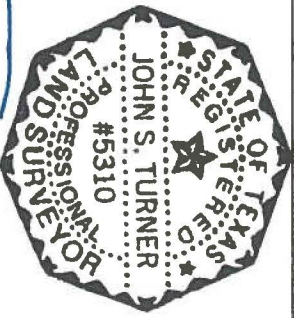
NOTE
 BASIS OF BEARING IS THE SOUTH LINE OF CRESTWAY DRIVE, BEING SOUTH 88 DEG. 45 MIN. 00 SEC. WEST, AS RECORDED IN VOL. 72012, PG. 946, DEED RECORDS, DALLAS COUNTY, TEXAS.



IRS	LEGEND
O.P.R.D.C.T.	IRON ROD WITH YELLOW CAP STAMPED "IRPLS 5310"
D.R.D.C.T.	OFFICIAL PUBLIC RECORDS, DALLAS COUNTY, TEXAS
INST. NO.	DEED RECORDS, DALLAS COUNTY, TEXAS
C.M.	INSTRUMENT NUMBER
PG.	CONTROLLING MONUMENT
VOL.	PAGE
	VOLUME

SHEET 4 OF 4

EXHIBIT A-Tract IA



John S. Turner, R.P.L.S. #5310

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 REVIEWED BY: SL
 DATE: 6-8-15
 SPRG NO.: 3341



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 WWW.AWSURVEY.COM

Job Number: 13-1480 Date: 06/03/2015 Drafter: 024
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RIGHT-OF-WAY ABANDONMENT

BEING PART OF CRESTWAY DRIVE
ADJACENT TO BLOCKS 42A/7460 AND 42/7460
T. DYKES SURVEY, ABSTRACT NO. 405
CITY OF DALLAS, DALLAS COUNTY, TEXAS

EXHIBIT A-Tract IB

Being a 21,049 square foot partial right-of-way abandonment of Crestway Drive located in the T. DYKE SURVEY Abstract 405, City of Dallas, Dallas County, Texas, adjacent to Blocks 42A/7460 and 42/7460, being created in AUDUBON ESTATES ADDITION, Second Section, an Addition to the City of Dallas, Dallas County, Texas, according to the Plat thereof recorded in Volume 791, Page 70, Deed Records, Dallas County, Texas, and being more particularly described as follows:

Commencing at a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set for corner at the intersection of the North line of Forest Lane, a 120-foot right-of-way, with the Southerly West line of said Creekway Drive, a 50-foot right-of-way, and being at the Southeast corner of UNITY CHURCH ADDITION NO. 1, an Addition to the City of Dallas, Dallas County, Texas, according to the Plat thereof recorded in Volume 77109, Page 51, Deed Records, Dallas County, Texas;

Thence North 00 deg. 02 min. 00 sec. West, along said Southerly West line, and being the East line of said UNITY CHURCH ADDITION, NO. 1, a distance of 234.38 feet to a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set at the Northeast corner of Lot 3, Block 42A/7460, of said UNITY CHURCH ADDITION NO. 1, and being at an interior 'el' corner of said Crestway Drive, and being the PLACE OF BEGINNING of the tract described herein;

Thence South 89 deg. 58 min. 00 sec. West, along the South line of Crestway Drive, and being the North line of said Lot 3, passing at a distance of 190.98 feet the Northwest corner of said Lot 3, and being the Northeast corner of Lot 2, Block 42A/7460, of said AUDUBON ESTATES ADDITION, Second Section, continuing a total distance of 420.98 feet to a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set for corner in the East line FINE ESTATES NO. 2 ADDITION, an Addition to the City of Dallas, Dallas County, Texas, according to the Plat thereof recorded in Volume 72012, Page 946, Deed Records, Dallas County, Texas, and being at the Northwest corner of Lot 1, Block 42A/7460, of said AUDUBON ESTATES ADDITION, and being the Northeast corner of Block 43A/7460, of said FINE ESTATES NO. 2 ADDITION;

Thence North 00 deg. 02 min. 00 sec. West, passing through said Crestway Drive, along said East line of FINE ESTATES NO. 2, ADDITION, same being the said West line of AUDUBON ESTATES ADDITION, Second Section, a distance of 50.00 feet to a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set at the Southeast corner of Lot 6, Block 43/7460, of said FINE ESTATES NO. 2 ADDITION, same being the Southwest corner of Lot 8, Block 42/7460, of said AUDUBON ESTATES ADDITION, Second Section;

Thence North 89 deg. 58 min. 00 sec. East, continuing along said North line, passing at a distance of 338.23 feet the common South corner of Lots 5 and 6, of said Block 42/7460, continuing a total distance of 420.98 feet to a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set for corner in the South line of said Lot 5, Block 42/7460, of AUDUBON ESTATES ADDITION, Second Section;

Thence South 00 deg. 02 min. 00 sec. East, passing through said Crestway Drive, a distance of 50.00 feet to the PLACE OF BEGINNING and containing 21,049 square feet or 0.483 of an acre of land.

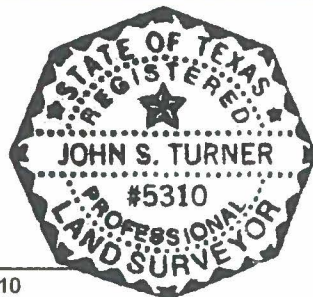
(FOR SPRG USE ONLY)

REVIEWED BY: JL
DATE: 6-3-15
SPRG NO: 2856

NOTE

BASIS OF BEARING IS THE SOUTH LINE OF CRESTWAY DRIVE, BEING SOUTH 89 DEG. 58 MIN. 00 SEC. WEST, AS RECORDED IN VOL. 791, PG. 70, DEED RECORDS, DALLAS COUNTY, TEXAS.

SHEET 1 OF 3



John S. Turner
John S. Turner, R.P.L.S. #5310



A&W SURVEYORS, INC.

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Job Number: 13-1480

Date: 06/03/2015

Drafter: 024

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EXHIBIT A-Tract IB

RIGHT-OF-WAY ABANDONMENT

BEING PART OF CRESTWAY DRIVE
 ADJACENT TO BLOCKS 42A/7460 AND 42/7460
 T. DYKES SURVEY, ABSTRACT NO. 405
 CITY OF DALLAS, DALLAS COUNTY, TEXAS

TRACT 3
 CADG FOREST LANE 18, LLC, INST. NO. 201400147113, O.P.R.D.C.T.

LOT 8, BLOCK 42/7460,
 AUDUBON ESTATES ADDITION,
 SECOND SECTION
 VOL. 791, PG. 70, D.R.D.C.T.

LOT 7, BLOCK 42/7460,
 AUDUBON ESTATES ADDITION,
 SECOND SECTION
 VOL. 791, PG. 70, D.R.D.C.T.

LOT 6, BLOCK 42/7460,
 AUDUBON ESTATES ADDITION,
 SECOND SECTION
 VOL. 791, PG. 70, D.R.D.C.T.

LOT 5, BLOCK 42/7460,
 AUDUBON ESTATES ADDITION,
 SECOND SECTION
 VOL. 791, PG. 70, D.R.D.C.T.

LOT 3, BLOCK 41A/7460,
 FOREST OAKS ADDITION,
 VOL. 80074, PG. 7, D.R.D.C.T.

**21,049 SQ. FT.
 OR 0.483 ACRE**

CRESTWAY DRIVE

LOT 2, BLOCK 41A/7460,
 FOREST OAKS ADDITION,
 VOL. 80074, PG. 7, D.R.D.C.T.

15' SANITARY SEWER, EASEMENT
 VOL. 72012, PG. 946, D.R.D.C.T.

50' RIGHT-OF-WAY, VOL. 791, PG. 70, D.R.D.C.T.

50' RIGHT-OF-WAY, VOL. 80074, PG. 7, D.R.D.C.T.

LOT 1, BLOCK 42A/7460,
 AUDUBON ESTATES ADDITION,
 SECOND SECTION
 VOL. 791, PG. 70, D.R.D.C.T.

LOT 2, BLOCK 42A/7460,
 AUDUBON ESTATES ADDITION,
 SECOND SECTION
 VOL. 791, PG. 70, D.R.D.C.T.

LOT 3, BLOCK 42-A/7460,
 UNITY CHURCH ADDITION NO. 1,
 VOL. 77109, PG. 51, D.R.D.C.T.

LOT 1, BLOCK 41A/7460,
 FOREST OAKS ADDITION,
 VOL. 80074, PG. 7, D.R.D.C.T.

MATCH LINE B

MATCH LINE A

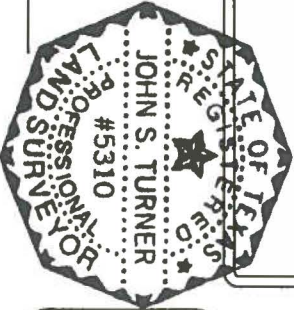
CADG FOREST LANE 18, LLC,
 INST. NO. 201400147113,
 O.P.R.D.C.T.

NOTE

BASIS OF BEARING IS THE SOUTH LINE OF CRESTWAY DRIVE, BEING SOUTH 89 DEG. 58 MIN. 00 SEC. WEST, AS RECORDED IN VOL. 791, PG. 70, DEED RECORDS, DALLAS COUNTY, TEXAS.

LEGEND

IRS IRON ROD WITH YELLOW CAP STAMPED "RPLS 5310"
 O.P.R.D.C.T. OFFICIAL PUBLIC RECORDS, DALLAS COUNTY, TEXAS
 D.R.D.C.T. DEED RECORDS, DALLAS COUNTY, TEXAS
 INST. NO. INSTRUMENT NUMBER
 C.M. CONTROLLING MONUMENT
 PG. PAGE
 VOL. VOLUME



John S. Turner, R.P.L.S. #5310

(FOR SPRG USE ONLY)

REVIEWED BY: SL

DATE: 6-5-15

SPRG NO: 2856

LINE TABLE AND CURVE
 TABLE ARE ON SHEET 4 OF 4.



PLACE OF COMMENCING

PLACE OF BEGINNING

TRACT 2
 CADG FOREST LANE 18, LLC,
 INST. NO. 201400147113,
 O.P.R.D.C.T.

NOT TO SCALE

CREEKWAY DRIVE

RIGHT-OF-WAY, VOL. 791, PG. 70, D.R.D.C.T.

RIGHT-OF-WAY, VOL. 80074, PG. 7, D.R.D.C.T.

FOREST LANE
 120' RIGHT-OF-WAY

CRESTWAY COURT

37' RIGHT-OF-WAY,
 VOL. 791, PG. 70, D.R.D.C.T.

LOT 11, BLOCK 41A/7460,
 FOREST OAKS ADDITION,
 VOL. 80074, PG. 7, D.R.D.C.T.

SHEET 2 OF 3

A&W SURVEYORS, INC.
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 WWW.AWSURVEY.COM

Job Number: 13-1480 Date: 06/03/2015 Drafter: 024
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EXHIBIT A-Tract IB

LOT 4, BLOCK 44B/7460,
FOREST ON THE CREEK,
VOL. 94153, PG. 3699, D.R.D.C.T.

LOT 5, BLOCK 44B/7460,
FOREST ON THE CREEK,
VOL. 94153, PG. 3699, D.R.D.C.T.

RIGHT-OF-WAY ABANDONMENT

BEING PART OF CRESTWAY DRIVE
ADJACENT TO BLOCKS 42A/7460 AND 42/7460
T. DYKES SURVEY, ABSTRACT NO. 405
CITY OF DALLAS, DALLAS COUNTY, TEXAS

TRACT 3
UNITY CHURCH OF DALLAS,
VOL. 87168, PG. 5842, D.R.D.C.T.
LOT 8, BLOCK 43/7460,
FINE ESTATES NO. 2 ADDITION,
VOL. 72012, PG. 946, D.R.D.C.T.

THE UNITY CHURCH OF DALLAS,
VOL. 2005006, PG. 5860, D.R.D.C.T.
LOT 7, BLOCK 43/7460,
FINE ESTATES NO. 2 ADDITION,
VOL. 72012, PG. 946, D.R.D.C.T.

8' DALLAS POWER
AND LIGHT CO. EASEMENT
VOL. 75076, PG. 429,
D.R.D.C.T.

TRACT 2
UNITY CHURCH OF DALLAS,
VOL. 87168, PG. 5842, D.R.D.C.T.
LOT 6, BLOCK 43/7460,
FINE ESTATES NO. 2 ADDITION,
VOL. 72012, PG. 946, D.R.D.C.T.

CRESTWAY DRIVE

50' RIGHT-OF-WAY, VOL. 72012, PG. 946, D.R.D.C.T.

LINE	LENGTH	BEARING
L1	234.38'	N00°02'00"W
L2	420.98'	S89°58'00"W
L3	50.00'	N00°02'00"W
L4	420.98'	N89°58'00"E
L5	50.00'	S00°02'00"E

BLOCK 43A/7460,
FINE ESTATES NO. 2 ADDITION,
VOL. 72012, PG. 946, D.R.D.C.T.

TRACT 1
UNITY CHURCH OF DALLAS,
INST. NO. 20080185473, O.P.R.D.C.T.

15" SANITARY SEWER, EASEMENT
VOL. 72012, PG. 946, D.R.D.C.T.



MATCH LINE B
MATCH LINE A

NOTE

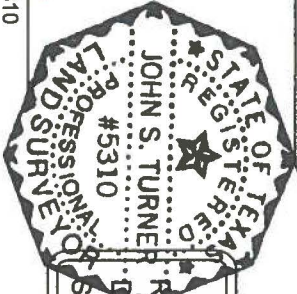
BASIS OF BEARING IS THE SOUTH LINE
OF CRESTWAY DRIVE, BEING SOUTH 89
DEG. 58 MIN. 00 SEC. WEST, AS
RECORDED IN VOL. 791, PG. 70, DEED
RECORDS, DALLAS COUNTY, TEXAS.



LEGEND	
IRS	IRON ROD WITH YELLOW CAP STAMPED "RPLS 5310"
O.P.R.D.C.T.	OFFICIAL PUBLIC RECORDS, DALLAS COUNTY, TEXAS
D.R.D.C.T.	DEED RECORDS, DALLAS COUNTY, TEXAS
INST. NO.	INSTRUMENT NUMBER
C.M.	CONTROLLING MONUMENT
PG.	PAGE
VOL.	VOLUME

SHEET 3 OF 3

John S. Turner, R.P.L.S. #5310



(FOR SPRG USE ONLY)

REVIEWED BY: SL
DATE: 6-5-15
SPRG NO.: 2856



A&W SURVEYORS, INC.
Professional Land Surveyors

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WWW.AWSURVEY.COM

Job Number: 13-1480 Date: 06/03/2015 Drafter: 024
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ALLEY RIGHT-OF-WAY ABANDONMENT

BEING PART OF AUDUBON ESTATES ADDITION, SECOND SECTION
ADJACENT TO LOTS 1, 2, AND 3, BLOCK 42A/7460, AND BLOCK 43A/7460

T. DYKES SURVEY, ABSTRACT NO. 405
CITY OF DALLAS, DALLAS COUNTY, TEXAS

EXHIBIT A-Tract II

Being a 3,450 square foot alley right-of-way abandonment located in the T. DYKES SURVEY Abstract 405, Block 42A/7460, City of Dallas, Dallas County, Texas, and being created in AUDUBON ESTATES ADDITION, Second Section, an Addition to the City of Dallas, Dallas County, Texas, according to the Plat thereof recorded in Volume 791, Page 70, Deed Records, Dallas County, Texas, and being more particularly described as follows:

Commencing at a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set for corner in the South line of Crestway Drive, a 50-foot right-of-way, and being in the East line of FINE ESTATES NO. 2, an Addition to the City of Dallas, Dallas County, Texas, according to the Plat thereof recorded in Volume 72012, Page 946, Deed Records, Dallas County, Texas, and being in the West line of said AUDUBON ESTATES ADDITION, Second Section, and being Northwest corner of Lot 1, Block 42A/7460, of said AUDUBON ESTATES ADDITION, Second Section,

Thence South 00 deg. 02 min. 00 sec. East, along said East and West line, a distance of 139.20 feet to a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set at the Southwest corner of said Lot 1, and being the Northwest corner of said alley right-of-way, and being the PLACE OF BEGINNING of the tract described herein;

Thence North 89 deg. 58 min. 00 sec. East, along the North line of said alley right-of-way, passing at a distance of 115.00 feet the common South corner of Lots 1 and 2, of said Block 42A/7460, continuing a total distance of 230.00 feet to a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set for corner in the Northerly West line of Lot 3, Block 42A/7460, of UNITY CHURCH ADDITION NO. 1, an Addition to the City of Dallas, Dallas County, Texas, according to the Plat thereof recorded in Volume 77109, Page 51, Deed Records, Dallas County, Texas, at the Southeast corner of said Lot 2;

Thence South 00 deg. 02 min. 00 sec. East, along said Northerly West line, and the East line of said alley right-of-way, a distance of 15.00 feet to an interior 'ell' corner of said Lot 3;

Thence South 89 deg. 58 min. 00 sec. West, along the South line of said alley right-of-way, and being the Westerly North line of said Lot 3, a distance of 230.00 feet to a 1/2-inch iron rod with a yellow plastic cap stamped "RPLS 5310" set for corner in the said East line of FINE ESTATES NO. 2, and the said Southwest corner of AUDUBON ESTATES ADDITION, Second Section;

Thence North 00 deg. 02 min. 00 sec. West, along said East and West lines, and the West line of said alley right-of-way, a distance of 15.00 feet to the PLACE OF BEGINNING and containing 3,450 square feet or 0.079 of an acre of land.

(FOR SPRG USE ONLY)

REVIEWED BY: JL
DATE: 6-5-15
SPRG NO: 2857

NOTE

BASIS OF BEARING IS THE SOUTH LINE
OF CRESTWAY DRIVE, BEING SOUTH 88
DEG. 45 MIN. 00 SEC. WEST, AS
RECORDED IN VOL. 72012, PG. 946, DEED
RECORDS, DALLAS COUNTY, TEXAS.

SHEET 1 OF 2


John S. Turner, R.P.L.S. #5310



A&W SURVEYORS, INC.

Professional Land Surveyors

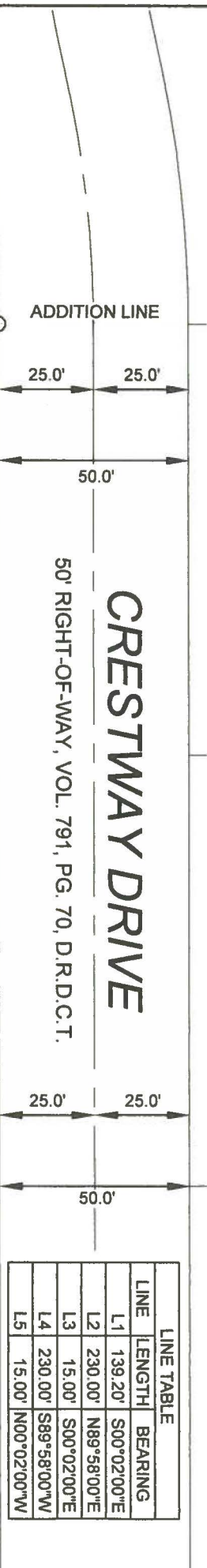
P.O. BOX 870029, MESQUITE, TX. 75187
PHONE: (972) 681-4975 FAX: (972) 681-4954
WWW.AWSURVEY.COM

Job Number: 13-1481 Date: 06/03/2015 Drafter: 024

"A professional company operating in your best interest"

ALLEY RIGHT-OF-WAY ABANDONMENT

BEING PART OF AUDUBON ESTATES ADDITION, SECOND SECTION
 ADJACENT TO LOTS 1, 2, AND 3, BLOCK 42A/7460, AND BLOCK 43A/7460
 T. DYKES SURVEY, ABSTRACT NO. 405
 CITY OF DALLAS, DALLAS COUNTY, TEXAS



LINE	LENGTH	BEARING
L1	139.20'	S00°02'00"E
L2	230.00'	N89°58'00"E
L3	15.00'	S00°02'00"E
L4	230.00'	S89°58'00"W
L5	15.00'	N00°02'00"W

BLOCK 43A/7460,
 FINE ESTATES NO. 2 ADDITION,
 VOL. 72012, PG. 946, D.R.D.C.T.

TRACT 1
 UNITY CHURCH OF DALLAS,
 INST. NO. 20080185473,
 O.P.R.D.C.T.

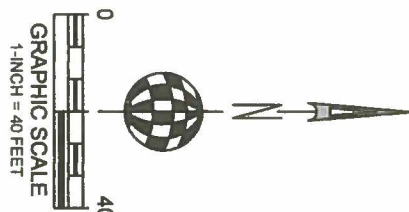
15' SANITARY SEWER,
 EASEMENT
 VOL. 72012, PG. 946,
 D.R.D.C.T.

PLACE OF
 COMMENCING

TRACT 1
 CADG FOREST LANE 18, LLC,
 INST. NO. 201400147113,
 O.P.R.D.C.T.

LEGEND

IRS IRON ROD WITH YELLOW CAP STAMPED "RPLS 5310"
 O.P.R.D.C.T. OFFICIAL PUBLIC RECORDS, DALLAS COUNTY, TEXAS
 D.R.D.C.T. DEED RECORDS, DALLAS COUNTY, TEXAS
 INST. NO. INSTRUMENT NUMBER
 C.M. CONTROLLING MONUMENT
 PG. PAGE
 VOL. VOLUME



NOTE

BASIS OF BEARING IS THE SOUTH LINE
 OF CRESTWAY DRIVE, BEING SOUTH 89
 DEG. 45 MIN. 00 SEC. WEST AS
 RECORDED IN VOL. 72012, PG. 946, DEED
 RECORDS, DALLAS COUNTY, TEXAS.

LOT 3, BLOCK 42-A/7460,
 UNITY CHURCH ADDITION NO. 1,
 VOL. 77109, PG. 51, D.R.D.C.T.

TRACT 2
 CADG FOREST LANE 18, LLC,
 INST. NO. 201400147113, O.P.R.D.C.T.

LOT 1, BLOCK 42A/7460,
 AUDUBON ESTATES ADDITION,
 SECOND SECTION
 VOL. 791, PG. 70, D.R.D.C.T.

TRACT 1
 CADG FOREST LANE 18, LLC,
 INST. NO. 201400147113, O.P.R.D.C.T.

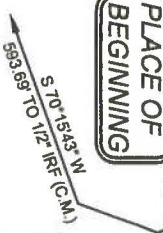
LOT 2, BLOCK 42A/7460,
 AUDUBON ESTATES ADDITION,
 SECOND SECTION
 VOL. 791, PG. 70, D.R.D.C.T.

TRACT 2
 CADG FOREST LANE 18, LLC,
 INST. NO. 201400147113, O.P.R.D.C.T.

15' SANITARY SEWER,
 EASEMENT
 VOL. 77109, PG. 51,
 D.R.D.C.T.

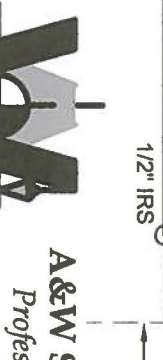
ALLEY RIGHT-OF-WAY ABANDONMENT
3,450 SQ. FT. OR 0.079 ACRE

EXHIBIT A-Tract II



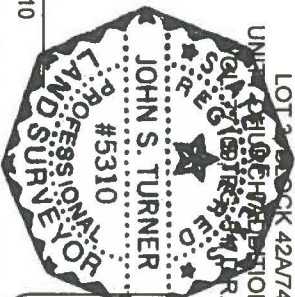
LOT 2, BLOCK 42A/7460,
 UNITY CHURCH ADDITION NO. 1,
 VOL. 791, PG. 70, D.R.D.C.T.

TRACT 2
 CADG FOREST LANE 18, LLC,
 INST. NO. 201400147113, O.P.R.D.C.T.

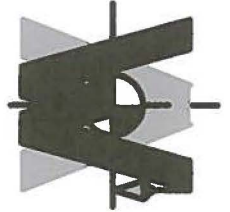


15' SANITARY SEWER,
 EASEMENT
 VOL. 77109, PG. 51,
 D.R.D.C.T.

John S. Turner
 John S. Turner, R.P.L.S. #5310



(FOR SPRG USE ONLY)
 REVIEWED BY: *SL*
 DATE: *6-5-25*
 SPRG NO.: 2857



A&W SURVEYORS, INC.
Professional Land Surveyors
 P.O. BOX 870029, MESQUITE, TX. 75187
 PHONE: (972) 681-4975 FAX: (972) 681-4954
 WWW.AWSURVEY.COM

Job Number: 13-1481 Date: 06/03/2015 Drafter: 024
 "A professional company operating in your best interest"

EXHIBIT B

ADDITIONAL ABANDONMENT PROVISIONS

That as a condition hereof, this abandonment is subject to any utilities or communication facilities, including without limitation water and wastewater lines, gas lines, and storm sewers, ("Facilities") presently located within the abandoned area described in Exhibit "A", owned and/or operated by the City of Dallas or any utility or communications company, public or private, ("Utility") and to the rights of any Utility for the use of the abandoned area for its Facilities. It is the intent of the foregoing to confirm and maintain and there is hereby reserved and excepted unto the City of Dallas, and not abandoned or conveyed hereunder, an easement (to which this abandonment is made expressly subject) over, upon, under, through, in, and across the abandoned area for each Utility for its respective Facilities located therein at the time of this abandonment, together with the right to make any subsequent alterations, additions, expansions, upgrades or modifications to such Facilities as may, from time to time be deemed necessary or convenient by the Utility owning and/or operating same. No buildings, structures (above or below ground) or trees shall be constructed or placed within the abandoned area without written consent of each affected Utility. Each Utility shall have the full right to remove and keep removed all or part of any buildings, fences, trees, or other improvements or growths which in any way may endanger or interfere with the construction, maintenance or efficiency of its respective Facilities lying within the abandoned area and shall at all times have the full right of ingress and egress to or from and upon the abandoned area for the purposes of reconstructing, removing, relocating, inspecting, patrolling, maintaining, expanding, upgrading, and/or adding to all or part of its Facilities without the necessity at any time of procuring the permission of anyone. The easement reserved hereunder and the conditions and restrictions to which this abandonment is subject shall remain for the benefit of the applicable Utility and/or operators of the Facilities until said Facilities are removed and relocated from the abandoned area. The relocation, removal or adjustment of any or all such Facilities, if made necessary by GRANTEE'S (whether one or more natural persons or legal entities) use of the abandonment area, shall be at the expense of GRANTEE herein, or GRANTEE'S successors and assigns. Should GRANTEE'S relocation or removal of the Facilities require the obtaining of new easements, the acquisition of same shall be at the expense of GRANTEE, GRANTEE'S successors and assigns. If any of the Facilities (or relocations thereof) are allowed to remain on any part of the abandoned area, the easements and buildings restrictions provided herein shall remain thereon. Upon removal or relocation of all of the Facilities, any easements reserved or created herein relating to such removed or relocated Facilities shall terminate, and any building restrictions herein created shall cease.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): 7
DEPARTMENT: Sustainable Development and Construction
CMO: Ryan S. Evans, 671-9837
MAPSCO: 56L

SUBJECT

A resolution **(1)** authorizing the conveyance by Deed Without Warranty of 6906, 6910, and 6918 Canaan Street acquired by the City of Dallas, for itself and as trustee for various taxing authorities to CityBuild Community Development Corporation, a non-profit corporation; **(2)** declaring an additional three City-owned tracts of land unwanted and unneeded located at 6923 and 7003 Bexar Street and 7006 Canaan Street and authorizing their sale to CityBuild Community Development Corporation by Deed Without Warranty; and **(3)** authorizing an agreement with CityBuild Community Development Corporation for the establishment, maintenance, and operation of a community garden and related facilities, programs and services - Revenue: \$11,256

BACKGROUND

This item is on the addendum because it required additional time for review. This item authorizes the conveyance by Deed Without Warranty of 6906, 6910, and 6918 Canaan Street, foreclosed by the Sheriff's Department for unpaid taxes pursuant to judgments or seizure warrants from a District Court, to CityBuild Community Development Corporation. This item also declares three City-owned tracts of land unwanted and unneeded and authorizes their sale to CityBuild Community Development Corporation by Deed Without Warranty.

CityBuild Community Development Corporation is 501(c)(3) non-profit corporation and will commit to develop and use the property in manner that primarily promotes a public purpose of the City and the greater community, including specifically the establishment, maintenance, and operation of a community garden and related facilities, programs and services.

BACKGROUND (continued)

Consent has been received by the Dallas County Commissioner's and Dallas Independent School District for the sale of the three tax sale properties. All six of the properties will be conveyed subject to deed restrictions as to use, a reverter right, all title matters of record, any right of redemption still in effect, and post judgment taxes penalties and interest as to the tax sale properties and all outstanding taxes and assessment as to the surplus lots.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

Revenue: \$11,256

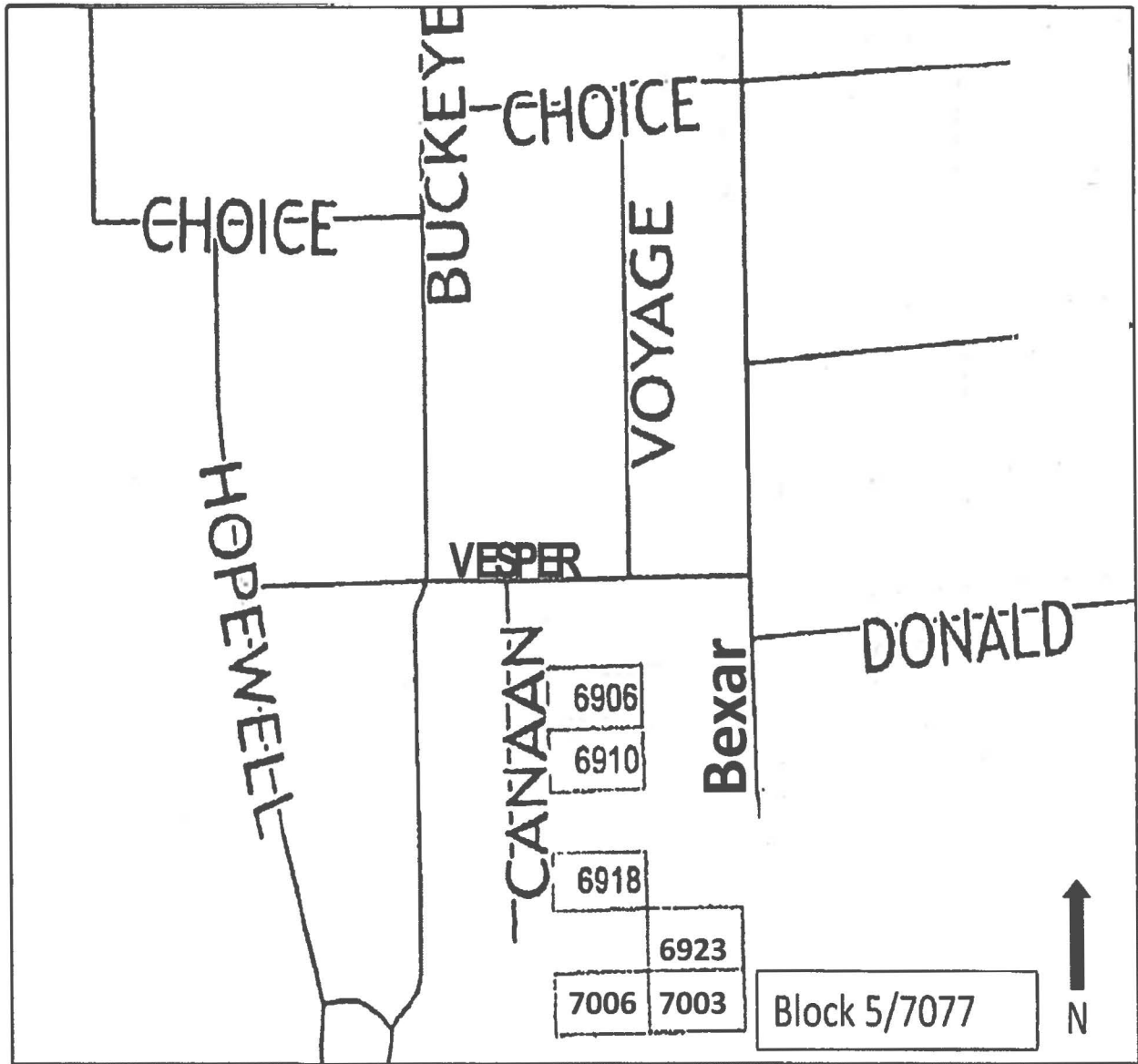
OWNER

CityBuild Community Development Corporation

Michael Craven, President

MAP

Attached



- 7003 Bexar Street
- 6923 Bexar Street
- 7006 Canaan Street
- 6906 Canaan Street
- 6910 Canaan Street
- 6918 Canaan Street

June 17, 2015

WHEREAS, the City of Dallas (“City”), on its own behalf and as Trustee for the County of Dallas, Texas (“County”), Dallas Independent School District (“DISD”), and other taxing authorities, acquired that one certain lot, tract, and/or parcel of land consisting of Lot 13, Block 5/7077, Bon Ton Addition, Dallas, Dallas County, Texas, commonly known as 6906 Canaan Street, by Deed Without Warranty from the Dallas Housing Acquisition & Development Corporation (“DHADC”), dated August 27, 2012, recorded on September 18, 2012 as Instrument No. 201200277224, Official Real Property Records of Dallas County, Texas, said DHADC having acquired said property by Sheriff’s Deed recorded on July 24, 2008, as Instrument No. 20080241985, Official Real Property Records of Dallas County, Texas, pursuant to a certain judgment, decree of foreclosure, order of sale and/or notice of sheriff’s sale (private sale to land bank) rendered in and/or arising from that one certain ad valorem tax suit styled, County of Dallas, et al v. Ed Foy, Case # TX-06-50010, in the District Courts of Dallas County, Texas; and

WHEREAS, the City, on its own behalf and as Trustee for the County, DISD, and other taxing authorities, acquired that one certain lot, tract and/or parcel of land consisting of Lot 14, Block 5/7077, Bon Ton Addition, Dallas, Dallas County, Texas, commonly known as 6910 Canaan Street, by Deed Without Warranty from the DHADC, dated August 27, 2012, recorded on September 18, 2012, as Instrument No. 201200277225, Official Real Property Records of Dallas County, Texas, pursuant to a certain judgment, decree of foreclosure, order of sale, and/or notice of sheriff’s sale (private sale to land bank) rendered in that one certain ad valorem tax suit styled, County of Dallas, et al v. Ed Foy, Case #TX-06-50010, in the District Courts of Dallas County, Texas; and

WHEREAS, the City, on its own behalf and as Trustee for the County, DISD, and other taxing authorities, acquired that one certain lot, tract and/or parcel of land consisting of Lot 16, Block 5/7077, Bon Ton Addition, Dallas, Dallas County, Texas, commonly known as 6918 Canaan Street, by Sheriff’s Deed dated May 7, 1999, recorded on June 15, 1999 at Volume 99116 Page 0314, Official Real Property Records of Dallas County, Texas, pursuant to a certain judgment, decree of foreclosure, and/or order of sale rendered in that one certain ad valorem tax suit styled, City of Dallas, et al v. Korling L. Duren, Case # 94-30640-T-L, in the District Courts of Dallas County, Texas; and

WHEREAS, the City of Dallas is the owner of three lots, tracts and/or parcels of land being Lots 5, 6 and 18 of Block 5/7077, Bon Ton Addition, Dallas County, Texas, and commonly known as 6923 and 7003 Bexar Street and 7006 Canaan Street, respectively, which are no longer needed for municipal use; and

WHEREAS, Lots 13, 14, and 16 are herein sometimes referred to as the “Tax Sale Lots”; Lots 5, 6 and 18 are herein sometimes referred to as the “Surplus Lots” and the six lots, tracts and/or parcels of land are herein sometimes referred to, collectively and/or individually, as “the Property”; and

June 17, 2015

WHEREAS, CityBuild Community Development Corporation is a validly existing non-profit organization exempt from federal taxation under Section 501(c)(3), Internal Revenue Code 1986, as amended, and has requested that the City, for itself and as trustee of the other taxing authorities, as applicable, convey the Property to CityBuild Community Development Corporation for use in a manner that primarily promotes a public purpose of the City and the greater community, including specifically the establishment, maintenance, and operation of a community garden and related facilities, programs and services by CityBuild Community Development Corporation and/or such other validly existing 501(c)(3) non-profit approved by the City; and

WHEREAS, pursuant to Section 253.011 of the Texas Local Government Code, the City may transfer the Property to a non-profit organization without complying with the notice and bidding requirements for the sale of public lands provided for in Section 272.001(a) of the Texas Local Government Code for and in consideration of an agreement between the parties that requires the non-profit organization to use the property in a manner that primarily promotes a public purpose of the municipality; and

WHEREAS, pursuant to Section 34.05 of the Texas Tax Code, the City, for itself and on behalf of the taxing authorities, may re-sell the Tax Sale Lots pursuant to a private sale for an amount less than the lesser of the market value specified in the judgment of foreclosure or the total amount of the judgment against the property, and without having to use the procedures provided by Sections 263.001 and/or 272.001 of the Texas Local Government Code; and

WHEREAS, the City Manager, acting on behalf of the County pursuant to a County Commissioner's Court Order and on behalf of DISD pursuant to a School Board Resolution, has the authority to execute a deed to an appropriate purchaser of the Tax Sale Lots and transfer any rights, title, or interests acquired or held by each taxing entity that was a party to the judgment in the tax suit; and

WHEREAS, the City, the County, and DISD all desire to transfer the Tax Sale Lots and the City desires to transfer the Surplus Lots to CityBuild Community Development Corporation for and in consideration of nominal cash consideration and CityBuild Community Development Corporation agreement to use the Property in a manner that primarily promotes a public purpose of the City and the greater community, including specifically the establishment, maintenance, and operation of a community garden and related facilities, programs, and services by CityBuild Community Development Corporation and/or such other validly existing 501(c)(3) non-profit approved by the City;
Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

June 17, 2015

SECTION 1. That the City Manager, upon approval as to form by the City Attorney and attested by the City Secretary, is hereby authorized to execute a Development Agreement (“Agreement”) with CityBuild Community Development Corporation whereby CityBuild Community Development Corporation commits to use the Property in a manner that primarily promotes a public purpose of the City and the greater community, including specifically the establishment, maintenance, and operation of a community garden and related facilities, programs and services by CityBuild Community Development Corporation and/or such other validly existing 501(c)(3) non-profit entity approved by the City, and, upon consent by the County and DISD as to the Tax Sale Lots, a Deed Without Warranty to the Property in favor of CityBuild Community Development Corporation.

SECTION 2. That the Agreement shall provide the following:

- a) For and in partial consideration of the conveyance of the Property, CityBuild Community Development Corporation shall pay to the City the sum of **ELEVEN THOUSAND TWO HUNDRED FIFTY SIX AND NO/100 DOLLARS (\$11,256.00)** as a condition to closing.
- b) CityBuild Community Development Corporation and/or such other validly existing 501(c)(3) non-profit approved by the City, shall use the Property in a manner that primarily promotes a public purpose of the City and the greater community, including specifically (i) establish and open a community garden and related facilities, programs and services on the Property as evidenced by issuance of a certificate of occupancy sufficient for and accommodating the community garden use within six (6) months of the conveyance of the Property by the City, (ii) continuing such usage without material gaps or breaks in such operations; and (iii) insure that any conveyance by CityBuild Community Development Corporation and/or subsequent owners of the Property does not materially alter, amend, or discontinue said use without the prior written consent of the City; and
- c) The Property will be conveyed in its then current “AS IS” condition without warranty, express or implied, and CityBuild Community Development Corporation shall be responsible for all necessary inspections, investigations, renovations, and improvements, including without limitation any environmental issues; and

June 17, 2015

- d) At all times during its ownership of the Property, CityBuild Community Development Corporation will maintain its status as a non-profit organization exempt from federal taxation under Section 501(c)(3), Internal Revenue Code 1986, as amended; CityBuild Community Development Corporation will not sell or otherwise convey its ownership of the Property to another entity without the prior written consent of City; and any subsequent owner of the Property shall be subject to the terms of the Agreement and the Deed Without Warranty described below; and
- e) CityBuild Community Development Corporation shall be responsible for investigating the status of title to the Property and shall pay for any desired title insurance. In the event the Property is subject to any liens, mortgages, encumbrances or title matters CityBuild Community Development Corporation shall be responsible for addressing same and under no circumstance shall City have any obligation to cure, remove or otherwise address any such matter or incur any expense with regards to same; and
- f) The Property shall not be conveyed to CityBuild Community Development Corporation unless and until any applicable state tax law redemption period applicable to the Tax Sale Lots has expired without redemption; and
- g) CityBuild Community Development Corporation shall pay any reasonable processing fee imposed by the City and all customary closing costs; including without limitation, recording fees, title company expenses, and the premium for any desired title policy; and
- h) Any post judgment taxes, penalties and interest attributable to the Tax Sale Lots will be CityBuild Community Development Corporation's responsibility pursuant to the Texas Property Tax Code, and any taxes and assessments attributable to the Surplus Lots will likewise be CityBuild Community Development Corporation's responsibility, including the pro-rata property taxes for the remaining part of the then current calendar year, which will be assessed from the date of execution of the deed; and
- i) Such other terms and conditions as the City deems necessary, convenient or appropriate.

June 17, 2015

SECTION 3. That the Deed Without Warranty shall provide that the conveyance of the Property to CityBuild Community Development Corporation is and shall be subject to the following:

- a) restriction (“Deed Restrictions”) of the primary use of the Property to the establishment, maintenance, and operation of a community garden and related facilities, programs and services, which use shall not be materially altered, amended, or discontinued without the prior written consent of the City; and
- b) a condition subsequent with right of reentry in favor of the City enforcing the Deed Restrictions and requiring that CityBuild Community Development Corporation(i) establish and open the community garden and related facilities, programs and services on the Property within six (6) months of the conveyance as evidenced by issuance of a certificate of occupancy sufficient for and accommodating the community garden use , (ii) continue such usage without material gaps or breaks in such operation, and (iii) maintain its status as a Section 501(c)(3) non-profit corporation; and providing for the reversion of title to the Property to the City of Dallas, for itself and as trustee for the applicable taxing authorities, upon its exercise thereof; and
- c) any rights of redemption applicable to the Property; and
- d) any post judgment taxes, penalties, and interest attributable to the Tax Sale Lots, which matters will be CityBuild Community Development Corporation responsibility pursuant to the Texas Property Tax Code, and any taxes and assessments attributable to the Surplus Lots which will likewise be CityBuild Community Development Corporation’s responsibility, including the pro-rata Property taxes for the remaining part of the then current calendar year, which will be assessed from the date of execution of the deed; and
- e) any and all covenants, conditions, reservations, restrictions, exceptions, easements, rights-of-way, mineral interests, mineral leases, or other instruments of record in the official real property records for the county where the Property is located effective as to the Property, or any part thereof, and any and all visible and apparent easements and encroachments, whether of record or not impacting the Property; and
- f) reservation by the City of floodway, flood control, drainage or levee easements as deemed necessary, appropriate or convenient by the City; and
- g) such other terms, conditions, waivers and disclaimers as the City deems necessary, convenient or appropriate.

June 17, 2015

SECTION 4. That the portion of the cash consideration received for the Tax Sale Lots shall be distributed pursuant to Chapter 34, Section 34.06 of the Texas Property Tax Code, and applied to the payment of the court costs, interest, and cost of sale and applied to the amount of delinquent taxes, penalties, and municipal liens pursuant to the order of the court

SECTION 5. That CityBuild Community Development Corporation be responsible for the pro rata portion of property taxes for the remaining part of the current calendar year that will be assessed from the date of closing of the conveyance. CityBuild Community Development Corporation shall also be responsible for any post judgment taxes, penalties and interest, pursuant to the Texas Property Tax Code, as to the Tax Sale Lots and any other taxes and assessments attributable to the Surplus Lots. The Property shall be returned to the tax rolls as of the date of execution of the Deed Without Warranty, if not otherwise exempt.

SECTION 6. That any and all proceeds from the conveyance will be deposited to General Fund 0001, Department DEV, Balance Sheet Account 0519.

SECTION 7. That upon receipt of the cash consideration from this conveyance, the Chief Financial Officer is authorized to disburse the proceeds in accordance with Chapter 34, Section 34.06 of the Texas Property Tax Code. Calculations for disbursements shall be provided by the Director of Sustainable Development and Construction to the City of Dallas Land Based Receivables, the Dallas County District Clerk, and the Dallas County Tax Office from the account specified in Section 6, above.

SECTION 8. That Department of Sustainable Development and Construction, Real Estate Division shall be reimbursed for the cost of obtaining legal description, appraisal and other administrative costs incurred. The reimbursement proceeds shall be deposited in General Fund 0001, Dept DEV, Unit 1183, Object 5011. Remaining proceeds shall be transferred to the General Capital Reserve Fund 0625, Dept BMS, Unit 8888, Revenue Source 8118.

SECTION 9. That if a title policy is desired by CityBuild Community Development Corporation, it shall be secured by CityBuild Community Development Corporation at its sole cost and expense.

SECTION 10. That any procedures required by Section 2-24 of the Dallas City Code and not required by Texas state law are hereby waived with respect to this conveyance.

June 17, 2015

SECTION 11. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM:
WARREN M. S. ERNST, City Attorney

BY


Assistant City Attorney

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: June 17, 2015

COUNCIL DISTRICT(S): 7

DEPARTMENT: Trinity Watershed Management
City Attorney's Office

CMO: Mark McDaniel, 670-3256
Warren M.S. Ernst, 670-3491

MAPSCO: 47S

SUBJECT

Authorize the **(1)** deposit of the amount awarded by the Special Commissioners in the condemnation proceeding styled City of Dallas v. HFLP, Ltd., a Texas limited partnership, et al., Cause No. CC-15-01342-E, pending in Dallas County Court at Law No. 5, to acquire a subsurface easement containing approximately 59,638 square feet, located on Scyene Road near its intersection with Dixon Avenue for the Mill Creek/Peaks Branch/State Thomas Drainage Relief Tunnel Project; and **(2)** settlement of the condemnation proceeding for an amount not to exceed the award - Not to exceed \$42,000 (\$39,000 being the amount of the award, plus closing costs and title expenses not to exceed \$3,000); an increase of \$12,163 from the amount Council originally authorized for this acquisition - Financing: General Obligation Commercial Paper Funds

BACKGROUND

This item is on the addendum to expedite the acquisition process in order to meet the project schedule.

On September 24, 2014, the City Council authorized the acquisition of this subsurface easement, by Resolution No. 14-1629. The property owner was offered \$26,837, which was based on a written appraisal from an independent certified appraiser. The property owner did not accept the offer and the City filed an eminent domain proceeding to acquire the easement. After a hearing before the Special Commissioners on May 26, 2015, the property owner was awarded \$39,000. This item authorizes deposit of the amount awarded by the Special Commissioners for the property, which is \$12,163 more than the City Council originally authorized for this acquisition, plus closing costs and title expenses not to exceed \$3,000.

BACKGROUND (Continued)

The City has no control over the Special Commissioners appointed by the judge or any award that is subsequently rendered by the Special Commissioners. The City, in order to acquire possession of the property and proceed with its improvements, must deposit the amount awarded by the Special Commissioners in the registry of the Court.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized acquisition on September 24, 2014, by Resolution No. 14-1629.

Council was briefed by memorandum.

FISCAL INFORMATION

2006 Bond Program (General Obligation Commercial Paper Funds) - \$42,000 (\$39,000, plus closing costs and title expenses not to exceed \$3,000)

OWNER

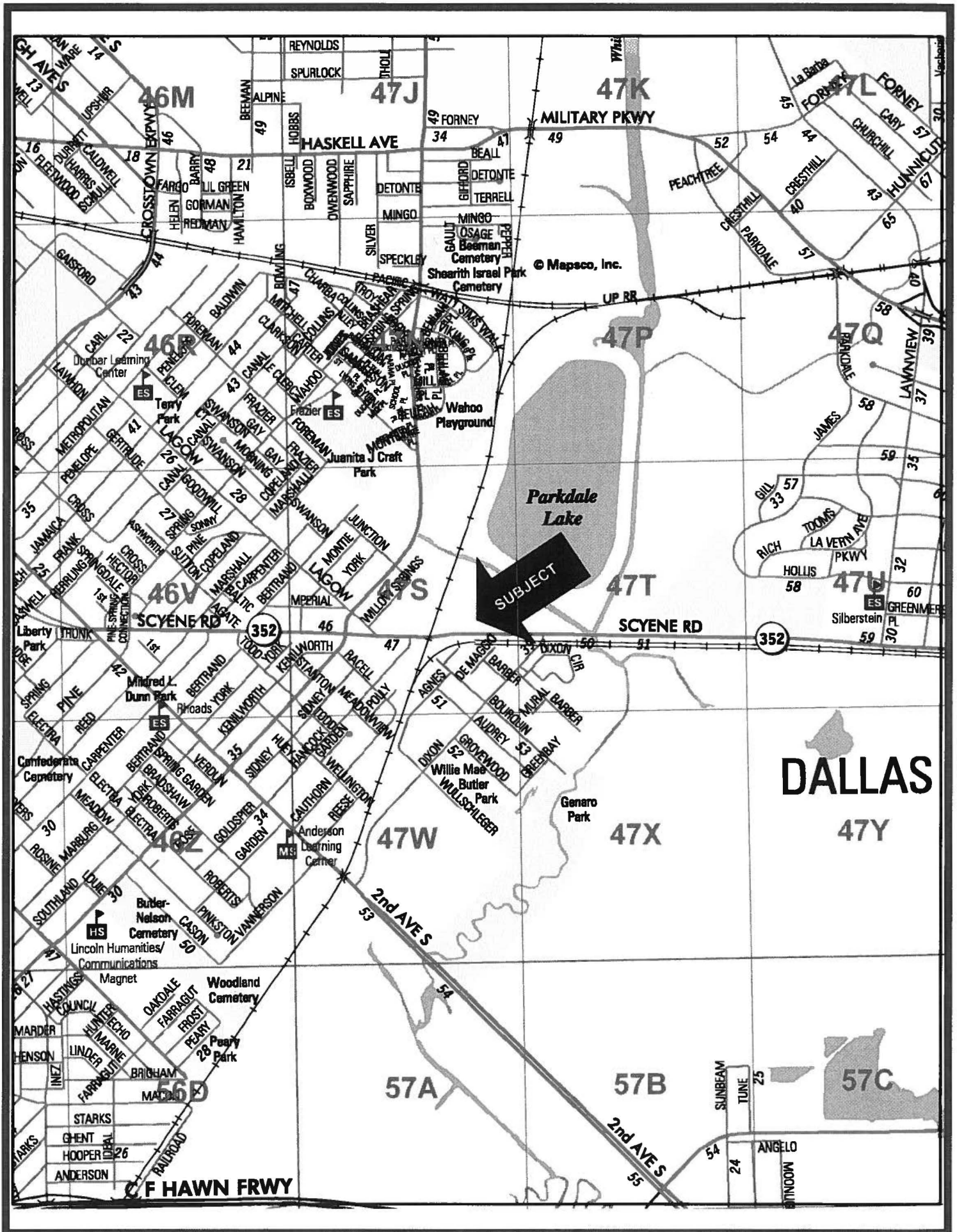
HFLP, Ltd.

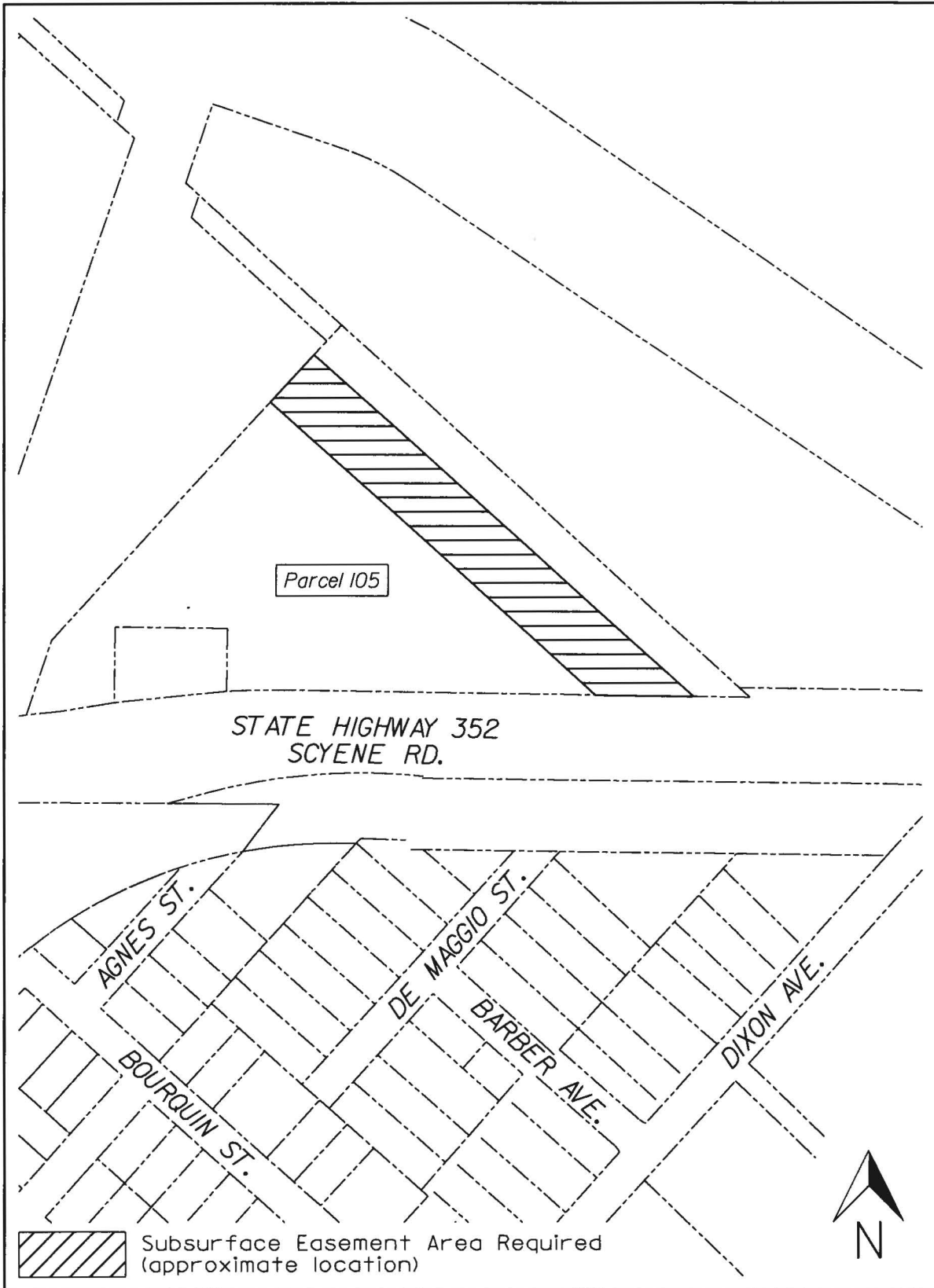
SBH Management No. 5, L.L.C., General Partner

Shair B. Hakemy, President

MAPS

Attached





June 17, 2015

A RESOLUTION AUTHORIZING THE DEPOSIT OF A SPECIAL COMMISSIONERS AWARD AND SETTLEMENT OF THE CONDEMNATION PROCEEDING AND IF OBJECTIONS ARE FILED, SETTLEMENT OF THE CONDEMNATION LAWSUIT FOR AN AMOUNT NOT TO EXCEED THE AWARD.

IN THIS RESOLUTION THE FOLLOWING DEFINITIONS SHALL APPLY:

CONDEMNATION PROCEEDING: Cause No. CC-15-01342-E, in Dallas County Court at Law No. 5, and styled City of Dallas v. HFLP, Ltd., a Texas limited partnership, et al., filed pursuant to City Council Resolution No. 14-1629.

PROPERTY: A subsurface easement containing approximately 59,638 square feet of land located in Dallas County, as described in the CONDEMNATION PROCEEDING.

PROJECT: Mill Creek/Peaks Branch/State Thomas Drainage Relief Tunnel Project

OFFICIAL OFFER: \$26,837.00

AWARD: \$39,000.00

CLOSING COSTS AND TITLE EXPENSES: Not to exceed \$3,000.00

AUTHORIZED AMOUNT: Not to exceed: \$42,000.00

DESIGNATED FUNDS: AWARD payable out of the 2006 Bond Funds, Fund No. 3T23, Department TWM, Unit T525, Activity SDRS, Program No. PB06T525, Object 4210, Encumbrance No. CT-PBW06T525LG, CLOSING COSTS AND TITLE EXPENSES payable out of the 2006 Bond Funds, Fund No. 3T23, Department TWM, Unit T525, Activity SDRS, Program No. PB06T525, Object 4230, Encumbrance No. CT-PBW06T525LH.

WHEREAS, the OFFICIAL OFFER having been made and refused, the City Attorney filed the CONDEMNATION PROCEEDING for the acquisition of the PROPERTY for the PROJECT; and,

WHEREAS, the Special Commissioners appointed by the Court in the CONDEMNATION PROCEEDING made the AWARD, which the City Council wishes to deposit with the County Clerk of Dallas County, Texas, so that the City may take possession of the PROPERTY; and,

June 17, 2015

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the Chief Financial Officer is hereby authorized and directed to issue a check, paid out of and charged to the DESIGNATED FUNDS, in the amount of the AWARD payable to the County Clerk of Dallas County, Texas, to be deposited by the City Attorney with the County Clerk and in the amount of the CLOSING COSTS AND TITLE EXPENSES payable to the title company closing the transaction described herein. The AWARD, CLOSING COSTS AND TITLE EXPENSES together shall not exceed the AUTHORIZED AMOUNT.

SECTION 2. That the City Attorney is authorized to settle the CONDEMNATION PROCEEDING, and if objections are filed, the lawsuit arising from the CONDEMNATION PROCEEDING, for an amount not to exceed the AWARD.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM

Warren M. S. Ernst

City Attorney

By:



Assistant City Attorney

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: June 17, 2015

COUNCIL DISTRICT(S): 7

DEPARTMENT: Trinity Watershed Management
City Attorney's Office

CMO: Mark McDaniel, 670-3256
Warren M.S. Ernst, 670-3491

MAPSCO: 46L

SUBJECT

Authorize the **(1)** deposit of the amount awarded by the Special Commissioners in the condemnation proceeding styled City of Dallas v. Judy Ann Burroughs, et al., Cause No. CC-14-05571-D, pending in Dallas County Court at Law No. 4, to acquire approximately 19,623 square feet of land, including any improvements, located on McKenzie Street at its intersection with Herndon Drive for the Mill Creek/Peaks Branch/State Thomas Drainage Relief Tunnel Project; and **(2)** settlement of the condemnation proceeding for an amount not to exceed the award - Not to exceed \$124,093 (\$120,093 being the amount of the award, plus closing costs and title expenses not to exceed \$4,000); an increase of \$64,753 from the amount Council originally authorized for this acquisition - Financing: General Obligation Commercial Paper Funds

BACKGROUND

This item is on the addendum to expedite the acquisition process in order to meet the project schedule.

On February 26, 2014, the City Council authorized the acquisition of this property, by Resolution No. 14-0428. The property owner was offered \$55,340, which was based on a written appraisal from an independent certified appraiser. The property owner did not accept the offer and the City filed an eminent domain proceeding to acquire the property. After a hearing before the Special Commissioners on May 28, 2015, the property owner was awarded \$120,093. This item authorizes deposit of the amount awarded by the Special Commissioners for the property, which is \$64,753 more than the City Council originally authorized for this acquisition, plus closing costs and title expenses not to exceed \$4,000.

BACKGROUND (Continued)

The City has no control over the Special Commissioners appointed by the judge or any award that is subsequently rendered by the Special Commissioners. The City, in order to acquire possession of the property and proceed with its improvements, must deposit the amount awarded by the Special Commissioners in the registry of the Court.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized acquisition on February 26, 2014, by Resolution No. 14-0428.

Council was briefed by memorandum.

FISCAL INFORMATION

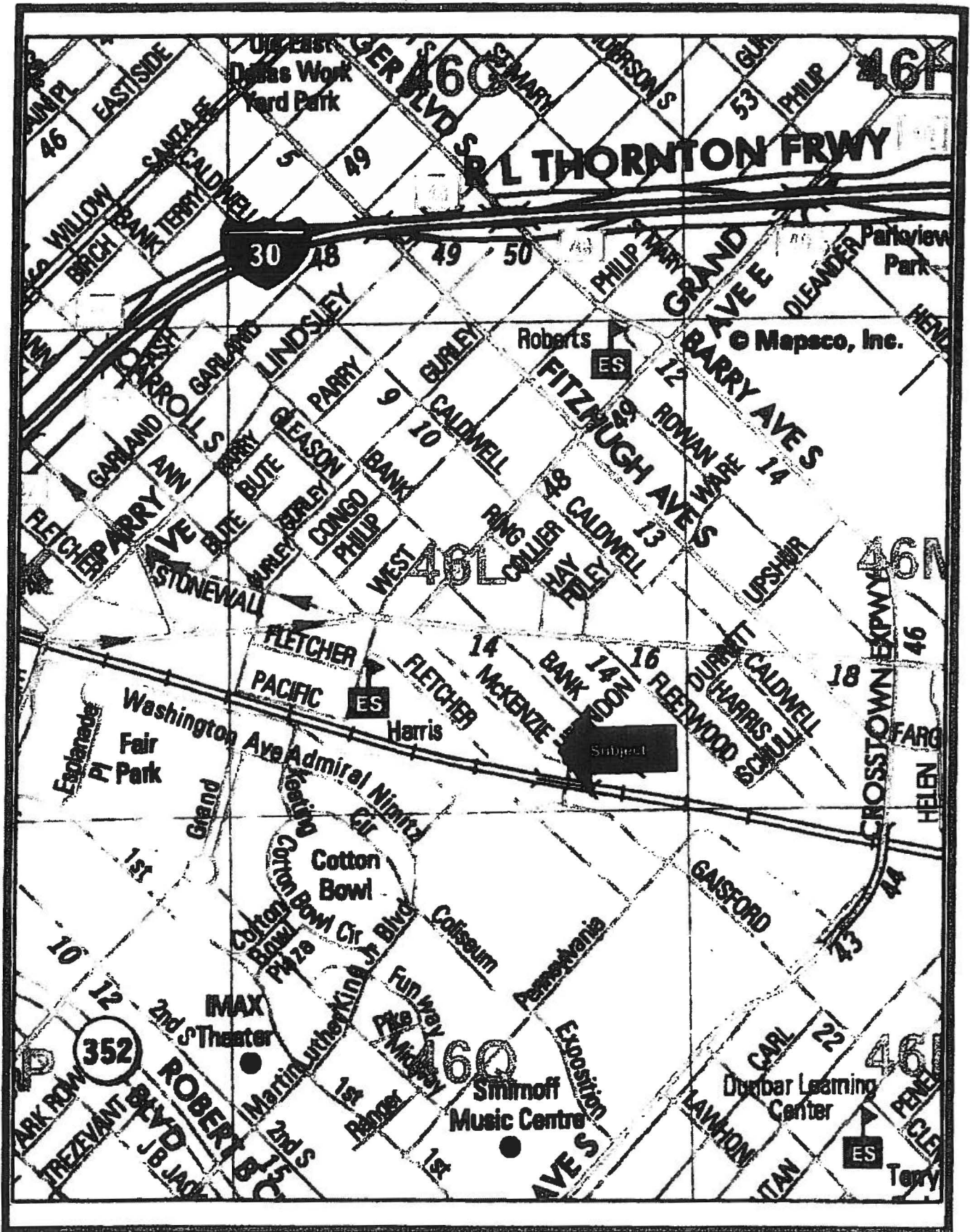
2006 Bond Program (General Obligation Commercial Paper Funds) - \$124,093
(\$120,093, plus closing costs and title expenses not to exceed \$4,000)

OWNER

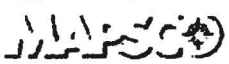
Judy Ann Burroughs

MAPS

Attached



© Mapsco, Inc.





June 17, 2015

A RESOLUTION AUTHORIZING THE DEPOSIT OF A SPECIAL COMMISSIONERS AWARD AND SETTLEMENT OF THE CONDEMNATION PROCEEDING AND IF OBJECTIONS ARE FILED, SETTLEMENT OF THE CONDEMNATION LAWSUIT FOR AN AMOUNT NOT TO EXCEED THE AWARD.

IN THIS RESOLUTION THE FOLLOWING DEFINITIONS SHALL APPLY:

CONDEMNATION PROCEEDING: Cause No. CC-14-05571-D, in Dallas County Court at Law No. 4, and styled City of Dallas v. Judy Ann Burroughs, et al., filed pursuant to City Council Resolution No. 14-0428.

PROPERTY: Approximately 19,623 square feet of land located in Dallas County, as described in the CONDEMNATION PROCEEDING.

PROJECT: Mill Creek/Peaks Branch/State Thomas Drainage Relief Tunnel Project

OFFICIAL OFFER: \$55,340.00

AWARD: \$120,093.00

CLOSING COSTS AND TITLE EXPENSES: Not to exceed \$4,000.00

AUTHORIZED AMOUNT: Not to exceed: \$124,093.00

DESIGNATED FUNDS: AWARD payable out of the 2006 Bond Funds, Fund No. 3T23, Department TWM, Unit T525, Activity SDRS, Program No. PB06T525, Object 4210, Encumbrance No. CT-PBW06T525D5, CLOSING COSTS AND TITLE EXPENSES payable out of the 2006 Bond Funds, Fund No. 3T23, Department TWM, Unit T525, Activity SDRS, Program No. PB06T525, Object 4230, Encumbrance No. CT-PBW06T525D7.

WHEREAS, the OFFICIAL OFFER having been made and refused, the City Attorney filed the CONDEMNATION PROCEEDING for the acquisition of the PROPERTY for the PROJECT; and,

WHEREAS, the Special Commissioners appointed by the Court in the CONDEMNATION PROCEEDING made the AWARD, which the City Council wishes to deposit with the County Clerk of Dallas County, Texas, so that the City may take possession of the PROPERTY; and,

WHEREAS, the City Council desires to authorize the City Attorney to settle the CONDEMNATION PROCEEDING and, if objections are filed, the lawsuit arising from the CONDEMNATION PROCEEDING for an amount not to exceed the AWARD;

June 17, 2015

WHEREAS, the City Council desires to authorize the City Attorney to settle the CONDEMNATION PROCEEDING and, if objections are filed, the lawsuit arising from the CONDEMNATION PROCEEDING for an amount not to exceed the AWARD;

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the Chief Financial Officer is hereby authorized and directed to issue a check, paid out of and charged to the DESIGNATED FUNDS, in the amount of the AWARD payable to the County Clerk of Dallas County, Texas, to be deposited by the City Attorney with the County Clerk and in the amount of the CLOSING COSTS AND TITLE EXPENSES payable to the title company closing the transaction described herein. The AWARD, CLOSING COSTS AND TITLE EXPENSES together shall not exceed the AUTHORIZED AMOUNT.

SECTION 2. That the City Attorney is authorized to settle the CONDEMNATION PROCEEDING, and if objections are filed, the lawsuit arising from the CONDEMNATION PROCEEDING, for an amount not to exceed the AWARD.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM

Warren M. S. Ernst

City Attorney

By: _____

Assistant City Attorney

KEY FOCUS AREA: E-Gov
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): N/A
DEPARTMENT: City Secretary
CMO: Rosa Rios, 670-3738
MAPSCO: N/A

SUBJECT

A resolution designating absences by Mayor Michael Rawlings, Councilmember Scott Griggs, Councilmember Dwaine Caraway and Councilmember Carolyn Davis as being for "Official City Business" - Financing: No cost consideration to the City

BACKGROUND

This item is on the addendum to allow council members additional time to request approval of their outstanding absences (if applicable) as "Official City Business."

Chapter III, Section 4(e) of the Dallas City Charter provides in part, "If any city council member, including the mayor, misses more than 10 percent of the total number of regular meetings held by the city council during any compensation year, then the city council member's compensation...for that year will be reduced proportionately by the percentage of meetings missed.... Meetings missed by a city council member while he or she is on the official business of the city council and at the direction of the city council will not be counted towards the percentage of missed meetings for which compensation reduction is required... but will be counted as though the member had attended the meetings that are missed while so engaged in city business."

Section 4.11(b) of the City Council Rules of Procedure provides that an absence by a council member for (1) attending a meeting or conference of a professional organization of or association of municipalities or municipal officers, (2) testifying at a legislative hearing at the request of the mayor, the city council, the chair of the council's legislative affairs committee or the city manager, or (3) attending a meeting of a board, commission, or committee to which the council member has been appointed by the mayor or the city council, will automatically be deemed to be for "official city business at the direction of the city council" and will not be counted against a city council member for purposes of determining the council member's annual compensation.

BACKGROUND (Continued)

Section 4.11(c) of the City Council Rules of Procedure provides that, in addition to those absences automatically considered to be on "official city business at the direction of the city council" under Section 4.11(b) above, the city council may by resolution designate whenever a council member's absence is for official city business and not counted as a missed meeting for purposes of determining the council member's annual compensation under Chapter III, Section 4 of the Dallas City Charter.

The proposed resolution authorizes and directs the city secretary to amend the minutes of city council meetings, without further city council action or approval, to reflect when the absences by designated council members have been deemed by the city council to be for "official city business."

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

No cost consideration to the City.

June 17, 2015

WHEREAS, Chapter III, Section 4(e) of the Dallas City Charter provides in part, "If any city council member, including the mayor, misses more than 10 percent of the total number of regular meetings held by the city council during any compensation year, then the city council member's compensation... for that year will be reduced proportionately by the percentage of meetings missed.... Meetings missed by a city council member while he or she is on the official business of the city council and at the direction of the city council will not be counted towards the percentage of missed meetings for which compensation reduction is required... but will be counted as though the member had attended the meetings that are missed while so engaged in city business"; and

WHEREAS, Section 4.11(b) of the City Council Rules of Procedure provides that an absence by a council member for (1) attending a meeting or conference of a professional organization or association of municipalities or municipal officers, (2) testifying at a legislative hearing at the request of the mayor, the city council, the chair of the council's legislative affairs committee or the city manager, or (3) attending a meeting of a board, commission, or committee to which the council member has been appointed by the mayor or the city council, will automatically be deemed to be for "official city business at the direction of the city council" and will not be counted against a city council member for purposes of determining the council member's annual compensation; and

WHEREAS, Section 4.11(c) of the City Council Rules of Procedure provides that, in addition to those absences automatically considered to be on "official city business at the direction of the city council" under Section 4.11(b) referenced above, the city council may by resolution designate whenever a council member's absence is for official city business and not counted as a missed meeting for purposes of determining the council member's annual compensation under Chapter III, Section 4 of the Dallas City Charter; and

WHEREAS, Mayor Michael Rawlings, Councilmember Scott Griggs, Councilmember Dwaine Caraway and Councilmember Carolyn Davis participated in event(s) and/or meeting(s), as described in **Exhibit A** attached, which required them to miss all or part of one or more city council meeting(s) or committee meeting(s) on the date(s) noted;

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

June 17, 2015

SECTION 1. That, in accordance with Chapter III, Section 4(e) of the Dallas City Charter and Section 4.11(c) of the City Council Rules of Procedure, the event(s) and/or meeting(s) described in **Exhibit A**, attached, are hereby deemed to be for "official city business," and any absences from city council meeting(s) and/or city council committee meeting(s), on the date(s) noted in Exhibit A, by Mayor Michael Rawlings, Councilmember Scott Griggs, Councilmember Dwaine Caraway and Councilmember Carolyn Davis because of their participation in any event(s) and/or meeting(s) will not be counted against them in determining their annual compensation under Chapter III, Section 4 of the Dallas City Charter.

SECTION 2. That, in accordance with Section 4.11(a) of the City Council Rules of Procedure, the City Secretary shall maintain a record of the absence on official city business so that such absence will not count against Mayor Michael Rawlings, Councilmember Scott Griggs, Councilmember Dwaine Caraway and Councilmember Carolyn Davis in determining their annual compensation under Chapter III, Section 4 of the Dallas City Charter.

SECTION 3. That the City Secretary is authorized and directed to amend the minutes of each city council meeting held on the date(s) specified in Exhibit A, if applicable, to reflect that the absence by Mayor Michael Rawlings, Councilmember Scott Griggs, Councilmember Dwaine Caraway and Councilmember Carolyn Davis as described in Exhibit A, was for "official city business," and no further city council action or approval of those minutes is required.

SECTION 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

EXHIBIT A
CITY COUNCIL MEMBER(S)
REQUEST ABSENCE AS OFFICIAL CITY BUSINESS

COUNCILMEMBER	PURPOSE/TRIP/EVENT	LOCATION	DATE	MEETING(S) MISSED	ABSENCE TYPE
Michael Rawlings	Participated in a mission trip to Europe as part of a delegation with Fort Worth Mayor, Betsy Price to push for additional transatlantic flights and promote business opportunities in North Texas.	Europe	6/10/2015	City Council Meeting	Absent
Scott Griggs	Worked on official city business with a constituent regarding a neighborhood concern.	Dallas, TX	5/27/2015	City Council Meeting	Absent more than 50%
Dwaine Caraway	Conducted a business meeting with city staff.	Dallas, TX	5/26/2015	Public Safety Committee	Absent more than 50%
Carolyn Davis	Attended a meeting with Two Podners in district.	Dallas, TX	5/27/2015	City Council Meeting	Absent more than 50%

KEY FOCUS AREA: E-Gov
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): N/A
DEPARTMENT: Human Resources
CMO: A. C. Gonzalez, 670-3302
MAPSCO: N/A

SUBJECT

Authorize an increase in the annual base salary of City Secretary Rosa Rios, in an amount to be determined by the City Council plus the associated pension contribution and Medicare payments, effective June __, 2015 - Financing: Current Funds

BACKGROUND

The City Council will evaluate the performance of City Secretary, Rosa Rios on June 17, 2015. As a result of this annual performance review, the City Council desires to give this city official an increase in her annual base salary.

PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 14, 2014, the City Council discussed the City Secretary's performance review.

Resolution No. 14-0875 approved a merit increase to the annual base salary for City Secretary Rosa Rios; increasing her base annual base salary by four and one half percent (4.5%) from \$119,512 to \$125,000, effective May 28, 2014.

On June 3, 2015, the City Council discussed the performance of City Secretary Rosa A. Rios

June 17, 2015

WHEREAS, on June 17, 2015, the City Council conducted an annual performance review of the City Secretary; and

WHEREAS, as a result of the reviews, and based upon the City Council's evaluation of the performance of this City officer, the City Council has determined that this officer should receive a ___ merit increase in her annual base salary;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Secretary's annual base salary be increased by ____, in the amount of _____ from \$125,000.00 to _____, plus the associated pension contribution in the amount of \$_____ and Medicare in the amount of \$_____ for a total additional cost of \$_____ effective as of June ____, 2015.

Section 2. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Clean, Healthy Environment

AGENDA DATE: June 17, 2015

COUNCIL DISTRICT(S): All

DEPARTMENT: Mayor and City Council

CMO: A. C. Gonzalez, 670-3297

MAPSCO: N/A

SUBJECT

A resolution directing the City Manager or his designee to implement new requirements in the specifications for construction contracts awarded by the City in order to promote heat related injury prevention planning and data - Financing: This action has no cost consideration to the City

BACKGROUND

Two ordinances amending Chapter 52, "Administrative Procedures for the Construction Codes," of the Dallas City Code were recommended for consideration by the City Council. Both ordinances were scheduled to be considered by the City Council on March 25, 2015.

On January 26, 2015, the Quality of Life and Environment Committee recommended an ordinance be sent to City Council requiring employers to: (1) provide construction workers with a rest break for every four hours of scheduled work, and (2) post signage in both English and Spanish explaining that construction workers are entitled to rest breaks, how to confidentially report noncompliance, and text explaining that construction workers need water, rest, and shade to prevent heat-related illnesses.

On February 2, 2015, the Economic Development Committee recommended an ordinance be sent to City Council that would require signage and access to educational pamphlets on construction sites that are printed in both English and Spanish and provide detailed information on construction workers' rights under 26 C.F.R. Part 1926 and how to make a complaint to the Occupational Safety and Health Administration (OSHA).

On March 4, 2015, City Council authorized the postponement of consideration of the two ordinances pending the conclusion of a taskforce led by Councilmember Greyson that would strive to reconcile the two ordinances and present one ordinance for the consideration of City Council.

BACKGROUND (Continued)

On June 10, 2015, the Taskforce concluded its meetings, and drafted a resolution for consideration by City Council that (1) reconciled the two previous ordinances, and (2) supported the safety and rights of construction workers at City of Dallas worksites.

This resolution directs the City Manager or his designee to:

- Implement new requirements in the specifications for all new construction contracts awarded by the City in order to promote heat-related injury prevention planning;
- Enhance the collection and review of data on all construction site injuries within the City; and
- Initiate collaboration with Dallas County health agencies and emergency facilities to add construction worksite injuries as an additional data collection metric; and
- Provide a report to the City Council regarding the results of the data collection and any data documenting the impact of policies and procedures no later than April 30, 2016;

The Workers Defense Project originally briefed the Quality of Life and Environment Committee on June 23, 2014, on the Austin rest break ordinance for construction workers and requested that Dallas adopt a similar ordinance. The committee motioned to have the briefing presented to the full City Council.

On August 20, 2014, the Workers Defense Project was scheduled to brief the full City Council on the Austin ordinance, but the item was not briefed.

On September 3, 2014, the Workers Defense Project briefed the full City Council on the Austin rest break ordinance for construction workers and requested that Dallas adopt a similar ordinance.

On November 12, 2014, following citizen speakers in favor of Dallas adopting a rest break ordinance, Councilmembers requested that the rest break topic to be sent to the Economic Development and Quality of Life and Environment Committees for consideration.

On December 1, 2014, at the Economic Development Committee meeting, staff provided an update on negotiations between the construction industry and the Workers Defense Project on recommendations for a rest break ordinance.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSION

Briefed to the Quality of Life and Environment Committee on June 23, 2014.

Briefed to City Council on September 3, 2014.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSION) (Continued)

Briefed to the Economic Development Committee on December 1, 2014.

Briefed to the Quality of Life and Environment Committee on January 26, 2015.

Briefed to the Economic Development Committee on February 2, 2015.

City Council authorized postponing the consideration of ordinances on March 4, 2015.

FISCAL INFORMATION

This action has no cost consideration to the City.

June 17, 2015

WHEREAS, the City Council seeks to protect the safety of construction workers; and

WHEREAS, construction workers deserve access to water, rest, and restrooms; and

WHEREAS, preventative safety and health measures can reduce the likelihood of costly accidents and injuries and avoiding such incidents will improve the delivery and execution of construction projects contracted with the City of Dallas; and

WHEREAS, safe conditions on construction projects contracted with the City of Dallas ensure the best value for Dallas taxpayers; and

WHEREAS, the incidence of heat-related injuries is greatly reduced by contractors implementing a heat illness prevention plan and ensuring that construction workers are allowed adequate rest breaks and given access to water and shade; and

WHEREAS, the City Council believes that workers on construction projects contracted with the City of Dallas should be given rest breaks that are adequate to prevent injuries and allowed access to water and shade as part of a heat illness prevention plan; and

WHEREAS, a rest break of no less than 10 minutes for every four hours worked, in addition to any meal break, is recommended to prevent injuries; and

WHEREAS, the Occupational Safety and Health Administration (OSHA) offers safety training courses; and

WHEREAS, the City Council desires to improve data-gathering on reported heat-related illnesses and injuries on construction projects through collaboration with other area governments and health agencies; **Now, Therefore,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager or his designee must ensure that the following requirements are included in the specifications for all new construction projects contracted with the City of Dallas:

- (a) that general contractors retained by the City implement a written heat illness prevention plan consistent with OSHA's Campaign to Prevent Heat Illness in Outdoor Workers recommendations;
- (b) that general contractors retained by the City require in their contracts with each subcontractor that the subcontractor follow the heat illness prevention plan set forth in Section (1)(A);

June 17, 2015

Section 1. (Continued)

- (c) that a supervisor who has received the OSHA 30-hour safety training provide a programmed, bilingual orientation session for all incoming workers, prior to beginning work, to explain the heat illness prevention plan, the need for rest breaks, and how to make complaints to the appropriate entity;
- (d) that signs regarding the heat illness prevention plan set forth in Section (1)(A) and how to make a complaint to the appropriate entity be erected on all constructions sites for City projects; and
- (e) that all general contractors retained by the City and their subcontractors provide to the City of Dallas a copy of the OSHA Injury and Illness Recordkeeping report when a heat-related incident occurs on a construction site for a City project.

Section 2. That the City Manager or his designee is instructed to collect and review data on all construction site injuries within the City. The data collected will include the construction site address, the nature of the illness or injury, and whether the individual was transported to a hospital. Data may be collected through the City's 911 operations, the Dallas Fire-Rescue Department, or any other City department. All information obtained from the Dallas Fire-Rescue Department or any other City department will be information that has been properly redacted in compliance with the requirements set forth by the Health Insurance Portability and Accountability Act of 1996, as amended (HIPAA).

Section 3. That the City Manager or his designee is instructed to initiate collaboration with Dallas County health agencies and emergency facilities to add construction worksite injuries as an additional data collection metric.

Section 4. That the City Manager or his designee is instructed to provide a report to the City Council regarding the results of data collection under Sections 2 and 3, and any data documenting the impact of the heat and safety orientation no later than April 30, 2016.

Section 5. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): 2
DEPARTMENT: Trinity Watershed Management
CMO: Mark McDaniel, 670-3256
MAPSCO: 46E

SUBJECT

Authorize acquisition, including the exercise of the right of eminent domain, if such becomes necessary, from Greenville Ross Partners, Ltd., of a subsurface easement under approximately 7,621 square feet of land located on Live Oak Street at its intersection with Haskell Avenue for the Mill Creek/Peaks Branch/State Thomas Drainage Relief Tunnel Project - Not to exceed \$28,911 (\$25,911 plus closing costs and title expenses not to exceed \$3,000) – Financing: General Obligation Commercial Paper Funds

BACKGROUND

This item is on the addendum to expedite the acquisition process in order to meet the project schedule.

This item authorizes the acquisition of a subsurface easement located under approximately 7,621 square feet of land from Greenville Ross Partners, Ltd. This property is located on Live Oak Street at its intersection with Haskell Avenue and will be used for the Mill Creek/Peaks Branch/ State Thomas Drainage Relief Tunnel Project. The consideration is based on an independent appraisal.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

2006 Bond Program (General Obligation Commercial Paper Funds) - \$28,911 (\$25,911 plus closing costs and title expenses not to exceed \$3,000)

OWNER

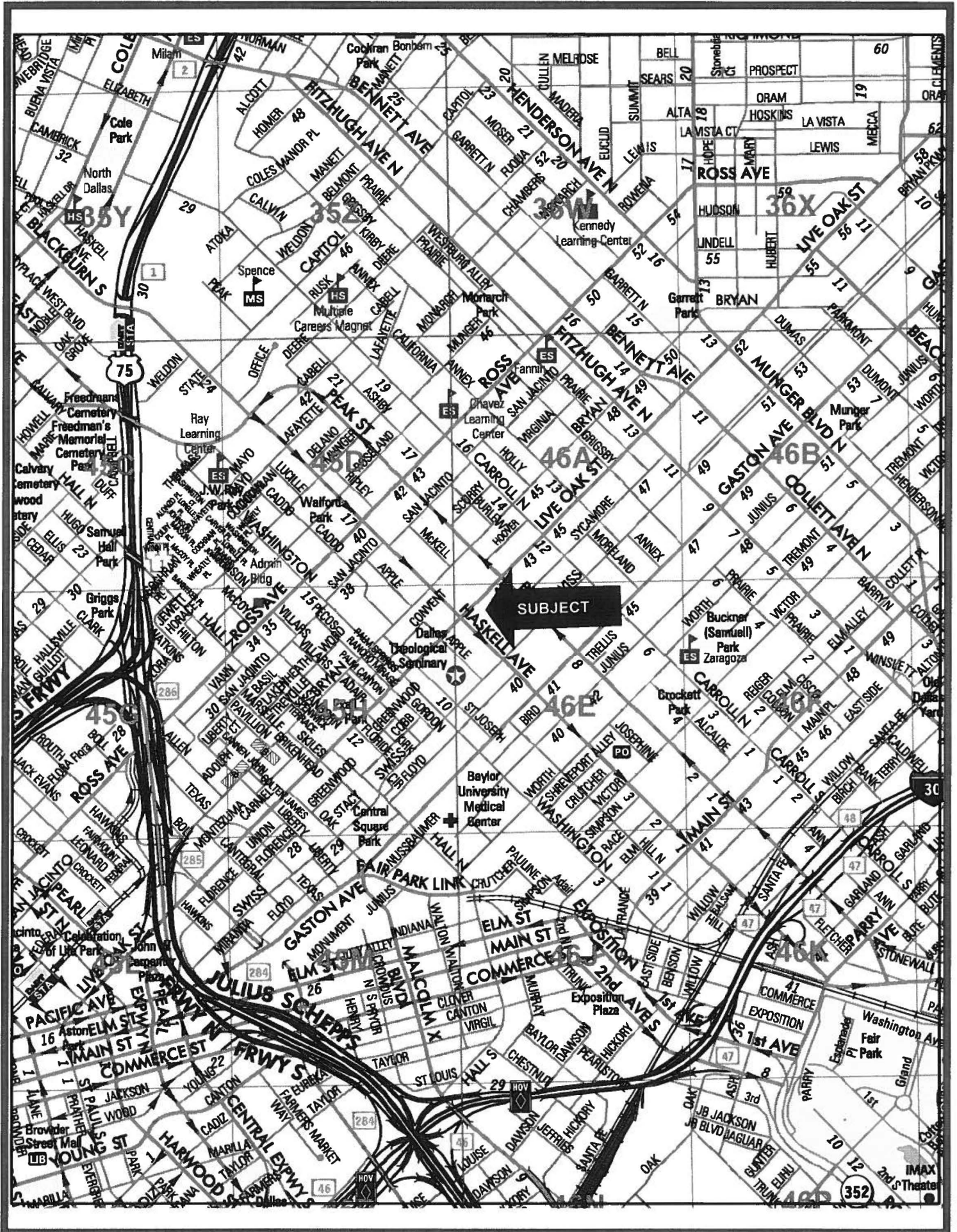
Greenville Ross Partners, Ltd.

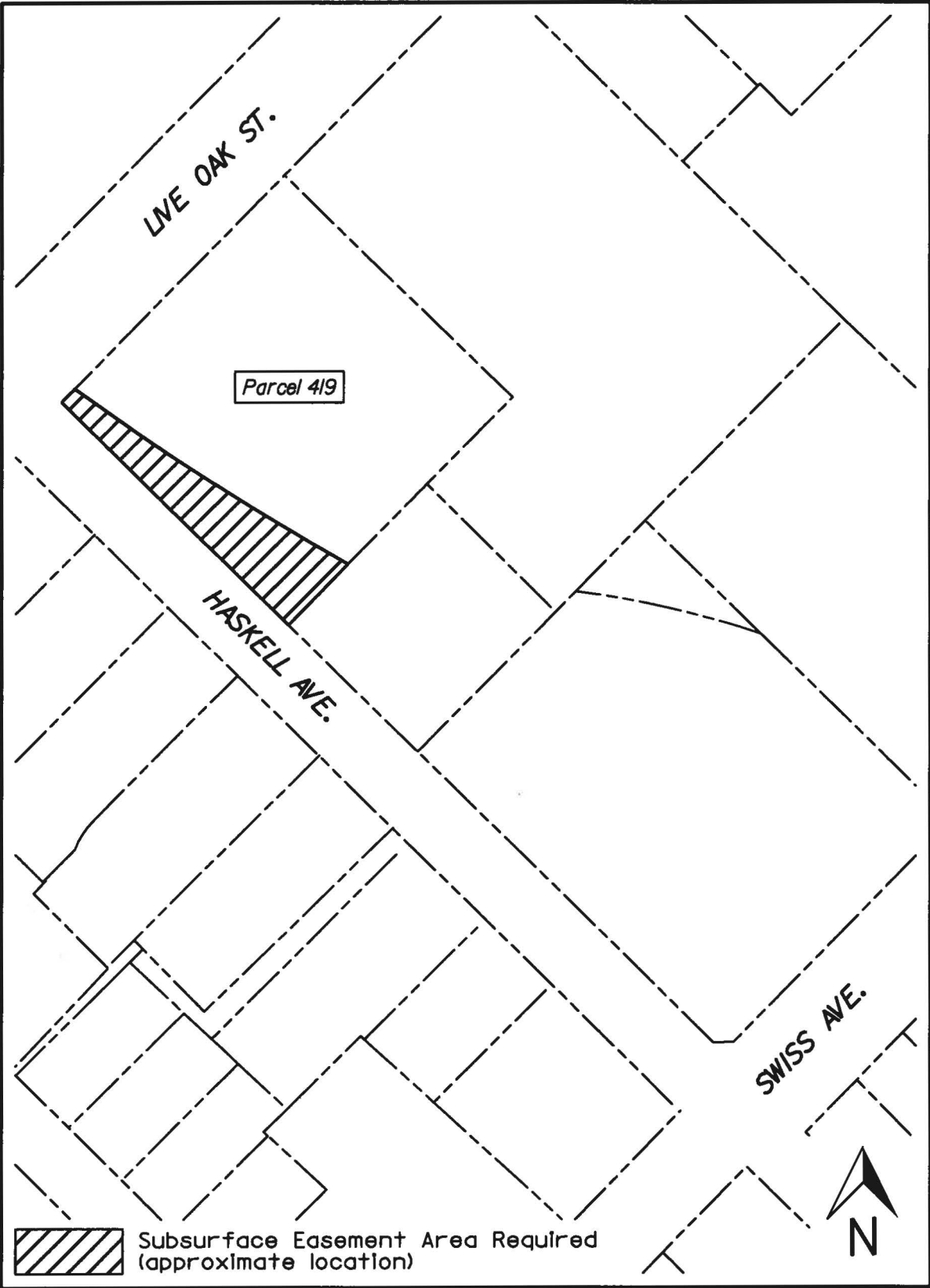
M&P LLC, General Partner

Mitchell Rasansky, Member

MAPS

Attached





LVE OAK ST.

Parcel 419

HASKELL AVE.

SWISS AVE.



Subsurface Easement Area Required
(approximate location)



June 17, 2015

A RESOLUTION DETERMINING UPON THE NECESSITY OF ACQUIRING REAL PROPERTY AND AUTHORIZING ITS APPROPRIATION AND/OR CONDEMNATION FOR PUBLIC USE.

DEFINITIONS: For the purposes of this resolution, the following definitions of terms shall apply:

"CITY": The City of Dallas

"PROPERTY": Located under approximately 7,621 square feet in area, lying between the subsurface elevations of 220 feet and 395 feet (U.S. Survey Feet), inclusive, North American Vertical Datum of 1988, located in Dallas County, Texas, the boundary of which property being more particularly described in "Exhibit A", attached hereto and made a part hereof for all purposes.

"PROJECT": Mill Creek/Peaks Branch/State Thomas Drainage Relief Tunnel Project

"USE": The below ground construction, installation, use, and maintenance of a deep tunnel for storage and transmission of storm drainage.

"PROPERTY INTEREST": Flood Control Tunnel Easement

"OWNER": Greenville Ross Partners, Ltd., provided, however, that the term "OWNER" as used in this resolution means all persons having an ownership interest, regardless of whether those persons are actually named herein.

"OFFER AMOUNT": \$25,911.00

"CLOSING COSTS AND TITLE EXPENSES": Not to exceed \$3,000.00

"AUTHORIZED AMOUNT": \$28,911.00

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the USE of the PROPERTY for the PROJECT is a public use.

SECTION 2. That public necessity requires that the CITY acquire the PROPERTY INTEREST in the PROPERTY for the PROJECT.

June 17, 2015

SECTION 3. That for the purpose of acquiring the PROPERTY INTEREST in the PROPERTY, the Assistant Director of the Department of Sustainable Development and Construction Department, Real Estate Division, or such person as she may designate, is hereby authorized and directed to offer the OFFER AMOUNT as payment for the PROPERTY INTEREST in the PROPERTY.

SECTION 4. That in the event the OWNER accepts the OFFER AMOUNT, the Chief Financial Officer is authorized and directed to draw a warrant in favor of the OWNER, the then current owner of record, or the title company closing the transaction described herein in the OFFER AMOUNT payable out of 2006 Bond Funds: Fund No. 3T23, Department TWM, Unit T525, Activity SDRS, Program No. PB06T525, Object 4210, Encumbrance No. CT- PBW06T525G80, CLOSING COSTS AND TITLE EXPENSES payable out of 2006 Bond Funds: Fund No. 3T23, Department TWM, Unit T525, Activity SDRS, Program No. PB06T525, Object 4230, Encumbrance No. CT- PBW06T525G81. The OFFER AMOUNT, CLOSING COSTS and TITLE EXPENSES together shall not exceed the AUTHORIZED AMOUNT.

SECTION 5. That the CITY is to have possession of the PROPERTY at closing; and the CITY will pay the CLOSING COSTS AND TITLE EXPENSES. In the event of condemnation, the CITY will pay costs as may be assessed by the Special Commissioners or the court. Further, that expenses determined by the City Attorney to be necessary are authorized for payment. All costs and expenses described in this section shall be paid from the previously described funds.

SECTION 6. That if the OWNER refuses to accept the OFFER AMOUNT, the CITY will appropriate the PROPERTY INTEREST in the PROPERTY for the PROJECT under the laws of eminent domain and the provisions of the Charter of the City of Dallas. In such case, the City Attorney is authorized and requested to file the necessary proceeding(s) and take the necessary action for the prompt acquisition of the PROPERTY INTEREST in the PROPERTY by condemnation or in any manner provided by law.

SECTION 7. That in the event it is subsequently determined that additional persons other than those named herein have an interest in the PROPERTY, the City Attorney is authorized and directed to join said parties as defendants in said condemnation proceedings or suit(s).

SECTION 8. That to the extent the PROPERTY is being purchased wholly or partly with bond proceeds CITY has obtained an independent appraisal of the PROPERTY'S market value.

SECTION 9. That OWNER has been provided with a copy of the Landowner's Bill of Rights as required by Texas Property Code Section 21.0112.

June 17, 2015

SECTION 10. That in the event the City Attorney files a condemnation proceeding because the OWNER refused to accept the OFFER AMOUNT; and in the event the special commissioners appointed by the Court return an award that is the same amount or less than the OFFER AMOUNT, the City Attorney is hereby authorized to deposit the award in the registry of the Court and to settle the condemnation proceeding, or if the condemnation proceeding becomes a lawsuit, the lawsuit, for an amount not to exceed the OFFER AMOUNT; and the Chief Financial Officer is hereby authorized to issue a check drawn on the previously described funds in an amount not to exceed the OFFER AMOUNT made payable to the County Clerk of Dallas County, to be deposited into the registry of the Court, to enable the CITY to take possession of the PROPERTY without further action of the Dallas City Council; and the Chief Financial Officer is hereby authorized to issue a check drawn on the previously described funds in an amount not to exceed \$3,000.00 for CLOSING COSTS AND TITLE EXPENSES in favor of the title company closing the transaction described herein. The Award, CLOSING COSTS AND TITLE EXPENSES together shall not exceed the AUTHORIZED AMOUNT.

SECTION 11. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM:
WARREN M. S. ERNST, City Attorney

BY


Assistant City Attorney

**FIELD NOTES DESCRIBING A 0.1749-ACRE (7,621-SQUARE-FOOT)
SUB-SURFACE DRAINAGE TUNNEL EASEMENT
CITY OF DALLAS DRAWING NO. 423R-54 (PARCEL 419)
PART OF CITY BLOCK 10/740, PEAK'S SUBURBAN ADDITION
JOHN GRIGSBY SURVEY, ABSTRACT NUMBER 495
CITY OF DALLAS, DALLAS COUNTY, TEXAS
FROM GREENVILLE ROSS PARTNERS, LTD.**

EXHIBIT A

BEING a 0.1749-acre (7,621-square-foot) tract of land situated in the City of Dallas and the John Grigsby Survey, Abstract Number 495, Dallas County, Texas, and being part of Block 10 (Official City of Dallas Block Number 10/740) of Peak's Suburban Addition, an addition to the City of Dallas recorded in Volume 45, Page 56 of the Deed Records of Dallas County, Texas, and being part of that certain tract of land conveyed to Greenville Ross Partners, Ltd. as evidenced by Special Warranty Deed recorded in Volume 2003019, Page 2515 of the Deed Records of Dallas County, Texas, and being more particularly described as follows:

(NOTE: Subsurface easement corners are not monumented.)

BEGINNING at the west corner of said Greenville Ross Partners tract and the west corner of City Block 10/740 at the intersection of the northeast line of Haskell Avenue, a variable width right-of-way, and the southeast line of Live Oak Street, an 80-foot right-of-way, having coordinates of N=6977028.7515, E=2497077.8888 (not monumented);

THENCE North 44 degrees 27 minutes 50 seconds East along the southeast line of Live Oak Street, the northwest line of said Greenville Ross Partners tract, and the northwest line of City Block 10/740 a distance of 13.13 feet to the beginning of a non-tangent curve to the left, having coordinates of N=6977038.1177, E=2497087.0813 (not monumented);

THENCE departing the common southeast line of Live Oak Street, northwest line of said Greenville Ross Partners tract, and northwest line of City Block 10/740, over and across said Greenville Ross Partners tract, along said curve to the left having a central angle of 06 degrees 40 minutes 32 seconds, a radius of 1955.00 feet, an arc length of 227.78 feet, a chord bearing South 57 degrees 15 minutes 33 seconds East a distance of 227.65 feet to the southeast line of said Greenville Ross Partners tract and the northwest line of that certain tract of land conveyed to SHG Resources, LP as evidenced by Special Warranty Deed recorded in Instrument Number 200600413699 of the Official Public Records of Dallas County, Texas, having coordinates of N=6976915.0124, E=2497278.5364 (not monumented);

THENCE South 44 degrees 27 minutes 50 seconds West along the common northwest line of said SHG Resources tract and southeast line of said Greenville Ross Partners tract a distance of 59.77 feet to the west corner of said SHG Resources tract and the south corner of said Greenville Ross Partners tract in the northeast line of Haskell Avenue and the southwest line of City Block 10/740 (not monumented), having coordinates of N=6976872.3621, E=2497236.6767;

THENCE North 45 degrees 26 minutes 10 seconds West along the common southwest line of said Greenville Ross Partners tract, northeast line of Haskell Avenue, and southwest line of City Block 10/740 a distance of 222.90 feet to the **POINT OF BEGINNING**;



**FIELD NOTES DESCRIBING A 0.1749-ACRE (7,621-SQUARE-FOOT)
SUB-SURFACE DRAINAGE TUNNEL EASEMENT
CITY OF DALLAS DRAWING NO. 423R-54 (PARCEL 419)
PART OF CITY BLOCK 10/740, PEAK'S SUBURBAN ADDITION
JOHN GRIGSBY SURVEY, ABSTRACT NUMBER 495
CITY OF DALLAS, DALLAS COUNTY, TEXAS
FROM GREENVILLE ROSS PARTNERS, LTD.**

EXHIBIT A

CONTAINING within the metes recited 0.1749 acre (7,621 square feet) of land, more or less.

Basis of Bearing is the State Plane Coordinate System, Texas North Central Zone (4202), North American Datum of 1983. All coordinates are state plane on grid. All distances are surface distances. Surface Adjustment Scale Factor: 1.0001365060.



Ronald W. Waldrip 10/15/13



FIELD NOTES APPROVED:

202 1/13/14

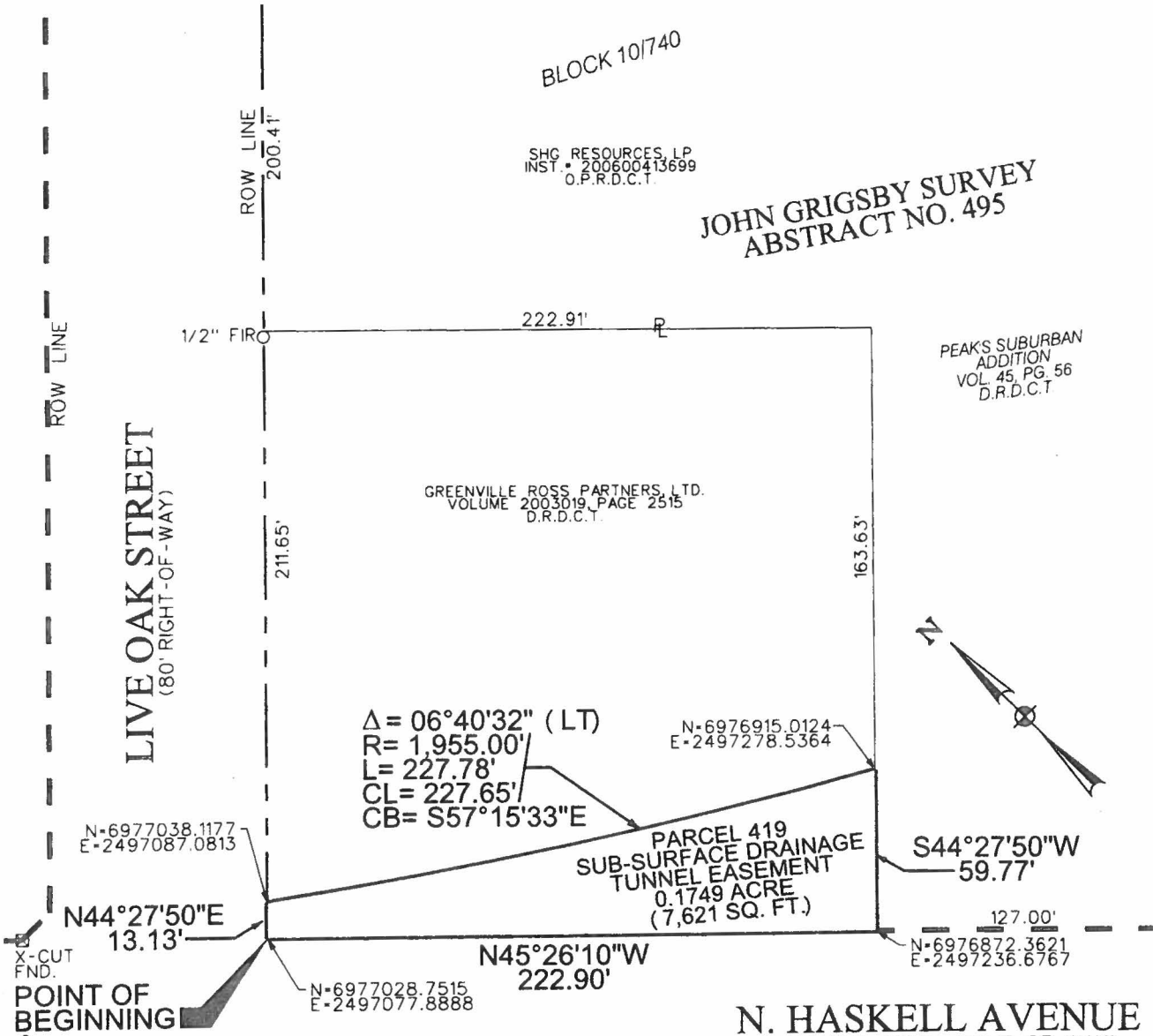
BLOCK 10/740

SHG RESOURCES, LP
INST. 200600413699
O.P.R.D.C.T.

JOHN GRIGSBY SURVEY
ABSTRACT NO. 495

PEAK'S SUBURBAN
ADDITION
VOL. 45, PG. 56
D.R.D.C.T.

GREENVILLE ROSS PARTNERS, LTD.
VOLUME 2003019, PAGE 2515
D.R.D.C.T.



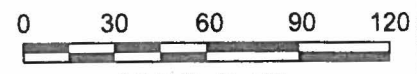
STATE OF TEXAS
REGISTERED
RONALD W. WALDRIP
4548
LAND SURVEYOR

Ronald W. Waldrip
10/15/13

DALLAS THEOLOGICAL
SEMINARY
INST. 200600228196
O.P.R.D.C.T.

DALLAS THEOLOGICAL SEMINARY
AND GRADUATE SCHOOL OF THEOLOGY
VOLUME 68, PG. 56, PAGE 1424
D.R.D.C.T.

N. HASKELL AVENUE
(VARIABLE WIDTH RIGHT-OF-WAY)



SCALE: 1"=60'

Basis of Bearing is the State Plane Coordinate System, Texas North Central Zone (4202), North American Datum of 1983. All coordinates are state plane on grid. All distances are surface distances. Surface Adjustment Scale Factor: 1.0001365060.

LEGEND	
	ROW LINE
	PROPERTY LINE
	LOT LINE
	SUBDIVISION LINE
	PROP. EASEMENT LINE
	IRON ROD
	X-CUT
	MONUMENT
	(C.M.) CONTROLLING MONUMENT
	FIR FOUND IRON ROD
	FIP FOUND IRON PIPE
	D.R.D.C.T. DEED RECORDS DALLAS COUNTY TEXAS
	O.P.R.D.C.T. OFFICIAL PUBLIC RECORDS DALLAS COUNTY TEXAS

NOTE: SUBSURFACE EASEMENT CORNERS ARE NOT MONUMENTED

SUB-SURFACE DRAINAGE TUNNEL EASEMENT
CITY OF DALLAS DRAWING NO. 423R-54 (PARCEL 419)
PART OF CITY BLOCK 10/740
OF PEAK'S SUBURBAN ADDITION
JOHN GRIGSBY SURVEY, ABSTRACT NUMBER 495
CITY OF DALLAS, DALLAS COUNTY, TEXAS

ARS Engineers, Inc.
12801 N. Central Expressway, Suite 1250
Dallas, Texas 75243
Surv. Firm No. 10131900 (214) 739-3152 Fax (214) 739-3169

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): 14
DEPARTMENT: Trinity Watershed Management
CMO: Mark McDaniel, 670-3256
MAPSCO: 45D

SUBJECT

Authorize acquisition, including the exercise of the right of eminent domain, if such becomes necessary, from John D. Crocker, Jr., Jason D. Rothstein, Ryan M. Haggerty, Patrick Robert Skillin, and Carolyn Lacy Miller, of a subsurface easement under approximately 4,889 square feet of land located on Haskell Avenue near its intersection with Bryan Street for the Mill Creek/Peaks Branch/State Thomas Drainage Relief Tunnel Project - Not to exceed \$21,090 (\$18,090 plus closing costs and title expenses not to exceed \$3,000) – Financing: General Obligation Commercial Paper Funds

BACKGROUND

This item is on the addendum to expedite the acquisition process in order to meet the project schedule.

This item authorizes the acquisition of a subsurface easement located under approximately 4,889 square feet of land, from John D. Crocker, Jr., Jason D. Rothstein, Ryan M. Haggerty, Patrick Robert Skillin, and Carolyn Lacy Miller. This property is located on Haskell Avenue near its intersection with Bryan Street and will be used for the Mill Creek/Peaks Branch/ State Thomas Drainage Relief Tunnel Project. The consideration is based on an independent appraisal.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

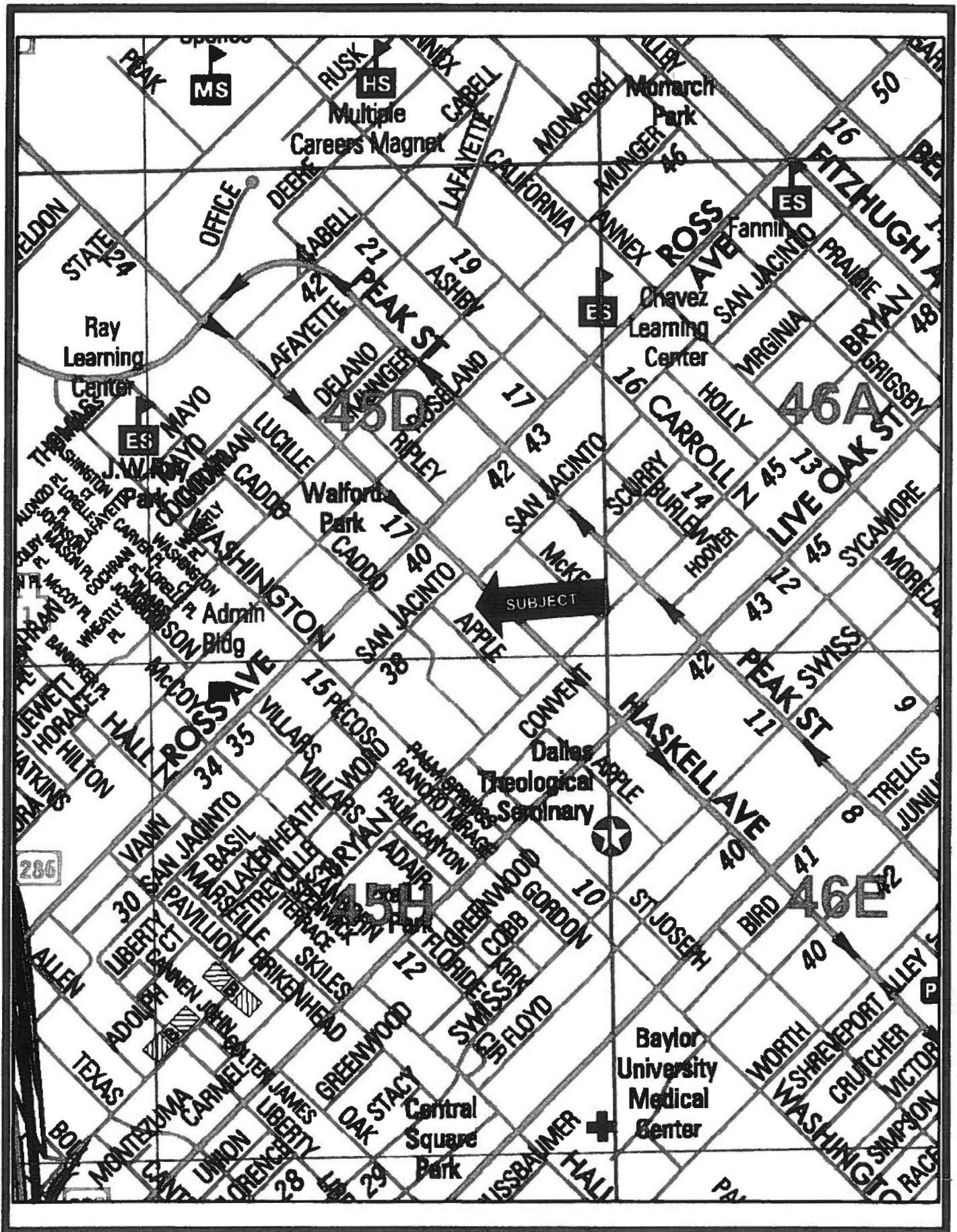
2006 Bond Program (General Obligation Commercial Paper Funds) - \$21,090 (\$18,090, plus closing costs and title expenses not to exceed \$3,000)

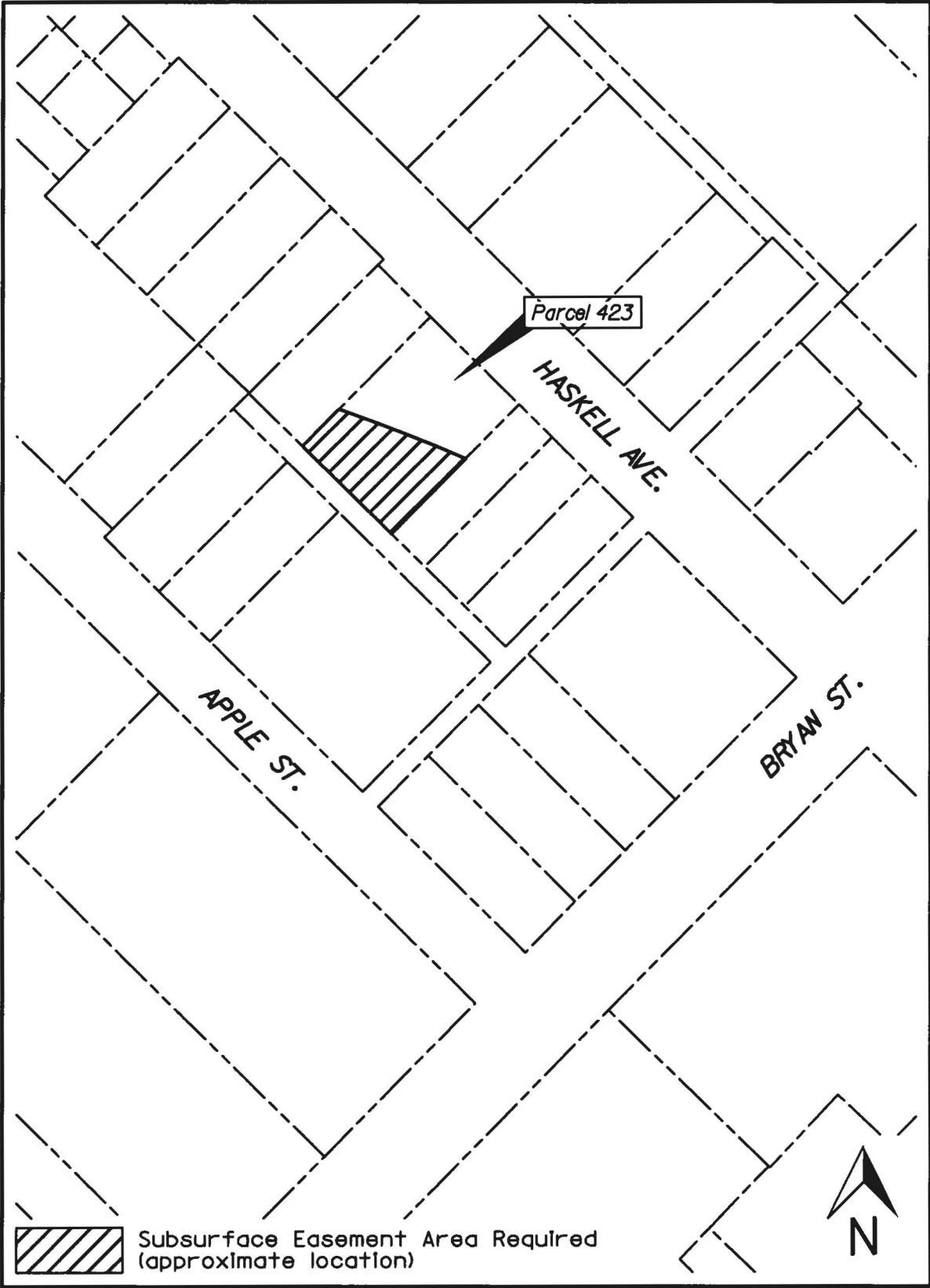
OWNERS

John D. Crocker, Jr.
Jason D. Rothstein
Ryan M. Haggerty
Patrick Robert Skillin
Carolyn Lacy Miller

MAPS

Attached





Parcel 423

HASKELL AVE.

APPLE ST.

BRYAN ST.



Subsurface Easement Area Required (approximate location)



June 17, 2015

A RESOLUTION DETERMINING UPON THE NECESSITY OF ACQUIRING REAL PROPERTY AND AUTHORIZING ITS APPROPRIATION AND/OR CONDEMNATION FOR PUBLIC USE.

DEFINITIONS: For the purposes of this resolution, the following definitions of terms shall apply:

"CITY": The City of Dallas

"PROPERTY": Located under approximately 4,889 square feet in area, lying between the subsurface elevations of 225 feet and 399 feet (U.S. Survey Feet), inclusive, North American Vertical Datum of 1988, located in Dallas County, Texas, the boundary of which property being more particularly described in "Exhibit A", attached hereto and made a part hereof for all purposes.

"PROJECT": Mill Creek/Peaks Branch/State Thomas Drainage Relief Tunnel Project

"USE": The below ground construction, installation, use, and maintenance of a deep tunnel for storage and transmission of storm drainage.

"PROPERTY INTEREST": Flood Control Tunnel Easement

"OWNER": John D. Crocker, Jr., Jason D. Rothstein, Ryan M. Haggerty, Patrick Robert Skillin, and Carolyn Lacy Miller, provided, however, that the term "OWNER" as used in this resolution means all persons having an ownership interest, regardless of whether those persons are actually named herein.

"OFFER AMOUNT": \$18,090.00

"CLOSING COSTS AND TITLE EXPENSES": Not to exceed \$3,000.00

"AUTHORIZED AMOUNT": \$21,090.00

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the USE of the PROPERTY for the PROJECT is a public use.

SECTION 2. That public necessity requires that the CITY acquire the PROPERTY INTEREST in the PROPERTY for the PROJECT.

June 17, 2015

SECTION 3. That for the purpose of acquiring the PROPERTY INTEREST in the PROPERTY, the Assistant Director of the Department of Sustainable Development and Construction Department, Real Estate Division, or such person as she may designate, is hereby authorized and directed to offer the OFFER AMOUNT as payment for the PROPERTY INTEREST in the PROPERTY.

SECTION 4. That in the event the OWNER accepts the OFFER AMOUNT, the Chief Financial Officer is authorized and directed to draw a warrant in favor of the OWNER, the then current owner of record, or the title company closing the transaction described herein in the OFFER AMOUNT payable out of 2006 Bond Funds: Fund No. 3T23, Department TWM, Unit T525, Activity SDRS, Program No. PB06T525, Object 4210, Encumbrance No. CT- PBW06T525G84, CLOSING COSTS AND TITLE EXPENSES payable out of 2006 Bond Funds: Fund No. 3T23, Department TWM, Unit T525, Activity SDRS, Program No. PB06T525, Object 4230, Encumbrance No. CT- PBW06T525G85. The OFFER AMOUNT, CLOSING COSTS and TITLE EXPENSES together shall not exceed the AUTHORIZED AMOUNT.

SECTION 5. That the CITY is to have possession of the PROPERTY at closing; and the CITY will pay the CLOSING COSTS AND TITLE EXPENSES. In the event of condemnation, the CITY will pay costs as may be assessed by the Special Commissioners or the court. Further, that expenses determined by the City Attorney to be necessary are authorized for payment. All costs and expenses described in this section shall be paid from the previously described funds.

SECTION 6. That if the OWNER refuses to accept the OFFER AMOUNT, the CITY will appropriate the PROPERTY INTEREST in the PROPERTY for the PROJECT under the laws of eminent domain and the provisions of the Charter of the City of Dallas. In such case, the City Attorney is authorized and requested to file the necessary proceeding(s) and take the necessary action for the prompt acquisition of the PROPERTY INTEREST in the PROPERTY by condemnation or in any manner provided by law.

SECTION 7. That in the event it is subsequently determined that additional persons other than those named herein have an interest in the PROPERTY, the City Attorney is authorized and directed to join said parties as defendants in said condemnation proceedings or suit(s).

SECTION 8. That to the extent the PROPERTY is being purchased wholly or partly with bond proceeds CITY has obtained an independent appraisal of the PROPERTY'S market value.

SECTION 9. That OWNER has been provided with a copy of the Landowner's Bill of Rights as required by Texas Property Code Section 21.0112.

June 17, 2015

SECTION 10. That in the event the City Attorney files a condemnation proceeding because the OWNER refused to accept the OFFER AMOUNT; and in the event the special commissioners appointed by the Court return an award that is the same amount or less than the OFFER AMOUNT, the City Attorney is hereby authorized to deposit the award in the registry of the Court and to settle the condemnation proceeding, or if the condemnation proceeding becomes a lawsuit, the lawsuit, for an amount not to exceed the OFFER AMOUNT; and the Chief Financial Officer is hereby authorized to issue a check drawn on the previously described funds in an amount not to exceed the OFFER AMOUNT made payable to the County Clerk of Dallas County, to be deposited into the registry of the Court, to enable the CITY to take possession of the PROPERTY without further action of the Dallas City Council; and the Chief Financial Officer is hereby authorized to issue a check drawn on the previously described funds in an amount not to exceed \$3,000.00 for CLOSING COSTS AND TITLE EXPENSES in favor of the title company closing the transaction described herein. The Award, CLOSING COSTS AND TITLE EXPENSES together shall not exceed the AUTHORIZED AMOUNT.

SECTION 11. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM:
WARREN M. S. ERNST, City Attorney

BY 
Assistant City Attorney

**FIELD NOTES DESCRIBING A 0.1122-CRE (4,889-SQUARE-FOOT)
SUB-SURFACE DRAINAGE TUNNEL EASEMENT
CITY OF DALLAS DRAWING NO. 423R-54 (PARCEL 423)
PART OF LOT 10A, CITY BLOCK 2/645
DWELLING AT HASKELL, AN ADDITION TO THE CITY OF DALLAS
JOHN GRIGSBY SURVEY, ABSTRACT NUMBER 495
DALLAS COUNTY, TEXAS
FROM THE DWELLINGS AT HASKELL, INC.**

EXHIBIT A

BEING a 0.1122-acre (4,889-square-foot) tract of land situated in the City of Dallas and the John Grigsby Survey, Abstract Number 495, Dallas County, Texas, and being part of Lot 10A, City Block 2/645, Dwelling at Haskell, an addition to the City of Dallas as evidenced by Final Plat recorded in Instrument Number 20070154574 of the Official Public Records of Dallas County, Texas and being part of that certain tract of land conveyed to The Dwellings at Haskell, Inc. as evidenced by General Warranty Deed recorded in Instrument Number 20070163382 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

(NOTE: Subsurface easement corners are not monumented.)

BEGINNING in the northeast line of a 15-foot wide alley at the south corner of Lot 14, Block 2 (Official City of Dallas Block Number 2/645) of the Convent Addition, an addition to the City of Dallas recorded in Volume 93, Page 628 of the Map Records of Dallas County, Texas, same being the west corner of said Lot 10A and the west corner of said Dwelling at Haskell addition, having coordinates of N=6977580.4571, E=2496260.8636 (not monumented);

THENCE North 44 degrees 30 minutes 49 seconds East along the common northwest line of said Lot 10A, northwest line of said Dwelling at Haskell addition, and southeast line of Lot 14 a distance of 36.50 feet to the beginning of a non-tangent curve to the right, having coordinates of N=6977606.4840, E=2496286.4524 (not monumented);

THENCE departing the common northwest line of said Lot 10A, northwest line of said Dwelling at Haskell addition, and southeast line of Lot 14, over and across said Lot 10A and said Dwelling at Haskell addition, along said curve to the right having a central angle of 03 degrees 46 minutes 18 seconds, a radius of 1445.00 feet, an arc length of 95.12 feet, a chord bearing South 68 degrees 33 minutes 07 seconds East a distance of 95.10 feet to the southeast line of said Lot 10A and the southeast line of said Dwelling at Haskell addition, having coordinates of N=6977571.7140, E=2496374.9567 (not monumented);

THENCE South 44 degrees 30 minutes 49 seconds West along the common southeast line of said Lot 10A and the southeast line of said Dwelling at Haskell addition a distance of 74.11 feet to the south corner of said Lot 10A and the south corner of said Dwelling at Haskell addition in the northeast line of said 15-foot alley, having coordinates of N=6977518.8743, E=2496323.0064;

THENCE North 45 degrees 15 minutes 34 seconds West along the common northeast line of said 15-foot alley, the southwest line of said Lot 10A, and the southwest line said Dwelling at Haskell addition a distance of 87.50 feet to the **POINT OF BEGINNING**;



FIELD NOTES APPROVED:

DEAR 1/13/14

FIELD NOTES DESCRIBING A 0.1122-CRE (4,889-SQUARE-FOOT)
SUB-SURFACE DRAINAGE TUNNEL EASEMENT
CITY OF DALLAS DRAWING NO. 423R-54 (PARCEL 423)
PART OF LOT 10A, CITY BLOCK 2/645
DWELLING AT HASKELL, AN ADDITION TO THE CITY OF DALLAS
JOHN GRIGSBY SURVEY, ABSTRACT NUMBER 495
DALLAS COUNTY, TEXAS
FROM THE DWELLINGS AT HASKELL, INC.

EXHIBIT A

CONTAINING within the metes recited 0.1122 acre (4,889 square feet) of land, more or less.

Basis of Bearing is the State Plane Coordinate System, Texas North Central Zone (4202), North American Datum of 1983. All coordinates are state plane on grid. All distances are surface distances. Surface Adjustment Scale Factor: 1.0001365060.

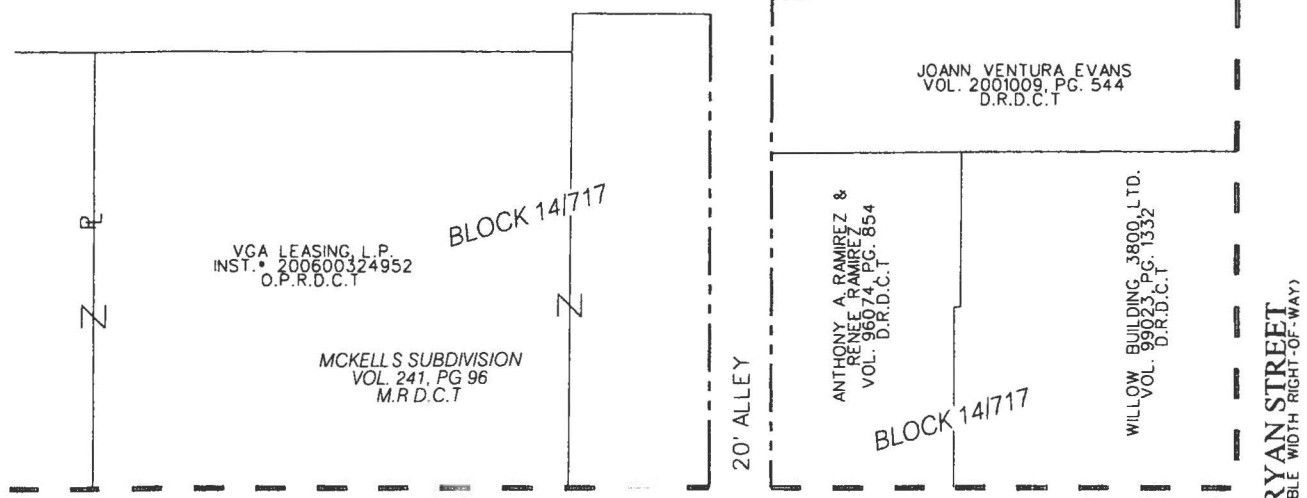


Ronald W. Walker 10/15/13



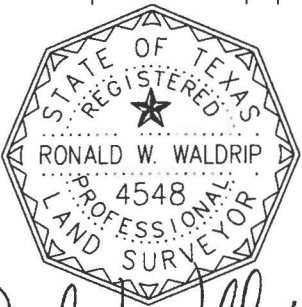
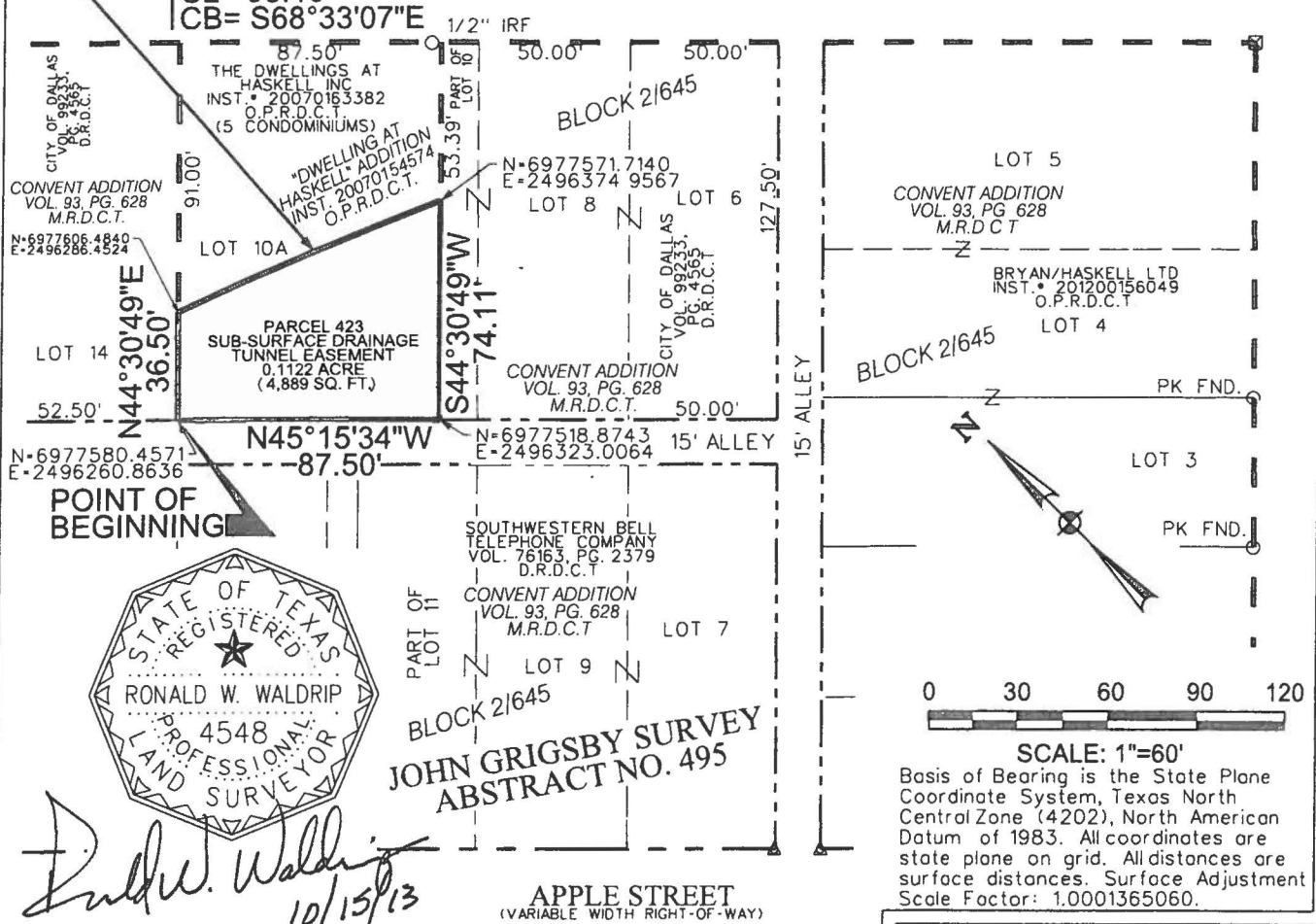
FIELD NOTES APPROVED:

RWR 1/13/14



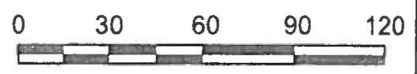
$\Delta = 03^\circ 46' 18''$ (RT)
 $R = 1,445.00'$
 $L = 95.12'$
 $CL = 95.10'$
 $CB = S68^\circ 33' 07'' E$

N. HASKELL AVENUE
 (VARIABLE WIDTH RIGHT-OF-WAY)



Ronald W. Waldrup
10/15/13

JOHN GRIGSBY SURVEY
ABSTRACT NO. 495



SCALE: 1"=60'
 Basis of Bearing is the State Plane Coordinate System, Texas North Central Zone (4202), North American Datum of 1983. All coordinates are state plane on grid. All distances are surface distances. Surface Adjustment Scale Factor: 1.0001365060.

LEGEND

	ROW LINE	(C.M.)	CONTROLLING MONUMENT
	PROPERTY LINE	FIR	FOUND IRON ROD
	LOT LINE	FIP	FOUND IRON PIPE
	SUBDIVISION LINE	D.R.D.C.T	DEED RECORDS DALLAS COUNTY TEXAS
	PROP. EASEMENT LINE	O.P.R.D.C.T	OFFICIAL PUBLIC RECORDS DALLAS COUNTY TEXAS
	IRON ROD		
	X-CUT MONUMENT		

NOTE: SUBSURFACE EASEMENT CORNERS ARE NOT MONUMENTED

SUB-SURFACE DRAINAGE TUNNEL EASEMENT
 CITY OF DALLAS DRAWING NO. 423R-54 (PARCEL 423)
 PART OF LOTS 10A, CITY BLOCK 21645,
 DWELLING AT HASKELL,
 AN ADDITION TO THE CITY OF DALLAS
 JOHN GRIGSBY SURVEY, ABSTRACT NUMBER 495
 CITY OF DALLAS DALLAS COUNTY, TEXAS

ARS Engineers, Inc.
 12801 N Central Expressway, Suite 1250
 Dallas Texas 75243
 (214) 739-3152 Fax (214) 739-3169

KEY FOCUS AREA: Public Safety

AGENDA DATE: June 17, 2015

COUNCIL DISTRICT(S): ALL

DEPARTMENT: Business Development & Procurement Services
Aviation
Code Compliance
Convention and Event Services
Equipment & Building Services
Fire
Library
Office of Cultural Affairs
Park & Recreation
Sanitation Services
Trinity Watershed Management
Water Utilities

CMO: Jeanne Chipperfield, 670-7804
Ryan S. Evans, 671-9837
Joey Zapata, 670-3009
Jill A. Jordan, P.E., 670-5299
Eric Campbell, 670-3255
Willis Winters, 670-4071
Mark McDaniel, 670-3256

MAPSCO: ALL

SUBJECT

Authorize a four-year service contract to provide armed and unarmed security guards to patrol and protect City facilities - Allied Barton Security Services, LLC in the amount of \$39,502,031, Ruiz Protective Service, Inc. in the amount of \$15,192,300 and Norred & Associates, Inc. in the amount of \$3,402,492, most advantageous proposers of eleven - Total not to exceed \$58,096,822 - Financing: Current Funds (\$15,933,236), Golf Improvement Funds (\$1,635,130), Convention and Event Services Current Funds (\$16,094,571), Water Utilities Current Funds (\$14,224,439), Aviation Current Funds (\$9,183,021) and Stormwater Drainage Management Current Funds (\$1,026,425) (subject to annual appropriations)

BACKGROUND

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis.

BACKGROUND (Continued)

This service contract will provide armed and unarmed security guards to patrol and protect approximately 225 City facilities.

Security guard duties under this contract include, but are not limited to, the following:

- Monitor and respond to building security and fire system equipment
- Patrol by vehicle and/or on foot in accordance with established routes and schedules
- Observe visitors for compliance with facility rules and regulations
- Intercept persons attempting to gain unauthorized access
- Respond to conditions or circumstances that pose a potential hazard or danger to personnel or property
- Provide comprehensive inspections and ensure all assigned facilities and/or equipment are secure

Security guards are strategic in the operation and surveillance of security at Love Field and Executive airports and are required to verify personnel and vehicle identification at restricted area access points in compliance with Transportation Security Administration (TSA) regulations. Additional duties also include monitoring of parking and traffic flow within the airport, inspecting vehicles, airfield construction security and assisting passengers.

Various Water Utilities locations, Kay Bailey Hutchison Convention Center Dallas, Love Field and Executive airports are City facilities that are prone to threats of attack due to their high visibility and the likely impact on Homeland Security. Due to these threats, it has become increasingly necessary to provide and maintain armed and unarmed security guards to prevent any security breach, suspicious activities, hazardous conditions or other situations observed that could pose a threat.

This service contract will provide security guards at City facilities such as:

- Dallas Love Field, Executive Airport and associated parking facilities
- Library branches (28)
- Park and Recreation facilities, to include Fair Park
- Water Utilities locations including treatment plants and pumping facilities (33)
- Kay Bailey Hutchison Convention Center
- Office of Cultural Affairs facilities (9)
- Trinity Watershed facilities (3)
- Dallas Fire-Rescue Dolphin Road facilities
- McCommas Bluff Landfill

BACKGROUND (Continued)

Security guards for this service contract will be mobile, site-specific, armed or unarmed, depending on the needs of individual facilities. The contracted security companies are licensed by the State of Texas as security contractors, and all guard personnel performing duties under this contract will have completed a training program and will be certified by the State of Texas prior to assignment.

An eight member committee from the following departments reviewed and evaluated the proposals:

- Business Development & Procurement Services (2)*
- Equipment and Building Services (1)
- Convention and Event Services (1)
- Aviation (1)
- Water Utilities (1)
- Park and Recreation (1)
- Office of Cultural Affairs (1)

*Business Development and Procurement Services only evaluated the Business Inclusion and Development Plan and cost.

The successful proposers were selected by the committee on the basis of demonstrated competence and qualifications under the following criteria:

- Experience and qualifications 35%
- Cost 30%
- Work Plan 20%
- Business Inclusion and Development Plan 15%

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services used its procurement system to send out 722 email bid notifications to vendors registered under respective commodities. To further increase competition, Business Development and Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the Business Development and Procurement Services' ResourceLink Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 13, 2011, City Council authorized a four year service contract to provide armed and unarmed security guards to patrol and protect City facilities by Resolution No. 11-0907.

On April 22, 2015, City Council authorized supplemental agreement no. 1 to the service contract for armed and unarmed security guards to patrol and protect City facilities, to extend the term from April 30, 2015 through July 30, 2015, by Resolution No. 15-0750.

On June 1, 2015, the Budget, Finance and Audit Committee was briefed via memorandum.

On June 10, 2015, this item was deferred by Councilmember Callahan.

On June 15, 2015 this item is scheduled to be briefed to the Budget Finance & Audit Committee.

FISCAL INFORMATION

\$15,933,235.88 - Current Funds (subject to annual appropriations)

\$16,094,570.96 - Convention and Event Services Current Funds (subject to annual appropriations)

\$14,224,438.80 - Water Utilities Current Funds (subject to annual appropriations)

\$ 9,183,020.82 - Aviation Current Funds (subject to annual appropriations)

\$ 1,635,130.00 - Golf Improvement Funds (subject to annual appropriations)

\$ 1,026,425.20 - Stormwater Drainage Management Current Funds (subject to annual appropriations)

M/WBE INFORMATION

81 - Vendors contacted

77 - No response

4 - Response (Bid)

0 - Response (No bid)

1 - Successful

722 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardees have fulfilled the requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

Allied Barton Security Services, LLC

White Male	408	White Female	78
Black Male	364	Black Female	195
Hispanic Male	104	Hispanic Female	42
Other Male	29	Other Female	10

Ruiz Protective Service, Inc.

White Male	43	White Female	18
Black Male	57	Black Female	53
Hispanic Male	102	Hispanic Female	29
Other Male	24	Other Female	11

Norred & Associates, Inc.

White Male	216	White Female	76
Black Male	460	Black Female	310
Hispanic Male	20	Hispanic Female	9
Other Male	1	Other Female	2

PROPOSAL INFORMATION

The following proposals were received from solicitation number BVZ1506 and were opened on March 19, 2015. These service contracts are being awarded to the most advantageous proposers by group. Information related to this solicitation is available upon request

*Denotes successful proposers

<u>Proposers</u>	<u>Address</u>	<u>Amount</u>
*Allied Barton Security Services, LLC	3030 LBJ Fwy. Suite 800 Dallas, TX 75234	Multiple Groups**
*Ruiz Protective Service, Inc.	2646 Andjon Dr. Dallas, TX 75220	Multiple Groups
*Norred & Associates, Inc.	1003 Virginia Ave. Suite 200 Atlanta, GA 30354	Multiple Groups

PROPOSAL INFORMATION (Continued)

<u>Proposers</u>	<u>Address</u>	<u>Amount</u>
Kent Security of Texas, Inc.	3530 Forest Ln. Suite 3000 Dallas, TX 75234	Multiple Groups**
Giadolor Holdings, Inc. dba Dog World Services	351 W. Jefferson Blvd. Suite 200 Dallas, TX 75208	Multiple Groups**
U.S. Security Associates, Inc.	200 Mansell Ct. 5th Floor Roswell, GA 30076	Multiple Groups
Twin City Security, Inc.	8131 LBJ Fwy. Suite 125 Dallas, TX 75251	Multiple Groups**
Champion National Security, Inc.	1616 Gateway Blvd. Richardson, TX 75080	Multiple Groups**
Cooley's Security Service	924 St. George Pl. Desoto, TX 75115	Multiple Groups**
ORJR, Inc. dba Texas Professional Security Services	2351 W. Northwest Hwy. Suite 3250 Dallas, TX 75220	Multiple Groups
Andy Frain Services, Inc.	3215 McKinney St. Houston, TX 77003	Multiple Groups

**Twin City Security, Inc., Kent Security of Texas, Inc., Champion National Security, Inc. Cooley's Security Service and Dog World Services were deemed non responsive for Group V - Aviation due to not meeting the specifications.

**Allied Barton Security Services, LLC and the City could not come to final terms on Group VII - Equipment and Building Services.

OWNERS

Allied Barton Security Services, LLC

Carol Johnson, President
David I. Buckman, Secretary
William A. Torzolini, Treasurer

Ruiz Protective Service, Inc.

Hector Ruiz, President
Rob Minnis, Vice President
Sharon Vaughn, Secretary
Hector Ruiz, Treasurer

Norred & Associates, Inc.

Jeff Bohling, President

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a four-year service contract to provide armed and unarmed security guards to patrol and protect City facilities - Allied Barton Security Services, LLC in the amount of \$39,502,031, Ruiz Protective Service, Inc. in the amount of \$15,192,300 and Norred & Associates, Inc. in the amount of \$3,402,492, most advantageous proposers of eleven - Total not to exceed \$58,096,822 - Financing: Current Funds (\$15,933,236), Golf Improvement Funds (\$1,635,130), Convention and Event Services Current Funds (\$16,094,571), Water Utilities Current Funds (\$14,224,439), Aviation Current Funds (\$9,183,021) and Stormwater Drainage Management Current Funds (\$1,026,425) (subject to annual appropriations)

Allied Barton Security Services, LLC., is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and propose to use the following sub-contractors. Ruiz Protective Service, Inc., is a local, minority firm, has signed the "Business Inclusion & Development" documentation, and propose to use the following sub-contractors. Norred & Associates, Inc., is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and propose to use the following sub-contractors.

PROJECT CATEGORY: Other Services

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$53,180,712.32	91.54%
Total non-local contracts	\$4,916,109.34	8.46%
TOTAL CONTRACT	\$58,096,821.66	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
De'Leon Protective Services	HFDB63123Y0915	\$2,270,426.25	4.27%
Ruiz Protective Services	HMDB63116Y0915	\$11,408,255.49	21.45%
Houston Harris Patrol Division	HMMB56161N0516	\$9,401,483.26	17.68%
Total Minority - Local		\$23,080,165.00	43.40%

Non-Local Contractors / Sub-Contractors

<u>Non-local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
National Security & Protective Services	BMDB6457Y0316	\$1,235,104.54	25.12%
Carrizal & Associates	HMMB4928N0915	\$1,513,617.50	30.79%
Total Minority - Non-local		\$2,748,722.04	55.91%

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$1,235,104.54	2.13%
Hispanic American	\$23,080,165.00	43.40%	\$24,593,782.50	42.33%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$23,080,165.00	43.40%	\$25,828,887.04	44.46%

June 17, 2015

WHEREAS, on April 13, 2011, City Council authorized a four-year service contract to provide armed and unarmed security guards to patrol and protect City facilities by Resolution No. 11-0907; and,

WHEREAS, on April 22, 2015, City Council authorized supplemental agreement no. 1 to the service contract for armed and unarmed security guards to patrol and protect City facilities, to extend the term from April 30, 2015 through July 30, 2015, by Resolution No. 15-0750;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is authorized to execute a contract with Allied Barton Security Services, LLC (VS0000019041) in the amount of \$39,502,030.58, Ruiz Protective Service, Inc. (354861) in the amount of \$15,192,299.24 and Norred & Associates, Inc. (VS0000078855) in the amount of \$3,402,491.84 to provide armed and unarmed security guards to patrol and protect City facilities for a term of four years in a total amount not to exceed \$58,096,821.66, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Allied Barton Security Services, LLC, Ruiz Protective Service, Inc. and Norred & Associates, Inc. shall be based only upon the amount of the services directed to be performed by the City and properly performed by Allied Barton Security Services, LLC, Ruiz Protective Service, Inc. and Norred & Associates, Inc. under the contract.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$58,096,821.66 (subject to annual appropriations).

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Culture, Arts, Recreation, & Education

AGENDA DATE: June 17, 2015

COUNCIL DISTRICT(S): 7

DEPARTMENT: Park & Recreation

CMO: Willis Winters, 670-4071

MAPSCO: N/A

SUBJECT

Authorize a Second Amendment to the lease and use agreement (“Agreement”) between Live Nation Worldwide, Inc. hereinafter referred to as "Live Nation" (formerly known as MCA/PACE Amphitheatres Group, L.P. and Pace Amphitheatres Inc.) and the City of Dallas, in accordance with the following terms: **(1)** to the extent Live Nation elects to undertake the improvements up to \$8,000,000 as described in the Second Amendment, and in consideration of Live Nation’s design, construction, and performance of the Improvements and securing financing, the City hereby agrees to reduce the total annual rent due and payable to City under the Agreement for the amount equal to or the lesser of (i) the actual costs of the Improvements (“Project Costs”) or (ii) ~~\$7,000,000~~ \$6,500,000 (such reduction to the rents due is the “Rent Credit”), upon recovery of all of the Rent Credit, Live Nation shall resume all of the rental obligations under the Agreement; the Rent Credit will be taken in annual installments of \$500,000 annually (subject to only adjustment for any carry forward deficiencies resulting from the lack of total rent payable or available) credited by City against the rents payable by Live Nation until the full amount of the Rent Credit is realized; **(2)** increase the current “Additional Rental”, as defined in the agreement, from \$.15 per sold admission ticket to \$.20; ~~and~~ **(3)** exercise their second ten-year option, extending the agreement through December 31, 2028; **(4)** guaranteed annual rent to increase on January 1, 2017 to \$500,000 per year and to increase on January 1, 2023 to \$550,000 per year; and **(5)** all categories and tranches of percentage rent to increase on January 1, 2017 by .5 percent – Estimated Revenue: ~~\$9,658,970~~ \$11,716,918

BACKGROUND

The Amphitheatre Tract known as Gexa Energy Pavilion is a City owned facility at Fair Park managed and operated by Live Nation. The Agreement between the City of Dallas and Pace Entertainment Group, Inc. was entered into on December 9, 1987. An amendment to the Agreement was entered into on June 14, 1989. The term of the Agreement was twenty years, with two ten-year renewal options. The initial term was set to expire on December 31, 2008. However, on September 26, 2007 Live Nation served notice exercising the first ten-year option extending the Agreement to December 31, 2018.

Live Nation is responsible for operating and managing the Gexa Energy Pavilion as a concert facility and hosted 31 shows during the ~~2013~~ 2014 season (~~April~~ May-October) of which ~~20 were Live Nation tours and 11 were locally booked concerts.~~ The venue had a draw of ~~360,793~~ 382,127 concert goers and was the third highest attendance generator attraction at Fair Park in FY ~~12-13~~ 13-14. Live Nation has ~~34~~ 37 concerts in ~~2014~~ 2015 with a projected attendance of ~~382,000~~ 380,000. Live Nation has brought over ~~4.4~~ 1.7 million concert goers to Fair Park over the past years. In addition, City receives rent in accordance with the terms of the Agreement. For example, the rent provided to the City in FY ~~12-13~~ 13-14 was ~~\$965,897~~ \$1,075,577 (this amount is comprised of Annual Minimum Guaranteed Rental and the Percentage Rental, as those terms are defined in the Agreement).

The Gexa Energy Pavilion was constructed over 25 years ago and is in need of immediate improvements and major renovations estimated at ~~\$7,000,000~~ \$8,000,000. The improvements and renovations are needed in order to remain competitive in the market, to continue to host major national and international touring artists, and to provide concert goers a safe and enjoyable venue to see their favorite artists.

In that the next bond program is likely in 2017 or beyond, Live Nation is willing to exercise their second ten-year option extending through December 31, 2028 and proposing to perform capital improvements and revenue enhancing projects up to ~~\$7,000,000~~ \$8,000,000 in exchange for the City granting Live Nation a credit against rents due under the Agreement in an amount equal to the lesser of the actual costs of the approved completed projects or ~~\$7,000,000~~ \$6,500,000 (rent credit). Live Nation will submit plans and scope of projects for review and approval to the Director of the Park and Recreation Department or his designee. Live Nation has agreed to absorb the first \$1.5 million of the project costs, leaving only \$6.5 million of the project costs being subject to the credit.

Live Nation agrees and acknowledges that the rent credit shall not reduce the amount of the Minimum Guaranteed Rental payable to the City which is currently \$350,000.

Additionally, Live Nation will agree to increase the current Additional Rental payment of \$.15 cents per paid admission tickets sold in accordance with the terms of the Agreement (Section 3.04) to \$.20 cents.

BACKGROUND (Continued)

Furthermore, the City shall have the right to assign this Agreement, as amended, to another entity.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Park and Recreation Board authorized award of the Second Amendment on October 2, 2014.

This item was deferred at the December 10, 2014 Council meeting.

FISCAL INFORMATION

Estimated Revenue - ~~\$9,658,970~~ \$11,716,918

OWNER

Live Nation Worldwide, Inc.

Danny Eaton, Chief Operating Officer

June 17, 2015

WHEREAS, the City and PACE Entertainment Group, Inc., a Delaware Corporation (“PACE”), entered into a certain Lease and Use Agreement dated December 9, 1987 (the “Agreement”) pursuant to which the City leased to Pace the Amphitheatre Tract as described in the Agreement and assigned to PACE (i) with respect to Parking Tract, a non-exclusive, irrevocable right of ingress and egress on the over same and the irrevocable right for certain period to use the same for parking of motor vehicles, (ii) with respect to the Assigned parking Area, as that term is defined in the Agreement, the exclusive irrevocable right to use the same for the parking of motor vehicles, and (iii) with respect to the Coliseum Lots, as that term is defined in the Agreement, the exclusive, irrevocable right to use all or a portion of the same for parking of motor vehicles in accordance with the terms of the Agreement; and

WHEREAS, effective as of March 11, 1988, Pace assigned, transferred and conveyed to Pace Amphitheatres, Inc., a Texas Corporation, (which corporation is a wholly owned subsidiary of Pace), all of its rights in, to and under the Agreement, and on the same date Pace Amphitheatres Inc. assigned, transferred and conveyed to HOB Concerts/ PACE Amphitheatres Group, L.P. (formerly known as MCA/PACE Amphitheatres Group, L.P.) all of its rights in, to and under the Agreement; and

WHEREAS, effective June 14, 1989, HOB Concerts/ PACE Amphitheatres Group, L.P. (formerly known as MCA/PACE Amphitheatres Group, L.P.) and City entered into the Amendment to the Lease and Use Agreement (“Amendment”) to provide for the use of the City’s Amphitheatre Tract to further the year round operation of Amphitheatre and the enhancement, development and improvement of Fair Park as a public entertainment facility, tourist attraction, campus for cultural facilities and public park; and

WHEREAS, any reference to the term “Agreement” herein shall mean the Agreement, as amended in 1989; and

WHEREAS, effective December 16, 2008, HOB Concerts/ PACE Amphitheatres Group, L.P. (formerly known as MCA/PACE Amphitheatres Group, L.P.) and Pace Amphitheatres, Inc. merged with and into Live Nation Worldwide, Inc. Live Nation Worldwide, Inc. remains as the surviving entity, and shall assume the role, and is solely responsible for the duties, responsibilities and obligations under the agreement as amended for the remainder of the Agreement Term. The City and Live Nation Worldwide, Inc. accept and agree that City shall look only to Live Nation Worldwide, Inc. for all performance obligations and liabilities of the Agreement from and after the inception date of December 16, 2008 and for the remainder of the Agreement Term; and

June 17, 2015

WHEREAS, the City and Live Nation, in their joint efforts and for the betterment of the Amphitheatre, have identified certain improvements are necessary to enhance the usefulness, operations, and value of the Amphitheatre Tract, hereinafter referred to as "Gexa Energy Pavilion" totaling an estimated ~~\$7,000,000~~ \$8,000,000 and Live Nation has agreed to perform the Improvements whereby City agrees to reduce the total amount of annual rent due and payable by Live Nation to City under the Agreement for the amount equal to or the lesser of actual cost of Improvements or ~~\$7,000,000~~ \$6,500,000 to include but not limited to a new LED video system, restroom renovations, renovation of the VIP club, and other improvements in accordance with the terms of this Second Amendment; and

WHEREAS, to the extent Live Nation undertakes the Improvements, City agrees to reduce the total annual rent due and payable to City under the agreement for the amount equal to or lesser of (i) the actual costs of the Improvements ("Project Costs") or (ii) ~~\$7,000,000~~ \$6,500,000 over the remaining Term; and

WHEREAS, the City has determined that the Improvements, described and shown in the Second Amendment, are in the mutual interests of the City and Live Nation and the parties therefore have agreed to modify the Agreement as provided in this Second Amendment in order to reflect their agreement regarding the Improvements; and

WHEREAS, Live Nation and City are currently in the First Renewal Term, and the parties now desire to further extend the Term of the Agreement with this Second Amendment for an additional ten-year period which will result in the Agreement expiring on December 31, 2028; and

WHEREAS, the parties also agree to increase the current "Additional Rental" as that term is defined in the Agreement, as amended, from \$.15 to \$.20 per sold admission ticket in accordance with the terms of the Agreement: ; and

WHEREAS, the parties agreed to increase the Guaranteed annual rent on January 1, 2017 to \$500,000 per year and to \$550,000 per year beginning January 1, 2023; and

WHEREAS, all other categories and tranches of percentage rent to increase on January 1, 2017 by .5 percent.

NOW, THEREFORE,

BE IT RESOLVED BY THE PARK AND RECREATION BOARD AND THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is authorized to execute a Second Amendment to the Agreement between Live Nation and City for an additional ten-year period which will result in the Agreement expiring on December 31, 2028.

June 17, 2015

Section 2. That the ~~City Controller~~ Chief Financial Officer be authorized to receive and deposit revenue in Fund 0001, Department PKR, Unit 5206, Revenue Code 7203.

Section 3. That the ~~City Controller~~ Chief Financial Officer be authorized to receive and deposit revenue in Fund 0351, Department ECO, Unit 0448, Revenue Code 8491.

Section 4. To the extent Live Nation undertakes the Improvements, City agrees to reduce the total annual rent due and payable to City under the agreement for the amount equal to or lesser of (i) the actual costs of the Improvements ("Project Costs") or (ii) ~~\$7,000,000~~ \$6,500,000 over the remaining Term.

Section 5. That Live Nation acknowledges and agrees in no event shall the rent credit reduce the amount of the Minimum Guaranteed Rental, as that term is defined in the Agreement, payable to City which is currently \$350,000-, \$500,000 beginning January 1, 2017 and \$550,000 beginning January 1, 2023.

Section 6. Effective as of this Second Amendment, Live Nation will increase the current "Additional Rental" as that term is defined in the Agreement from \$.15 to \$.20 per sold admission ticket and therefore the ~~City Controller~~ Chief Financial Officer is authorized to receive Additional Rental payment, an amount equal to the product obtained by multiplying (A) twenty cents (\$.20) times (B) the total number of paid admission tickets sold to all public events at the Amphitheater.

Section 7. That City shall have the right to assign, transfer, or convey this entire Agreement to another entity.

Section 8. Live Nation will increase all other categories and tranches of percentage rent to increase on January 1, 2017 by .5 percent.

Section 89. All other terms of the Agreement, as previously amended, not expressly amended hereby, shall remain unchanged and in full force and effect.

Section 910. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): 13
DEPARTMENT: Sustainable Development and Construction
CMO: Ryan S. Evans, 671-9837
MAPSCO: 25X

SUBJECT

An ordinance granting a revocable license to CH Realty VI/R Dallas Preston Ctr, L.P., for the use of approximately 2,852 square feet of surface and aerial space to install and maintain a pedestrian skybridge and four support columns on and over a portion of Westchester Drive right-of-way located near its intersection with Berkshire Lane - Revenue: \$23,636 annually, plus the one-time \$20 ordinance publication fee

BACKGROUND

This item grants a license for the construction, installation, use and maintenance of a pedestrian bridge and four support columns on and over a portion of Westchester Drive. The use of this area will not impede pedestrian or vehicular traffic.

The licensee will indemnify the City and carry general liability insurance naming the City as an additional insured.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On June 5, 2015, this item was deferred to the June 17, 2015 City Council Meeting at the request of Councilmember Gates.

FISCAL INFORMATION

Revenue: \$23,636 annually, plus the one-time \$20 ordinance publication fee

OWNER

CH Realty VI/R Dallas Preston Ctr, L.P.

CH Realty VI/R Dallas Preston Ctr, GP, L.L.C.

Fund VI Managers, L.L.C.

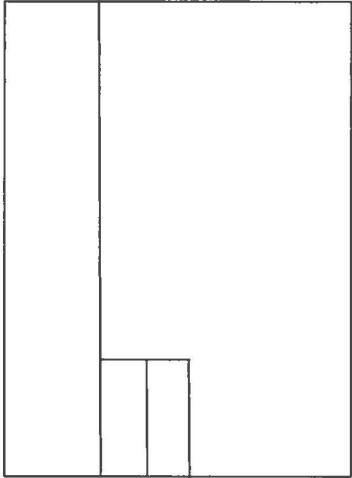
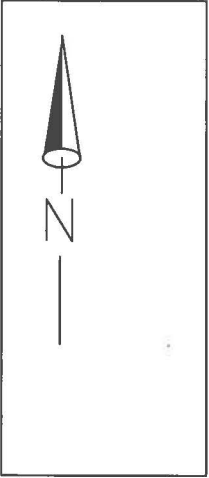
Anne L. Raymond, President

MAP

Attached

W. Northwest Highway

Arnes Street

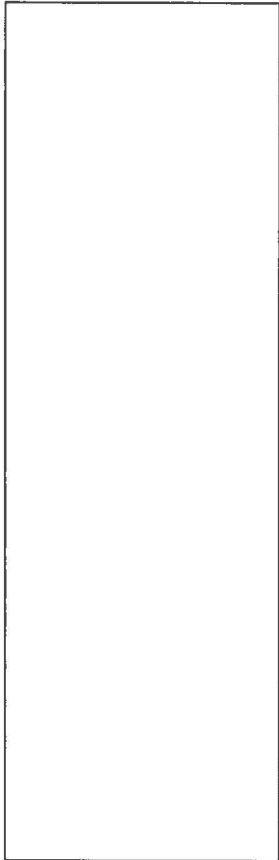


Preston Road

Berkshire Lane

Block
5623

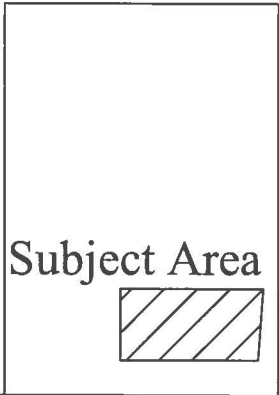
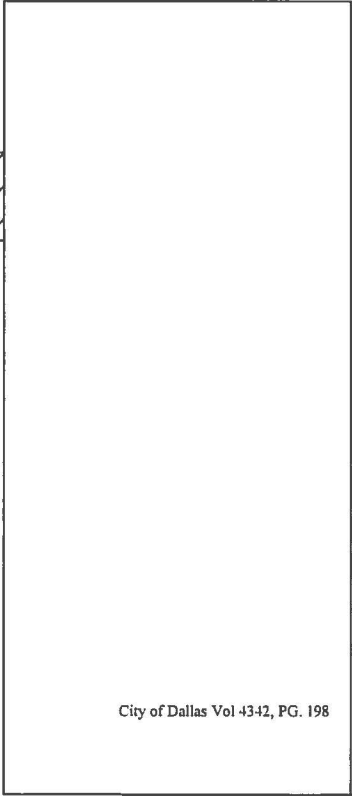
Kate Street



Berkshire Lane



Westchester Drive



Subject Area

CH Realty VI/R Dallas Preston Ctr.
L.P., Instrument No. 2013003655480

City of Dallas Vol 4342, PG. 198

Luther Lane

ORDINANCE NO. _____

An ordinance granting a revocable license to CH Realty VI/R Dallas Preston Ctr, L.P. to occupy, maintain, and utilize a portion of Westchester Drive right-of-way located near the intersection of Berkshire Lane and Westchester Drive adjacent to City Block 5623 within the limits hereinafter more fully described, for the purpose of installing, using and maintaining an aerial pedestrian bridge and four surface support columns; providing for the terms and conditions of this license; providing for the annual compensation to be paid to the City of Dallas; providing for payment of the publication fee; and providing an effective date of this license and ordinance.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That a revocable license, hereinafter referred to as “license”, subject to the restrictions and conditions of this ordinance, is hereby granted to CH Realty VI/R Dallas Preston Ctr, L.P., a Delaware limited partnership, its successors and assigns, hereinafter referred to as “**GRANTEE**”, to occupy, maintain, and utilize for the purpose set out herein below the tract of land described in Exhibit A, hereinafter referred to as “licensed area” which is attached hereto and made a part hereof.

SECTION 2. That this license is granted for a term of forty (40) years, unless sooner terminated according to other terms and provisions herein contained.

SECTION 3. That **GRANTEE** shall pay to the City of Dallas the sum of **TWENTY-THREE THOUSAND SIX HUNDRED THIRTY-SIX AND N0/100 (\$23,636.00) DOLLARS** annually for the license herein granted, said sum to become due and payable on the 2nd day of January each year, in advance, during the term hereof; provided, however, that the first payment due hereunder in the sum of **TWENTY-THREE THOUSAND SIX HUNDRED THIRTY-SIX AND N0/100 (\$23,636.00) DOLLARS** shall become due and payable upon the final passage of this ordinance and shall cover the consideration for 2015 in accordance with the special fees established by Section 43-115 of the Dallas City Code. Such consideration shall be in addition to and exclusive of any other taxes or special assessments required by law to be paid by **GRANTEE**. Should **GRANTEE** fail to pay the above stated annual fee within sixty (60)

days of the due date, the Director of Department of Sustainable Development and Construction may terminate this license. All sums payable to the City of Dallas hereunder shall be paid to the Chief Financial Officer of the City of Dallas and deposited in Fund 0001, Department DEV, Unit 1181, Revenue Source 8200. In the event **GRANTEE's** check for the license fee is dishonored, **GRANTEE** shall pay to the City a processing fee of \$25.00 for each dishonored check. Additionally, all monies owed to the City under this license shall be subject to the assessment of interest at a rate of 10% a year from the day after any monies become due until it is paid in full, in accordance with Section 2-1.1 of the Dallas City Code.

SECTION 4. That the licensed area shall be used by **GRANTEE** for the following purpose under the direction of the Director of Department of Sustainable Development and Construction of the City of Dallas: to install, use and maintain an aerial pedestrian bridge and four surface support columns (sometimes referred to herein as "the sky-bridge").

SECTION 5. That this license is subject to the provisions set forth in EXHIBIT B attached hereto and made a part hereof.

SECTION 6. That this license is nonexclusive and is made expressly subject and subordinate to the right of the City to use the licensed area for any public purpose. In addition to terminations by the Director of Department of Sustainable Development and Construction as provided in this license, the Governing Body of the City of Dallas reserves the right to terminate and cancel this license, at will, with or without cause, by Resolution passed by said Governing body. Upon termination, all rights granted hereunder shall thereupon be considered fully terminated and cancelled and the City of Dallas shall not be held liable by reason thereof. Said resolution shall be final and shall not be subject to review by the Courts. **GRANTEE** shall have the right of cancellation upon giving the City of Dallas sixty (60) days written notice of its intention to cancel, and in either event upon the termination or cancellation by the City or **GRANTEE**, as the case may be, this license shall become null and void and **GRANTEE** or anyone claiming any rights under this instrument shall remove, to the extent required by the Director of Department of Sustainable Development and Construction, any improvements and encroachments from the licensed area at **GRANTEE's** expense and restore the

licensed area and any other impacted City-owned improvements to the same or substantial same condition as existed on the effective date of this ordinance. Failure to do so shall subject **GRANTEE** to the provisions contained in EXHIBIT B, Subsection (a). All work shall be done at the sole cost of **GRANTEE** and to the satisfaction of the Director of Department of Sustainable Development and Construction.

SECTION 7. That the license is subject to the following conditions, terms and reservations:

- a) **GRANTEE** shall comply with Section 51A-4.217(b)(12) of City Code for sky-bridges.
- b) **GRANTEE** shall obtain a street cut permit prior to construction in the City of Dallas right-of-way by calling Public Works at 214-948-4445.
- c) **GRANTEE** shall establish and maintain an ADA-compliant public access right and passage on, over, across and through (i) the sky-bridge; and (ii) the private side of the sky-bridge and any abutting private building to the street level public sidewalks during the business hours of said abutting building.
- d) **GRANTEE** acknowledges that the minimum clearance above ground elevation must be 15'. However, it is recommended that the clearance be 16'.
- e) In the event shopping carts are brought onto the parking garage via the sky-bridge, **GRANTEE** shall establish and effectively enforce a cart retrieval and control plan that prohibits and precludes cart storage on the garage deck area and that is acceptable to the licensee under Ordinance No. 23792 while the license under said ordinance is in effect (the "Parking Corporation") and the Director of Department of Sustainable Development and Construction.
- f) **GRANTEE** shall ensure there is no loss of total parking spaces within the garage due to improvements constructed pursuant to this license that would result in the number of parking spaces in the garage totaling less than 801. To the extent any restriping or other parking and driveway configuration changes are ever requested by **GRANTEE**, they will need to be reviewed and consented to in advance by the Parking Corporation and reviewed and approved by the Director of Department of Sustainable Development and Construction.
- g) **GRANTEE** shall, contemporaneously with construction of the sky-bridge, establish and maintain a minimum of 4 handicap parking spaces on the second level deck within reasonable proximity to the sky-bridge as approved by the Parking Corporation and the Director of Department of Sustainable Development and Construction.

- h) **GRANTEE** shall encourage and endeavor to ensure that any directional signage relating to the sky-bridge should reference the sky-bridge and the availability of public access and shall not reference or highlight a specific tenant or store.
- i) **GRANTEE** shall not attempt to reserve parking within the parking garage or suggest or otherwise imply that any particular spots or areas within the parking garage are reserved in favor of any particular property, tenant or store.
- j) **GRANTEE** acknowledges that there are no guaranteed parking time limits, configurations, or regimes within the garage and that any such limiting of parking times must be approved by the Parking Corporation in accordance with Ordinance 23792 or by the Director of Department of Sustainable Development and Construction.
- k) **GRANTEE** shall maintain a removal and restoration bond, cash deposit, or letter of credit with the City in a form, containing such terms, and in such amount as are acceptable to the Director of Department of Sustainable Development and Construction and that will be sufficient to remove the sky-bridge and restore the licensed area and any parts of the parking garage impacted by the licensed improvements to its condition existing as of the effective date of this ordinance upon termination or expiration of this license.
- l) **GRANTEE** shall obtain design review and approval by the Director of Department of Sustainable Development and Construction of any licensed improvements in the licensed area before commencing construction and shall construct same in a good and workmanlike manner in accordance with said approved design.
- m) **GRANTEE** shall obtain design review and approval by the Director of Department of Sustainable Development and Construction and the Parking Corporation of any improvements to or work on the garage itself before commencing construction and shall construct same in a good and workmanlike manner in accordance with said approved design.
- n) **GRANTEE** will, upon the completion of the sky-bridge require and ensure that employees of **GRANTEE** and its tenants at the property located at 8335 Westchester and known as Preston Center Pavilion park in the on-site parking on **GRANTEE's** abutting property rather than the public parking garage and **GRANTEE** will maintain at all times thereafter sufficient parking for said employees on-site or at off-site locations other than the public parking garage unless and until such time as additional parking levels are added to the parking structure with funds that include contributions from **GRANTEE**.

- o) **GRANTEE** covenants and agrees that should the skybridge be constructed, then not later than 15 days after receipt by it of "Director's Notice" (defined below) **GRANTEE** will execute and deliver to City a waiver fully and finally waiving, releasing, relinquishing and quitclaiming any and all rights, title, and interest it may have in and to the Subject Property as identified and defined in the Agreed Final Judgment in Cause No. DC-06-12538, 162nd Judicial District of Texas, dated December 21, 2012 (the "Judgment") that would restrict or otherwise limit the use of the Subject Property to the "Permitted Uses" as defined in the Judgment and otherwise limit or restrict non-parking development of the Subject Property. "Director's Notice" shall mean a written certification from the Director of Department of Sustainable Development and Construction, accompanied by the supporting documentation relied on by the Director, that all the other beneficiaries of the Judgment have executed instruments or otherwise acted so as to fully and finally waive, release, relinquish and quitclaim any and all rights, title, and interest each may have in and to the Subject Property as identified and defined in the Judgment that would restrict or limit the use of the Subject Property to the "Permitted Uses" as defined in the Judgment or otherwise limit or restrict non-parking development of the Subject Property. To this end, **GRANTEE** does hereby appoint the City of Dallas, acting by and through its Director of Department of Sustainable Development and Construction, as **GRANTEE's** agent and attorney in fact to effect such waiver, release, relinquishment and quitclaim and to execute and deliver on behalf of **GRANTEE**, in its name, place and stead, any and all instruments necessary or convenient to accomplish same should **GRANTEE** fail to promptly so act upon receipt of the Director's Notice, this appointment being irrevocable and coupled with an interest in favor of the City of Dallas. For purposes of the this subsection o), instruments or actions waiving, releasing, relinquishing and quitclaims rights titles and interests of beneficiaries under the Judgment shall not include judgments in condemnation that do not preserve public parking equal to or exceeding 801 public spaces in the garage or waivers that do not allow guests and customers of **GRANTEE** rights to use any public parking on the same basis as those of the other beneficiaries. This subpart o) shall survive termination or expiration of this license.
- p) In addition to the indemnification, defense, and hold harmless provisions in Exhibit B, **GRANTEE** agrees and does hereby commit to indemnify, defend and hold harmless the City of Dallas, its officers, agents, and employees against any and all claims, lawsuits, judgments, costs, and expenses, including but not limited attorneys fee and court costs, arising directly or indirectly from any challenge to this license and/or the resulting use of the parking garage stemming from this license, provided that the City cooperates with **GRANTEE** in such defense.

SECTION 8. That the license granted hereby shall not become effective until and unless **GRANTEE** files a final acceptance, in writing, to the terms and conditions of this ordinance with the Director of Department of Sustainable Development and Construction and said written acceptance shall be forwarded to the City Secretary of the City of Dallas. In the event said written final acceptance is not filed within six (6) months after the passage of this ordinance as provided for herein, then the Director of Department of Sustainable Development and Construction, or designee, may terminate this license.

SECTION 9. That upon receipt of **GRANTEE's** final written acceptance, the Director of Department of Sustainable Development and Construction, or designee, is hereby authorized to execute a NOTICE OF LICENSE and to file same in the deed records of Dallas County, Texas. Additionally, the Director of Department of Sustainable Development and Construction, or designee, is hereby authorized to execute a cancellation of Notice of License upon termination by the City or **GRANTEE** and to file such cancellation of Notice of License in the deed records of Dallas County, Texas.

SECTION 10. That the terms and conditions contained in this ordinance shall be binding upon **GRANTEE**, its successors and assigns.

SECTION 11. That this license may not be assigned without prior written approval from the Director of Department of Sustainable Development and Construction, or designee. Such assignment shall recite that it is subject to the terms, restrictions, and conditions contained in this ordinance. The assignee shall deliver evidence of ownership of property abutting the licensed area and a copy of the assignment, along with the assignee's written acceptance of the provisions of this ordinance, to the Director of Department of Sustainable Development and Construction within 10 days of such assignment; said assignment and written acceptance shall be forwarded to the City Secretary of the City of Dallas. Should **GRANTEE** fail to obtain prior written approval for assignment of this license or fail to provide the City of Dallas with the required written acceptance and a copy of the assignment, the Director of Department of Sustainable Development and Construction, or designee, may terminate this license.

SECTION 12. That the City Secretary is hereby authorized and directed to certify a copy of this ordinance for recordation in the Deed Record of Dallas County, Texas, which certified copy shall be delivered to the Director of Department of Sustainable Development and Construction, or designee. Upon receipt of the fee for the year 2015, an acceptable certificate of insurance and the fee for publishing this ordinance which **GRANTEE** shall likewise pay, the Director of Department of Sustainable Development and Construction, or designee, shall deliver to **GRANTEE** the certified copy of this ordinance. The Director of Department of Sustainable Development and Construction, or designee, shall be the sole source for receiving certified copies of this ordinance for one year after its passage.

SECTION 13. This ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:
WARREN M. S. ERNST
City Attorney

DAVID COSSUM
Director of Department of Sustainable
Development and Construction

BY 
Assistant City Attorney
Passed _____.

BY 
Assistant Director

AERIAL RIGHTS ABANDONMENT
ABOVE GROUND ELEVATION 14.0 FEET TO 28.0 FEET
MEAN SEA LEVEL ELEVATION 593.0 FEET TO 607.0 FEET

EXHIBIT A

BEING PART OF WESTCHESTER DRIVE
 CITY BLOCK 5623
 ANDREW J. SURVEY, ABSTRACT NO. 948
 CITY OF DALLAS, DALLAS COUNTY, TEXAS

BEING a 2,752 square foot (0.063 acre) tract of land (projected above the herein described horizontal plane, between above ground elevation 14.0 feet to 28.0 feet and mean sea level elevation of 593.0 feet and 607.0 feet having a volume of 37,534 cubic feet) situated in the Andrew J. Mannin Survey, Abstract No.948, City of Dallas, Dallas County, Texas and being part of Westchester Drive (a variable width right-of-way by use and occupation) and being part of a tract of land shown as Antony Plaza in Warranty Deed, recorded in Volume 2043, Page 439, Deed Records, Dallas County, Texas, and being part of a tract of land described in Quit Claim Deed to The City of Dallas, recorded in Volume 4342, Page 198, Deed Records, Dallas County, Texas, and lying in City Block 5623, said 0.062 acre tract being more particularly described as follows:

COMMENCING at a "X" cut in concrete found at the intersection of the west right-of-way line of Westchester Drive (a variable width right-of-way by use and occupation) with the north right-of-way line of Luther Lane (an 80-foot right-of-way) and being the southeast corner of Lot 6A, Block 10/5623 of Preston Center Addition, an addition to the City of Dallas, Dallas County, Texas, according to the plat thereof recorded in Volume 2002126, Page 72, Deed Records, Dallas County, Texas;

THENCE with said west right-of-way line and with the east line of said Lot 6A, North 0°24'05" West, a distance of 306.29 feet the **POINT OF BEGINNING**;

THENCE continuing with said west right-of-way line and said east line, North 0°24'05" West, a distance of 62.71 feet to a point for corner from which the northeast corner of said Lot 6A bears North 0°24'05" West, a distance of 21.00 feet;

THENCE departing said west right-of-way line and said east line, the following courses and distances to wit:

- North 89°29'15" East, a distance of 77.41 feet to a point for corner;
- South 0°29'34" East, a distance of 28.00 feet to a point for corner;
- South 89°29'15" West, a distance of 43.80 feet to a point for corner;
- South 43°39'07" West, a distance of 48.39 feet to the **POINT OF BEGINNING** and containing 2,752 square feet or 0.063 acres of land.

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983, (2011).

REVIEWED BY
 JL 3-20-15
 SPRLS 3061

DANA BROWN
 REGISTERED PROFESSIONAL
 LAND SURVEYOR NO. 5336
 12750 MERIT DRIVE, SUITE 1000
 DALLAS, TEXAS 75251
 PH. 972-770-1300
 dana.brown@kimley-horn.com



Kimley»Horn		12750 Merit Drive, Suite 1000 Dallas, Texas 75251		FIRM # 101155-00		Tel. No. (972) 770-1300 Fax No. (972) 239-3820	
		<u>Scale</u> N/A	<u>Drawn by</u> DWP	<u>Checked by</u> DAB	<u>Date</u> MAR 2015	<u>Project No.</u> 063319064	<u>Sheet No.</u> 1 OF 2

BERKSHIRE LANE

(AN 80-FOOT RIGHT-OF-WAY)
VOLUME 2043, PAGE 439
D.R.D.C.T.

PARKING GARAGE
FRANCHISE
ORDINANCE # 10278

N0°24'05"W
21.00'

22.6' TO
BUILDING
CORNER

23.1' TO
BUILDING
CORNER

N89°29'15"E 77.41'

AERIAL RIGHTS ABANDONMENT
(ABOVE GROUND ELEVATION 14.0
FEET TO 28.0 FEET)
(MEAN SEA LEVEL ELEVATION 593.0
FEET TO 607.0 FEET)
2,752 SQ.FT. (0.063 ACRE)

S0°29'34"E
28.00'

LICENSE AGREEMENT
ORDINANCE # 924244
VOL. 2002097, PG. 6235
D.R.D.C.T.

N0°24'05"W
62.71'

3' COLUMN

3' COLUMN

CITY OF DALLAS
VOL 4342, PG. 198
D.R.D.C.T.

PARKING GARAGE

S89°29'15"W
43.80'

S43°39'07"W
48.39'

342.0' TO SOUTH
BUILDING
CORNER

70.0'

CH REALTY VI/R DALLAS
PRESTON CTR, L.P.,
INST. NO. 201300365480
O.P.R.D.C.T.

LOT 6A,
BLOCK 10/5623
PRESTON CENTER ADDITION
VOL 2002126, PG. 72
D.R.D.C.T.

P.O.B.

LEGEND

- P.O.C. = POINT OF COMMENCING
 - P.O.B. = POINT OF BEGINNING
 - XF = "X" CUT IN CONCRETE FOUND
 - (C.M.) - CONTROL MONUMENT
 - D.R.D.C.T. = DEED RECORDS OF DALLAS COUNTY, TEXAS
- NOTES

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983, (2011).

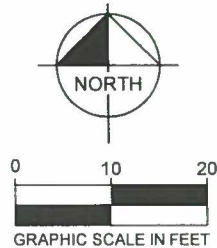
AERIAL RIGHTS ABANDONMENT ABOVE GROUND ELEVATION 14.0 FEET TO 28.0 FEET

**MEAN SEA LEVEL ELEVATION
593.0 FEET TO 607.0 FEET**

BEING PART OF WESTCHESTER DRIVE
CITY BLOCK 5623

ANDREW J. SURVEY, ABSTRACT NO. 948
CITY OF DALLAS, DALLAS COUNTY, TEXAS

N0°24'05"W
306.29'



WESTCHESTER DRIVE

(A VARIABLE WIDTH RIGHT-OF-WAY BY USE AND OCCUPATION)
(VOL. 4342, PG. 198)
(D.R.D.C.T.)

P.O.C.

S89°15'55"W
200.00'

LUTHER LANE

(AN 80-FOOT RIGHT-OF-WAY)
VOLUME 2043, PAGE 439
D.R.D.C.T.

DANA BROWN
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Kimley»Horn

12750 Merit Drive, Suite 1000 FIRM # 101155-00 Tel. No. (972) 770-1300
Dallas, Texas 75251 Fax No. (972) 239-3820

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
1" = 20'	DWP	DAB	MAR 2015	063319064	2 OF 2

EXHIBIT A

LICENSE AGREEMENT NO.1
BEING PART OF WESTCHESTER DRIVE
CITY BLOCKS 5623
ANDREW J. SURVEY, ABSTRACT NO. 948
CITY OF DALLAS, DALLAS COUNTY, TEXAS

BEING a 25 square foot (0.001 acre) tract of land situated in the Andrew J. Mannin Survey, Abstract No.948, City of Dallas, Dallas County, Texas and being part of Westchester Drive (a variable width right-of-way by use and occupation) and being part of a tract of land shown as Antony Plaza in Warranty Deed, recorded in Volume 2043, Page 439, Deed Records, Dallas County, Texas, and being part of a tract of land described in Quit Claim Deed to The City of Dallas, recorded in Volume 4342, Page 198, Deed Records, Dallas County, Texas, and lying in City Block 5623, said 0.062 acre tract being more particularly described as follows:

COMMENCING at a "X" cut in concrete found at the intersection of the west right-of-way line of Westchester Drive (a variable width right-of-way by use and occupation) with the north right-of-way line of Luther Lane (an 80-foot right-of-way) and being the southeast corner of Lot 6A, Block 10/5623 of Preston Center Addition, an addition to the City of Dallas, Dallas County, Texas, according to the plat thereof recorded in Volume 2002126, Page 72, Deed Records, Dallas County, Texas;

THENCE with said west right-of-way line and with the east line of said Lot 6A, North 0°24'05" West, a distance of 313.51 feet a point in the east line of said Lot 6A for the **POINT OF BEGINNING**;

THENCE continuing with said west right-of-way line and said east line of Lot 6A, North 0°24'05" West, a distance of 5.00 feet to a point for corner;

THENCE departing said west right-of-way line and said east line of Lot 6A, the following courses and distances to wit:

- North 89°35'55" East, a distance of 5.00 feet to a point for corner;
- South 0°24'05" East, a distance of 5.00 feet to a point for corner;
- South 89°35'55" West, a distance of 5.00 feet to the **POINT OF BEGINNING** and containing 25 square feet or 0.001 acres of land.

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983, (2011).

REVIEWED BY
JL 3-20-15
SPRL 3062

DANA BROWN
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 5336
12750 MERIT DRIVE, SUITE 1000
DALLAS, TEXAS 75251
PH. 972-770-1300
dana.brown@kimley-horn.com



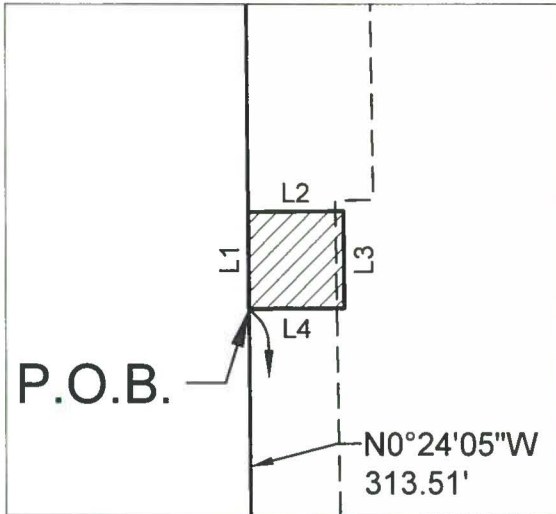
Kimley»»Horn
12750 Merit Drive, Suite 1000 Dallas, Texas 75251 FIRM # 101155-00 Tel. No. (972) 770-1300 Fax No. (972) 239-3820

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
N/A	DWP	DAB	MAR 2015	063319064	1 OF 2

BERKSHIRE LANE

(80-FOOT RIGHT-OF-WAY)
VOLUME 2043, PAGE 439
D.R.D.C.T.

PARKING GARAGE
FRANCHISE
ORDINANCE # 10278



**LICENSE AGREEMENT
DETAIL**

NOT TO SCALE

LINE TABLE		
NO.	BEARING	LENGTH
L1	N00°24'05"W	5.00'
L2	N89°35'55"E	5.00'
L3	S00°24'05"E	5.00'
L4	S89°35'55"W	5.00'

NOTES

Bearing system based on the Texas
Coordinate System of 1983, North Central
Zone (4202), North American Datum of 1983,
(2011).

LEGEND

- P.O.C. = POINT OF COMMENCING
- P.O.B. = POINT OF BEGINNING
- XF = "X" CUT IN CONCRETE FOUND
(C.M.) - CONTROL MONUMENT
- D.R.D.C.T. = DEED RECORDS OF DALLAS
COUNTY, TEXAS

DANA BROWN
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dana.brown@kimley-horn.com



LICENSE AGREEMENT
ORDINANCE # 924244
VOL. 2002097, PG. 6235
D.R.D.C.T.

P.O.B.

CH REALTY V/MR DALLAS
PRESTON CTR, L.P.,
INST. NO. 201300365480
O.P.R.D.C.T.

LOT 6A,
BLOCK 10/5623
PRESTON CENTER ADDITION
VOL 2002126, PG. 72
D.R.D.C.T.

0.001 ACRES
25 SQ. FT.

SEE DETAIL

WESTCHESTER DRIVE

(A VARIABLE WIDTH RIGHT-OF-WAY BY USE AND OCCUPATION)
(VOL. 4342, PG. 198)
(D.R.D.C.T.)

CITY OF DALLAS
VOL 4342, PG. 198
D.R.D.C.T.
BLOCK 5623
PARKING GARAGE

REVIEWED BY
JL 3-20-15
SIN 3062

N0°24'05"W 313.51'

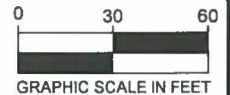
P.O.C.

XF
(C.M.)

S89°15'55"W 200.00'

LUTHER LANE

(80-FOOT RIGHT-OF-WAY)
VOLUME 2043, PAGE 439
D.R.D.C.T.



LICENSE AGREEMENT NO. 1

BEING PART OF WESTCHESTER DRIVE

CITY BLOCK 5623

ANDREW J. SURVEY, ABSTRACT NO. 948
CITY OF DALLAS, DALLAS COUNTY, TEXAS

Kimley»Horn

12750 Merit Drive, Suite 1000
Dallas, Texas 75251

FIRM # 101155-00

Tel. No. (972) 770-1300
Fax No. (972) 239-3820

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
1" = 60'	DWP	DAB	MAR 2015	063319064	2 OF 2

LICENSE AGREEMENT NO. 2
BEING PART OF WESTCHESTER DRIVE
CITY BLOCK 5623
ANDREW J. SURVEY, ABSTRACT NO. 948
CITY OF DALLAS, DALLAS COUNTY, TEXAS

EXHIBIT A

BEING a 25 square foot (0.001 acre) tract of land situated in the Andrew J. Mannin Survey, Abstract No.948, City of Dallas, Dallas County, Texas and being part of Westchester Drive (a variable width right-of-way by use and occupation) and being part of a tract of land shown as Antony Plaza in Warranty Deed, recorded in Volume 2043, Page 439, Deed Records, Dallas County, Texas, and being part of a tract of land described in Quit Claim Deed to The City of Dallas, recorded in Volume 4342, Page 198, Deed Records, Dallas County, Texas, and lying in City Block 5623, said 0.062 acre tract being more particularly described as follows:

COMMENCING at a "X" cut in concrete found at the intersection of the west right-of-way line of Westchester Drive (a variable width right-of-way by use and occupation) with the north right-of-way line of Luther Lane (an 80-foot right-of-way) and being the southeast corner of Lot 6A, Block 10/5623 of Preston Center Addition, an addition to the City of Dallas, Dallas County, Texas, according to the plat thereof recorded in Volume 2002126, Page 72, Deed Records, Dallas County, Texas;

THENCE with said west right-of-way line and with the east line of said Lot 6A, North 0°24'05" West, a distance of 337.51 feet a point in the east line of said Lot 6A for the **POINT OF BEGINNING**;

THENCE continuing with said west right-of-way line and said east line of Lot 6A, North 0°24'05" West, a distance of 5.00 feet to a point for corner;

THENCE departing said west right-of-way line and said east line of Lot 6A, the following courses and distances to wit:

- North 89°35'55" East, a distance of 5.00 feet to a point for corner;
- South 0°24'05" East, a distance of 5.00 feet to a point for corner;
- South 89°35'55" West, a distance of 5.00 feet to the **POINT OF BEGINNING** and containing 25 square feet or 0.001 acres of land.

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983, (2011).

REVIEWED BY
JL 3-20-15
SPR 3063

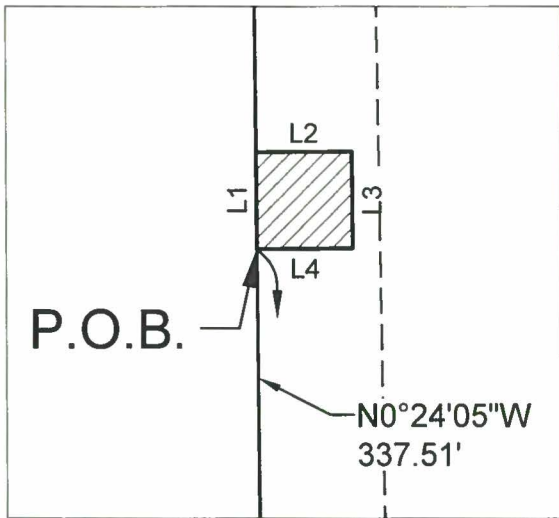
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Kimley»Horn					
12750 Merit Drive, Suite 1000 Dallas, Texas 75251			FIRM # 101155-00		Tel. No. (972) 770-1300 Fax No. (972) 239-3820
<u>Scale</u>	<u>Drawn by</u>	<u>Checked by</u>	<u>Date</u>	<u>Project No.</u>	<u>Sheet No.</u>
N/A	DWP	DAB	MAR 2015	063319064	1 OF 2

BERKSHIRE LANE

(80-FOOT RIGHT-OF-WAY)
VOLUME 2043, PAGE 439
D.R.D.C.T.



**LICENSE AGREEMENT
DETAIL**
NOT TO SCALE

LINE TABLE		
NO.	BEARING	LENGTH
L1	N00°24'05"W	5.00'
L2	N89°35'55"E	5.00'
L3	S00°24'05"E	5.00'
L4	S89°35'55"W	5.00'

NOTES

Bearing system based on the Texas
Coordinate System of 1983, North Central
Zone (4202), North American Datum of 1983,
(2011).

LEGEND

- P.O.C. = POINT OF COMMENCING
- P.O.B. = POINT OF BEGINNING
- XF = "X" CUT IN CONCRETE FOUND
- (C.M.) - CONTROL MONUMENT
- D.R.D.C.T. = DEED RECORDS OF DALLAS
COUNTY, TEXAS

DANA BROWN
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 5336
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dana.brown@kimley-horn.com



P.O.B.

LICENSE AGREEMENT
ORDINANCE # 924244
VOL. 2002097, PG. 6235
D.R.D.C.T.

CH REALTY W/R DALLAS
PRESTON CTR, L.P.,
INST. NO. 201300365480
O.P.R.D.C.T.

LOT 6A,
BLOCK 10/5623
PRESTON CENTER ADDITION
VOL 2002126, PG. 72
D.R.D.C.T.

**0.001 ACRES
25 SQ. FT.**

SEE DETAIL

PARKING GARAGE
FRANCHISE
ORDINANCE # 10278

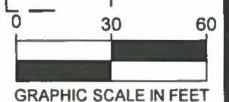
CITY OF DALLAS
VOL 4342, PG. 198
D.R.D.C.T.
BLOCK 5623
PARKING GARAGE

N0°24'05"W 337.51'

WESTCHESTER DRIVE

(A VARIABLE WIDTH RIGHT-OF-WAY BY USE AND OCCUPATION)
(VOL. 4342, PG. 198)
(D.R.D.C.T.)

REVIEWED BY
JL 3-20-15
SPAL 3063



P.O.C.

XF
(C.M.)

S89°15'55"W 200.00'

LUTHER LANE

(80-FOOT RIGHT-OF-WAY)
VOLUME 2043, PAGE 439
D.R.D.C.T.

LICENSE AGREEMENT NO. 2

BEING PART OF WESTCHESTER DRIVE

CITY BLOCK 5623

ANDREW J. SURVEY, ABSTRACT NO. 948
CITY OF DALLAS, DALLAS COUNTY, TEXAS

Kimley»Horn

12750 Merit Drive, Suite 1000
Dallas, Texas 75251

FIRM # 101155-00

Tel. No. (972) 770-1300
Fax No. (972) 239-3820

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
1" = 60'	DWP	DAB	MAR 2015	063319064	1 OF 2

LICENSE AGREEMENT NO. 3
BEING PART OF WESTCHESTER DRIVE
CITY BLOCK 5623
ANDREW J. SURVEY, ABSTRACT NO. 948
CITY OF DALLAS, DALLAS COUNTY, TEXAS

BEING a 25 square foot (0.001 acre) tract of land situated in the Andrew J. Mannin Survey, Abstract No.948, City of Dallas, Dallas County, Texas and being part of Westchester Drive (a variable width right-of-way by use and occupation) and being part of a tract of land shown as Antony Plaza in Warranty Deed, recorded in Volume 2043, Page 439, Deed Records, Dallas County, Texas, and being part of a tract of land described in Quit Claim Deed to The City of Dallas, recorded in Volume 4342, Page 198, Deed Records, Dallas County, Texas, and lying in City Block 5623, said 0.062 acre tract being more particularly described as follows:

COMMENCING at a "X" cut in concrete found at the intersection of the west right-of-way line of Westchester Drive (a variable width right-of-way by use and occupation) with the north right-of-way line of Luther Lane (an 80-foot right-of-way) and being the southeast corner of Lot 6A, Block 10/5623 of Preston Center Addition, an addition to the City of Dallas, Dallas County, Texas, according to the plat thereof recorded in Volume 2002126, Page 72, Deed Records, Dallas County, Texas;

THENCE with said west right-of-way line and with the east line of said Lot 6A, North 0°24'05" West, a distance of 361.51 feet a point in the east line of said Lot 6A for the POINT OF BEGINNING;

THENCE continuing with said west right-of-way line and said east line of Lot 6A, North 0°24'05" West, a distance of 5.00 feet to a point for corner;

THENCE departing said west right-of-way line and said east line of Lot 6A, the following courses and distances to wit:

- North 89°35'55" East, a distance of 5.00 feet to a point for corner;
- South 0°24'05" East, a distance of 5.00 feet to a point for corner;
- South 89°35'55" West, a distance of 5.00 feet to the POINT OF BEGINNING and containing 25 square feet or 0.001 acres of land.

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983, (2011).

REVIEWED BY
JL 3-20-15
SPR 3064

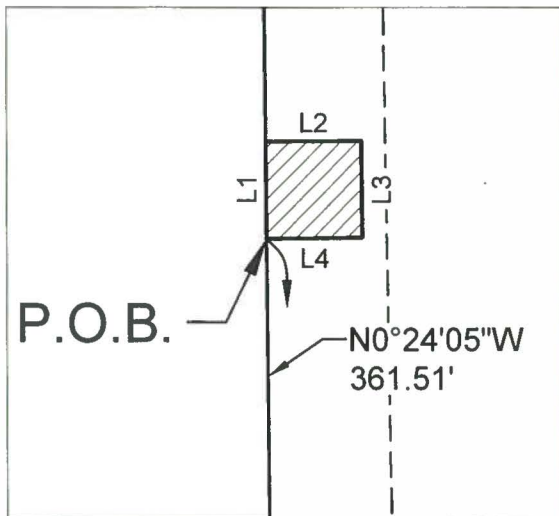
DANA BROWN
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 5336
12750 MERIT DRIVE, SUITE 1000
DALLAS, TEXAS 75251
PH. 972-770-1300
dana.brown@kimley-horn.com



Kimley»Horn					
12750 Merit Drive, Suite 1000 Dallas, Texas 75251			FIRM # 101155-00 Tel. No. (972) 770-1300 Fax No. (972) 239-3820		
Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
N/A	DWP	DAB	MAR 2015	063319064	1 OF 2

BERKSHIRE LANE

(80-FOOT RIGHT-OF-WAY)
VOLUME 2043, PAGE 439
D.R.D.C.T.



**LICENSE AGREEMENT
DETAIL**

NOT TO SCALE

LINE TABLE		
NO.	BEARING	LENGTH
L1	N00°24'05"W	5.00'
L2	N89°35'55"E	5.00'
L3	S00°24'05"E	5.00'
L4	S89°35'55"W	5.00'

NOTES

Bearing system based on the Texas
Coordinate System of 1983, North Central
Zone (4202), North American Datum of 1983,
(2011).

LEGEND

P.O.C. = POINT OF COMMENCING
P.O.B. = POINT OF BEGINNING
XF = "X" CUT IN CONCRETE FOUND
(C.M.) - CONTROL MONUMENT
D.R.D.C.T. = DEED RECORDS OF DALLAS
COUNTY, TEXAS

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P.O.B.

LICENSE AGREEMENT
ORDINANCE # 924244
VOL. 2002097, PG. 6235
D.R.D.C.T.

CH REALTY V/IR DALLAS
PRESTON CTR, L.P.,
INST. NO. 201300365480
O.P.R.D.C.T.

LOT 6A,
BLOCK 10/5623
PRESTON CENTER ADDITION
VOL. 2002126, PG. 72
D.R.D.C.T.

WESTCHESTER DRIVE

(A VARIABLE WIDTH RIGHT-OF-WAY BY USE AND OCCUPATION)
(VOL. 4342, PG. 198)
(D.R.D.C.T.)

N0°24'05"W 361.51'

0.001 ACRES
25 SQ. FT.

SEE DETAIL

PARKING GARAGE
FRANCHISE
ORDINANCE # 10278

CITY OF DALLAS
VOL. 4342, PG. 198
D.R.D.C.T.
BLOCK 5623
PARKING GARAGE

REVIEWED BY
JL 3-20-15
SPR 3064

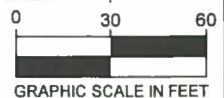
P.O.C.

XF
(C.M.)

S89°15'55"W 200.00'

LUTHER LANE

(80-FOOT RIGHT-OF-WAY)
VOLUME 2043, PAGE 439
D.R.D.C.T.



LICENSE AGREEMENT NO. 3
BEING PART OF WESTCHESTER DRIVE
CITY BLOCK 5623
ANDREW J. SURVEY, ABSTRACT NO. 948
CITY OF DALLAS, DALLAS COUNTY, TEXAS

Kimley»Horn

12750 Merit Drive, Suite 1000
Dallas, Texas 75251 FIRM # 101155-00 Tel. No. (972) 770-1300
Fax No. (972) 239-3820

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
1" = 60'	DWP	DAB	MAR 2015	063319064	2 OF 2

LICENSE AGREEMENT NO. 4
BEING PART OF WESTCHESTER DRIVE
CITY BLOCK 5623
ANDREW J. SURVEY, ABSTRACT NO. 948
CITY OF DALLAS, DALLAS COUNTY, TEXAS

EXHIBIT A

BEING a 25 square foot (0.001 acre) tract of land situated in the Andrew J. Mannin Survey, Abstract No.948, City of Dallas, Dallas County, Texas and being part of Westchester Drive (a variable width right-of-way by use and occupation) and being part of a tract of land shown as Antony Plaza in Warranty Deed, recorded in Volume 2043, Page 439, Deed Records, Dallas County, Texas, and being part of a tract of land described in Quit Claim Deed to The City of Dallas, recorded in Volume 4342, Page 198, Deed Records, Dallas County, Texas, and lying in City Block 5623, said 0.062 acre tract being more particularly described as follows:

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THENCE with said west right-of-way line and with the east line of said Lot 6A, North 0°24'05" West, a distance of 346.77 feet a point in the east line of said Lot 6A;

THENCE departing said west right-of-way line and said east line, North 89°35'55" East, a distance of 72.44 feet to the **POINT OF BEGINNING**;

THENCE the following courses and distances to wit:

North 0°29'34" West, a distance of 5.00 feet to a point for corner;
North 89°35'55" East, a distance of 5.00 feet to a point for corner;
South 0°29'34" East, a distance of 5.00 feet to a point for corner;
South 89°35'55" West, a distance of 5.00 feet to the **POINT OF BEGINNING** and containing 25 square feet or 0.001 acres of land.

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983, (2011).

REVIEWED BY
JL 3-24-15
SMG 3065

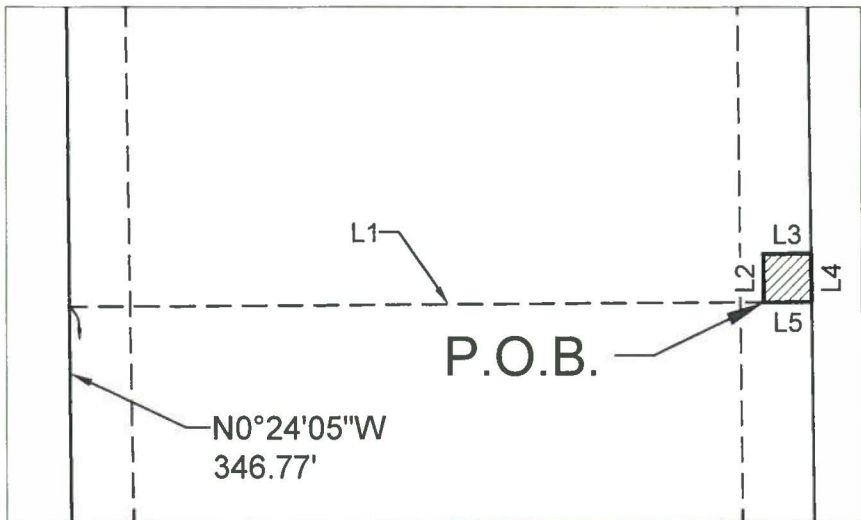
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<u>Scale</u>	<u>Drawn by</u>	<u>Checked by</u>	<u>Date</u>	<u>Project No.</u>	<u>Sheet No.</u>
N/A	DWP	DAB	MAR 2015	063319064	1 OF 2

BERKSHIRE LANE

(80-FOOT RIGHT-OF-WAY)
VOLUME 2043, PAGE 439
D.R.D.C.T.



0.001 ACRES
25 SQ. FT.

PARKING GARAGE
FRANCHISE
ORDINANCE # 10278

SEE DETAIL

P.O.B.

CITY OF DALLAS
VOL. 4342, PG. 198
D.R.D.C.T.
BLOCK 5623
PARKING GARAGE

LICENSE AGREEMENT
ORDINANCE # 924244
VOL. 2002097, PG. 6235
D.R.D.C.T.

**LICENSE AGREEMENT
DETAIL**

NOT TO SCALE

LINE TABLE		
NO.	BEARING	LENGTH
L1	N89°35'55"E	72.44'
L2	N00°29'34"W	5.00'
L3	N89°35'55"E	5.00'
L4	S00°29'34"E	5.00'
L5	S89°35'55"W	5.00'

NOTES:
Bearing system based
on the Texas Coordinate
System of 1983, North
Central Zone (4202),
North American Datum
of 1983.

CH REALTY VI/R DALLAS
PRESTON CTR, L.P.,
INST. NO. 201300365480
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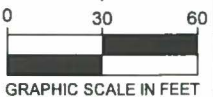
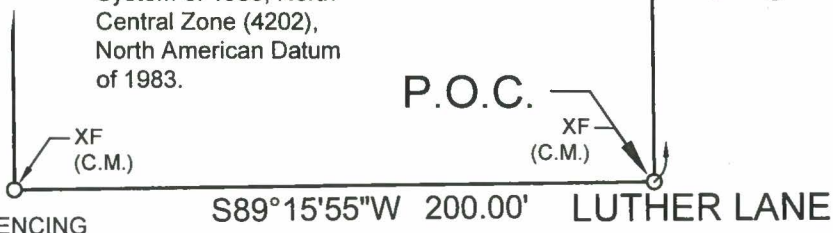
LOT 6A,
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PRESTON CENTER ADDITION
VOL 2002126, PG. 72
D.R.D.C.T.

N0°24'05"W 346.77'
WESTCHESTER DRIVE
(A VARIABLE WIDTH RIGHT-OF-WAY BY USE AND OCCUPATION)
(VOL. 4342, PG. 198)
(D.R.D.C.T.)

REVIEWED BY
JL 3-20-15
SPM 3045

LEGEND

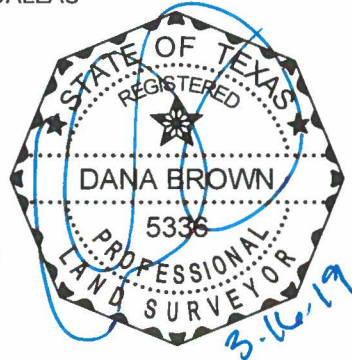
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- XF = "X" CUT IN CONCRETE FOUND
- (C.M.) - CONTROL MONUMENT
- D.R.D.C.T. = DEED RECORDS OF DALLAS COUNTY, TEXAS



LICENSE AGREEMENT NO. 4

BEING PART OF WESTCHESTER DRIVE
CITY BLOCK 5623
ANDREW J. SURVEY, ABSTRACT NO. 948
CITY OF DALLAS, DALLAS COUNTY, TEXAS

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Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
1" = 60'	DWP	DAB	MAR 2015	063319064	2 OF 2

**EXHIBIT B
COMMERCIAL ENTITY
ADDITIONAL LICENSE PROVISIONS**

That this license is granted subject to the following additional conditions, terms and reservations:

- (a) That at such time as this license is terminated or canceled for any reason whatsoever, **GRANTEE**, upon orders issued by the City acting through the Director of Sustainable Development and Construction, or designee, shall remove all installations, improvements and appurtenances owned by it situated in, under or attached to the licensed area, and shall restore the premises to its former condition in accordance with the requirements of the Director of Sustainable Development and Construction at the sole cost of **GRANTEE**. In the event, upon termination of this license, **GRANTEE** shall fail to remove its installations, improvements and appurtenances and to restore the licensed area in compliance with orders issued by City, or such work is not done to the satisfaction of the Director of Sustainable Development and Construction, then in either event the City shall have the right to do all work necessary to restore said area to its former condition or cause such work to be done, and to assess the cost of all such work against **GRANTEE**; in neither event shall the City of Dallas be liable to **GRANTEE** on account thereof.
- (b) It is further understood that if and when the City of Dallas, in the exercise of its discretion, shall determine that the grade of any street, sidewalk or parkway should be modified or changed, or that any other work should be done in connection with any public improvement which will affect the licensed area, and/or any of **GRANTEE's** installations and improvements thereon, any modifications or changes to **GRANTEE's** facilities in the licensed area or in construction or reconstruction of any public improvement attributable to **GRANTEE's** use of the licensed area and/or its installations and improvements thereon, shall be made at the sole expense of **GRANTEE** and to the satisfaction of the Director of Sustainable Development and Construction.
- (c) At such time as this license is granted, it is agreed, and a condition hereof, that **GRANTEE** shall procure and keep in full force and effect **Commercial General Liability Insurance** coverage issued by an insurance company authorized and approved by the State of Texas, acceptable to the City of Dallas and issued in the standard form approved by the Texas Department of Insurance. The insured provisions of this policy must name the City of Dallas as an additional insured protecting the City of Dallas against any and all claims for damages to persons or property as a result of or arising out of the use, operation and maintenance by **GRANTEE** of the licensed area and **GRANTEE's** installations, improvements, landscaping and equipment in connection therewith and located therein. The Commercial General Liability coverage must include, but not limited to, Premises/Operations, Independent Contractors and Contractual Liability with minimum combined bodily injury (including death) and property damage limits of not less than \$500,000 per occurrence and \$500,000 annual aggregate. This insurance shall also include coverage for underground, explosion and collapse hazards (i.e. not excluded). If this insurance is written on a claims-made form, coverage shall be continuous (by renewal or extended reporting period) for not less than

**EXHIBIT B
COMMERCIAL ENTITY
ADDITIONAL LICENSE PROVISIONS**

twelve (12) months following termination of this license and removal of the installations, improvements and appurtenances and restoration of the licensed area pursuant to paragraph (a) above. Coverage, including any renewals, shall contain the same retroactive date as the original policy applicable to this license. The City of Dallas reserves the right to review the insurance requirements set forth herein during the effective term of the license and to adjust insurance coverages and their limits when deemed necessary and prudent by the City of Dallas' Risk Management based upon changes in statutory law, court decisions, or the claims history of the industry as well as the City of Dallas.

1. **GRANTEE** agrees that with respect to the above required insurance, all insurance contracts and certificates of insurance will contain and state, in writing, that coverage shall not be canceled, nonrenewed or materially changed except after thirty (30) days written notice by certified mail to Department of Sustainable Development and Construction.
 2. **GRANTEE** shall carry said insurance at its expense and shall furnish the City of Dallas proof of such insurance. In the event said insurance should terminate during the licensing term hereof, or **GRANTEE** fails to furnish proof of insurance coverage in accordance with the specifications as required by this section, the Director of Sustainable Development and Construction, or designee, may terminate the license granted herein.
- (d) **GRANTEE** is prohibited from using the licensed area in any manner which violates Federal, State or local laws, regulations, rules and orders, regardless of when they become or became effective, including without limitation, those related to health, safety, noise, environmental protection, waste disposal and water and air quality, and shall provide satisfactory evidence of compliance upon the request of the City of Dallas. Should any discharge, leakage, spillage, emission or pollution of any type occur upon or from the licensed area due to **GRANTEE's** use and occupancy thereof, **GRANTEE**, at its expense, shall be obligated to clean up the licensed area to the satisfaction of the City of Dallas and any governmental body having jurisdiction thereover. The City of Dallas may, at its option, clean the licensed area. If the City of Dallas elects to do so, **GRANTEE** shall promptly pay to the City of Dallas the reasonable cost of such cleanup upon receipt of bills therefore. **GRANTEE** agrees that the indemnity provisions contained in paragraph (g) herein shall be fully applicable to the requirements of this paragraph, in event of **GRANTEE's** breach of this paragraph, or as a result of any such discharge, leakage, spillage, emission or pollution arising out of the **GRANTEE's** use of the licensed area.
- (e) This license is subject to all State laws, the provisions of the Charter of the City of Dallas as it now exists, or may hereafter be adopted or amended, and the ordinances of the City of Dallas now in effect or those which may hereafter be passed or adopted. The City of Dallas shall have the right to increase or decrease the compensation to be charged for the use contemplated by this grant in

**EXHIBIT B
COMMERCIAL ENTITY
ADDITIONAL LICENSE PROVISIONS**

accordance with the provisions of the Dallas City Code as it now exists, or as may hereafter be adopted or amended.

- (f) The Governing Body of the City of Dallas reserves the right, at any time without notice, to terminate and cancel this license, by resolution, upon a finding by the Governing Body that this license is inconsistent with the public use of the property or whenever the purpose or use of the license is likely to become a nuisance and all rights granted hereunder shall thereupon be considered fully terminated and canceled and the City of Dallas shall not be held liable by reason thereof. The decision of the Governing Body of the City in this matter shall be final and binding upon all parties insofar as the City's determination as to whether the **GRANTEE's** use of this license constitutes a nuisance or is inconsistent with the public use of the property.
- (g) As a condition hereof, **GRANTEE** agrees and is bound to defend, indemnify and hold the City of Dallas, its officers, agents and employees, harmless against any and all claims, lawsuits, judgments, costs and expenses for bodily injury (including death), property damage or other harm for which recovery of damages is sought, suffered by any person or persons, that may arise out of or be occasioned by the use, occupancy and maintenance of the licensed area or **GRANTEE's** installations and improvements within the licensed area, from any act or omission of any representative, agent, customer and/or employee of **GRANTEE**, or by **GRANTEE's** breach of any of the terms or provisions of this license, or by any negligent or strictly liable act or omission of **GRANTEE**, its officers, agents, employees or contractors in the use, occupancy and maintenance of **GRANTEE's** installations and improvements within the licensed area; except that the indemnity provided for in this paragraph shall not apply to any liability resulting from the sole negligence or fault of the City of Dallas, its officers, agents, employees or separate contractors, and in the event of joint and concurring negligence or fault of both the **GRANTEE** and the City of Dallas, responsibility and liability, if any, shall be apportioned comparatively in accordance with the laws of the State of Texas, without, however, waiving any governmental immunity available to the City of Dallas under Texas law and without waiving any defenses of the parties under Texas law. This obligation to indemnify and defend shall also include any claim for damage that any utility or communication company, whether publicly or privately owned, may sustain or receive by reason of **GRANTEE's** use of the licensed area or **GRANTEE's** improvements and equipment located thereon. In addition to the foregoing, **GRANTEE** covenants and agrees never to make a claim of any kind or character whatsoever against the City of Dallas for damage of any kind that it may suffer by reason of the installation, construction, reconstruction, operation or maintenance of any public improvement, utility or communication facility on the licensed area, whether presently in place or which may in the future be constructed or installed, including but not limited to, any water or wastewater mains or storm sewer facilities, regardless of whether such damage is due to

**EXHIBIT B
COMMERCIAL ENTITY
ADDITIONAL LICENSE PROVISIONS**

flooding, infiltration, backflow or seepage caused from the failure of any installation, natural causes, City's negligence, or from any other cause whatsoever.

- (h) This license is subject to any existing utilities or communication facilities, including drainage, presently located within the licensed area, owned and/or operated by the City of Dallas or any utility or communications company, public or private, and to any vested rights presently owned by an utility or communications company, public or private, for the use of the licensed area for facilities presently located within the boundaries of said licensed area. It is the intent of the foregoing that this permission herein is made expressly subject to the utilization of the licensed area for communication and utility purposes, both public and private, including drainage, over, under, through, across and along the licensed area. No buildings shall be constructed or placed upon, over or across the licensed area in such a manner as to interfere with the operation of any utilities and communication facilities. All and any communication company and utility, both public and private, shall have the right to remove and keep removed all or parts of any buildings which may in any way endanger or interfere with the construction, maintenance or efficiency of its respective systems within the licensed area. All communication companies and utilities, both public and private, shall have the full right to remove and keep removed all parts of any buildings, fences, trees, or other improvements or growths which in any way may endanger or interfere with the construction, maintenance and efficiency of its respective system and shall at all times have the full right of ingress and egress to or from and upon the licensed area for the purpose of constructing, relocating, inspecting, patrolling, maintaining and adding to or removing all or part of its respective systems without the necessity at any time of procuring the permission of anyone.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): 8
DEPARTMENT: Office of Economic Development
CMO: Ryan S. Evans, 671-9837
MAPSCO: 64 X

SUBJECT

Authorize **(1)** a waiver to the City of Dallas Public/Private Partnership Program Guidelines and Criteria governing City incentives promoting local economic development and stimulating business and commercial activity approved on June 25, 2014, pursuant to Resolution No. 14-0993, as amended, to allow for a one-time grant to a nonprofit/tax exempt entity; and **(2)** a Chapter 380 economic development grant agreement pursuant to the Public/Private Partnership Program with the Cesar Chavez Foundation - Education Fund in an amount not to exceed \$50,000 as part of a local match in support of the institute's mission to improve job opportunities for working families in Southern Dallas – Not to exceed \$50,000 - Financing: Public/Private Partnership Funds

BACKGROUND

This item authorizes a \$50,000 Chapter 380 economic development grant with the Cesar Chavez Foundation (CCF) in support of the CCF's mission to improve academic proficiency for farm workers, Latinos and other working families. Such programs will be provided at the Polk-Wisdom Library, 7151 Library Lane, Dallas, Texas 75232 and benefit families in Southern Dallas from the Parks at Cliff Creek apartment complex and surrounding multi-family properties.

As a nonprofit, the CCF is not eligible for consideration pursuant to the City's Public/Private Partnership Program Guidelines and Criteria. Notwithstanding, it is recommended that the City's Public Private Partnership Program Guidelines and Criteria restricting grants to tax-exempt entities be waived to allow for a one-time grant to the CCF to facilitate its program.

Having recently identified transportation services, the CCF desires to open operations this fall. This item was placed on the addendum to ensure that the CCF will have the ability to adequately plan and implement its program for the upcoming fall semester rather than potentially delaying the program until January 2016 or possibly until September 2016.

BACKGROUND (Continued)

The estimated annual cost of these education programs is approximately \$104,000. The CCF is required to match or exceed the proposed \$50,000 of City funding with cash or in-kind contributions to cover operating expenses for the program.

Costs for the program include, but are not limited to, teacher and coordinator salaries and benefits, curriculum technology (Google Chrome Books), student materials, marketing, phones, and indirect costs such as accounting and human resources. The proposed Chapter 380 economic development grant has been granted special consideration under the City's Public/Private Partnership Program since the CCF programs will serve Southern Dallas.

The CCF has provided educational and job training opportunities throughout the southwest for over forty-five years. The CCF's mission is to improve the level of academic proficiency for farm workers, Latinos and other working families by providing educational and job training opportunities that may not otherwise be available. The institution's programs offer critical opportunities to ensure that all students get the support needed to reach their full potential. Through its services, CCF produces educational products and services that address the needs of students by employing highly qualified administrators and teachers who are dedicated to the communities they serve.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 1, 2015, the Economic Development Committee recommended City Council approval of the proposed Chapter 380 Economic Development Grant agreement with Cesar Chavez Foundation - Education Fund in the amount of \$50,000.

FISCAL INFORMATION

\$50,000 - Public/Private Partnership Funds

OWNER

Cesar Chavez Foundation - Education Fund

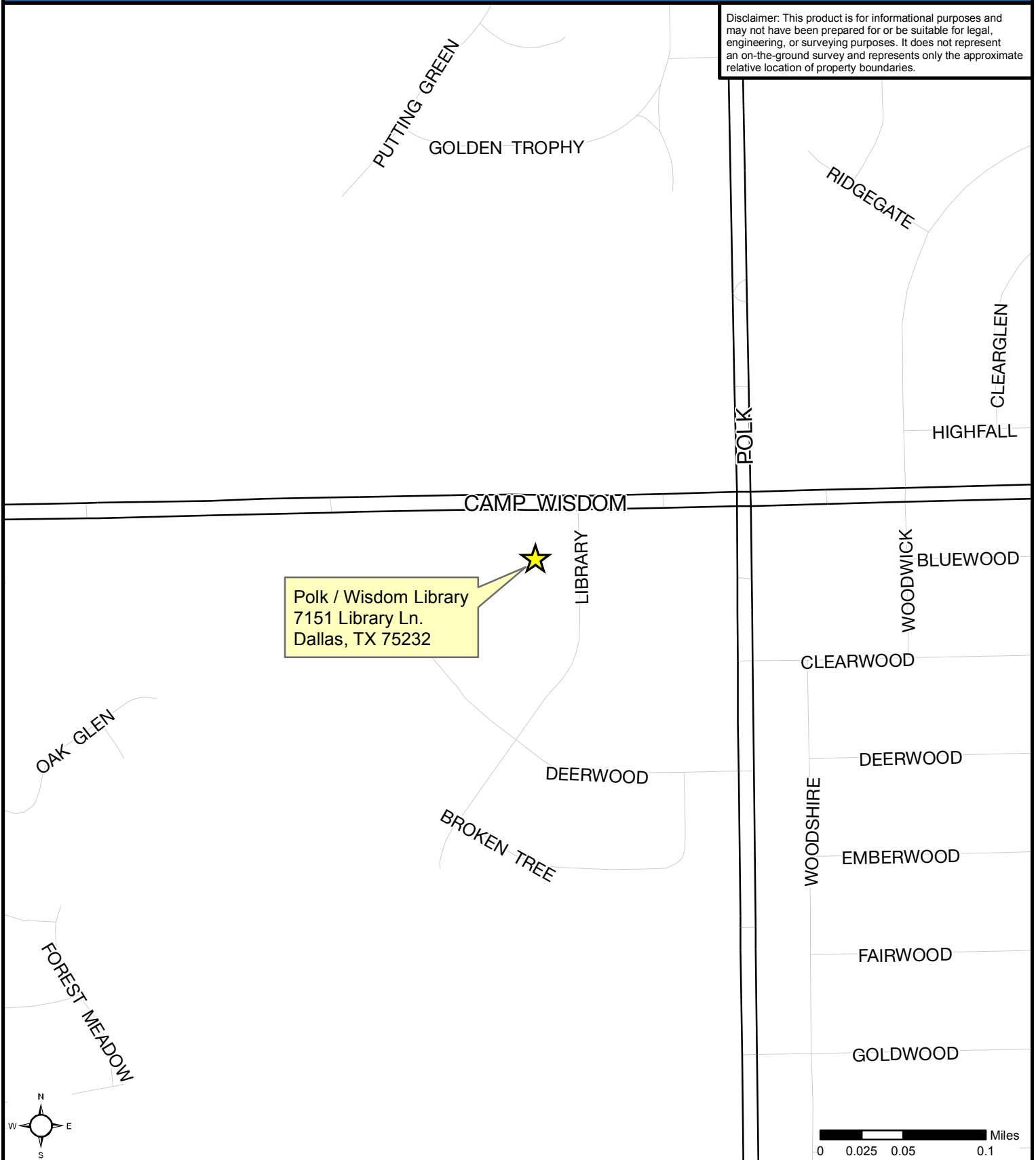
Principals
Cristina Graham, Director of Operations
Paul Park, Secretary General Council

MAP

Attached.

Polk / Wisdom Library

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



**DALLAS
ECONOMIC
DEVELOPMENT**
Research & Information Division
214.670.1685
dallas-ecodev.org

Legend
— Arterial
— Local Road

June 17, 2015

WHEREAS, the City recognizes the importance of its role in Economic Development; and

WHEREAS, education is viewed as a fundamental factor in the development of human capital that ultimately promotes sustainable economic development and reduces the chance of community and neighborhood decline; and

WHEREAS, education enriches lives and improves opportunities for continued learning, future employment, and social progress; and

WHEREAS, the Cesar Chavez Foundation wishes to partner with the City of Dallas in order to operate a specialized after-school educational program for underserved youths living in the southern sector and residing at the Parks at Cliff Creek, 7300 Marvin D. Love Freeway, surrounding apartment complexes and students attending the Ronald McNair Elementary School; and

WHEREAS, the City Council on June 25, 2014: (1) adopted Public/Private Partnership Program - Guidelines and Criteria, which established certain guidelines and criteria for the use of City incentive programs for private development projects; and (2) established programs for making loans and grants of public money to promote local economic development and to stimulate business and commercial activity in the City of Dallas pursuant to the Economic Development Programs provisions under Chapter 380 of the Texas Local Government Code, (the "Act"); and (3) give special consideration to a project occurring in Southern Dallas; and

WHEREAS, the City Council desires to waive the City of Dallas Public/Private Partnership Program Guidelines and Criteria governing City incentives promoting local economic development and stimulating business and commercial activity approved on June 25, 2014, pursuant to Resolution No. 14-0993, as amended, to allow for a one-time grant to a nonprofit/tax exempt entity benefitting Southern Dallas; and

WHEREAS, the City desires to enter into a Chapter 380 economic development grant agreement pursuant to the Public/Private Partnership Program in an amount not to exceed \$50,000 with the Cesar Chavez Foundation - Education Fund in consideration of its mission to improve academic proficiency for working families and in support of a specialized after-school program at the Polk/Camp Wisdom Library benefitting a Southern Dallas neighborhood Parks at Cliff Creek, 7300 Marvin D. Love Freeway, surrounding apartment complexes and students attending the Ronald McNair Elementary School.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

June 17, 2015

Section 1. That the City Manager, upon approval as to form by the City Attorney, is hereby authorized to:

- (1) waive the City of Dallas Public/Private Partnership Program Guidelines and Criteria governing City incentives promoting local economic development and stimulating business and commercial activity approved on June 25, 2014, pursuant to Resolution No. 14-0993, as amended, to allow for a one-time grant to a nonprofit/tax exempt entity benefitting Southern Dallas, and
- (2) execute a Chapter 380 economic development grant agreement pursuant to the Public/Private Partnership Program with the Cesar Chavez Foundation - Education Fund in an amount not to exceed \$50,000 for the implementation and operation of a specialized after-school education program to be held at the Polk/Camp Wisdom Library located at 7151 Library Lane, Dallas, Texas 75232

Section 2. That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

Section 3. That the economic development grant agreement with Cesar Chavez Foundation - Education Fund is subject to the Cesar Chavez Foundation - Education Fund matching the City's \$50,000 Chapter 380 Economic Development Grant with either \$50,000 in cash or in-kind donations used for the operation of the described specialized after school education program.

Section 4. That the Chief Financial Officer is hereby authorized to encumber and disburse funds from: Fund 0352, Department ECO, Unit 9992, Object 3016, Activity PPPF, Encumbrance No. ECO9992I247, Vendor No. VS88512, in an amount not to exceed \$50,000.

Section 5. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): 6
DEPARTMENT: Office of Economic Development
CMO: Ryan S. Evans, 671-9837
MAPSCO: 11A P

SUBJECT

Authorize a Chapter 380 economic development grant agreement pursuant to the Public/Private Partnership Program with Toyota Industries Commercial Finance, Inc. in an amount not to exceed \$277,500 to stimulate business development activity in the City of Dallas in conjunction with the location of its new U.S. headquarters to an existing office facility at 8951 Cypress Waters Boulevard - Not to exceed \$277,500 - Financing: Public/Private Partnership Funds

BACKGROUND

This item is being placed on the addendum in order to stimulate Toyota Industries Commercial Finance, Inc. (TICF) to locate its new U.S. headquarters in Dallas. Due to TICF's preferred timeline for the project, they have requested that this item be acted on before the next available agenda in August.

For the past several months, city staff has been in discussions with representatives of Toyota Industries Commercial Finance, Inc. (TICF) as TICF has been evaluating sites in southern California and in the North Texas area for the location of its new U.S. headquarters.

The proposed economic development grant will stimulate TICF to locate its new U.S. headquarters (approximately 60,000 square feet) to Dallas in an existing office facility within the Cypress Waters development. TICF will lease the facility for seven (7) years with two (2) additional 5-year options. With the project, TICF also anticipates investing approximately \$4 million in real property improvements (i.e. leasehold improvements).

BACKGROUND (Continued)

The terms of the proposed Chapter 380 economic development grant payment are as follows:

- TICF will be eligible for payment of the proposed grant (\$277,500) upon verification of: (1) a Certificate of Occupancy and at least \$4 million invested in real property improvements associated with design, engineering, and construction (including hard and soft costs) of leasehold improvements at the facility, and (2) at least 150 FTE's located at the facility on or before December 31, 2016.
- TICF will be required to reimburse the City the amount of \$138,750 should it not maintain at least 150 FTE's at the facility for a period of five (5) years beginning from the date of payment of the grant.

The proposed project surpasses minimum Public/Private Partnership Program guidelines and results in an estimated 10-year net fiscal impact of \$3.6 million.

Toyota Industries Corporation (TICO) is the original Toyota company founded in 1926. TICO manufactures automatic looms, forklifts, A/C compressors, and engines, which are distributed in North America through Toyota Material Handling North America (TMHNA) and distributed in the U.S. through Toyota Material Handling USA (TMHU), both of which are located in Columbus, Indiana.

In conjunction with some recent corporate restructuring, TICO has formed a new wholly-owned subsidiary called Toyota Industries Commercial Finance (TICF). This new entity will function as the U.S. headquarters for TICO's commercial sales finance company in order to strengthen and expand TICO's industrial vehicle/materials handling equipment operations (i.e. lending money to businesses to acquire TICO's forklifts and industrial trucks).

The planned move of Toyota's North American headquarters to Plano specifically includes Toyota Motor Sales (TMS) and Toyota Motor Credit Corporation (TMCC), which are separate from TICO and TICF. None of the assets or employees related to TICF are a part of the TMS/TMCC planned move to Plano.

ESTIMATED SCHEDULE OF PROJECT

Begin tenant improvements	September 2015
Complete tenant improvements	December 2015

PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 15, 2015, a memo will be presented to the Economic Development Committee regarding authorizing a Chapter 380 economic development grant agreement pursuant to the Public/Private Partnership Program with Toyota Industries Commercial Finance, Inc., in an amount not to exceed \$277,500 to stimulate business development activity in the City of Dallas in conjunction with the location of its U.S. headquarters to an existing office facility at 8951 Cypress Waters Boulevard.

FISCAL INFORMATION

\$277,500 - Public/Private Partnership Funds

OWNER

Toyota Industries Commercial Finance, Inc.

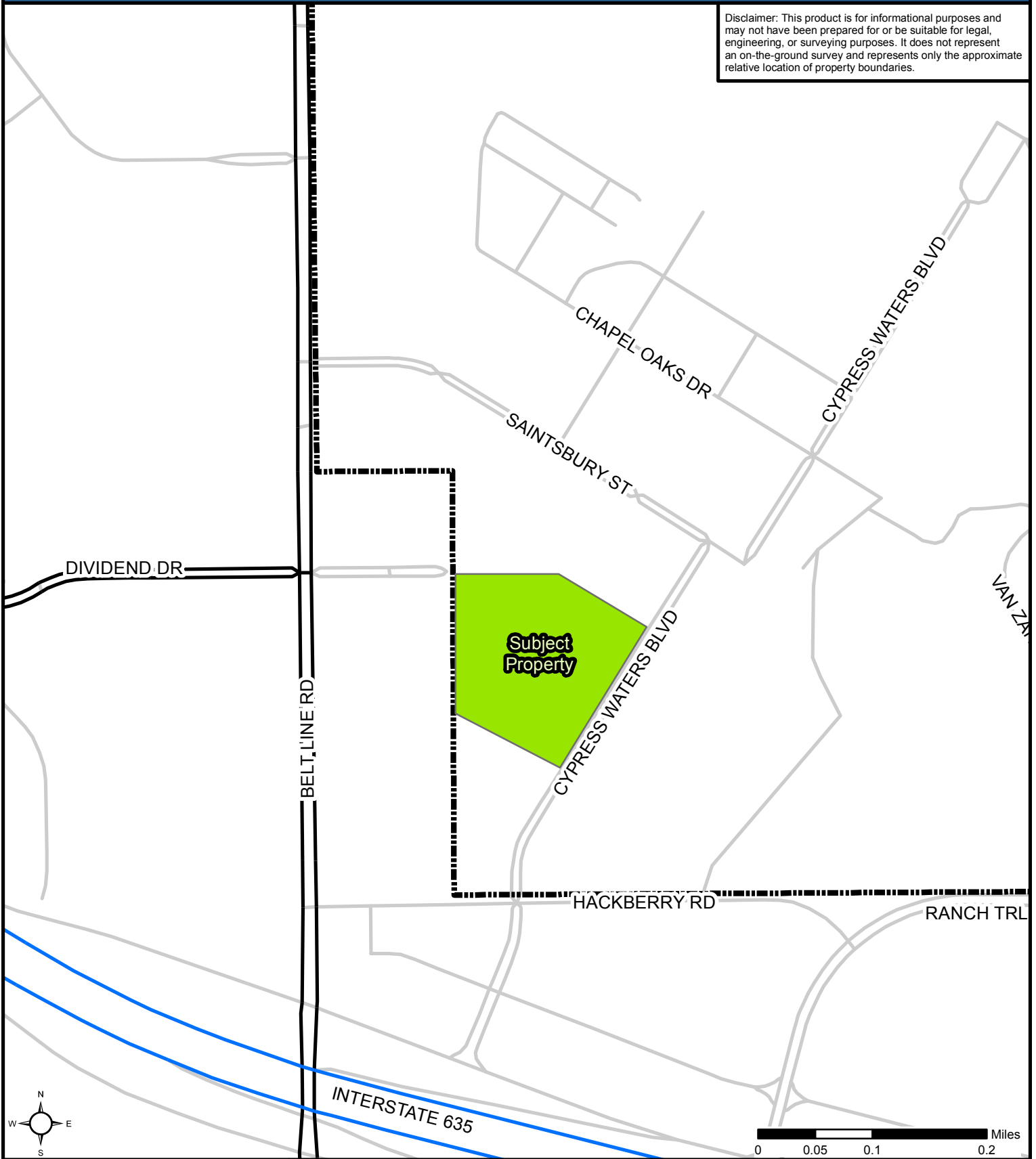
Norm Creveling, President

MAP

Attached.

Location Map

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



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Legend

- Highway
- Arterial

- Local Road
- City of Dallas

June 17, 2015

WHEREAS, the City of Dallas recognizes the importance of its role in local economic development; and

WHEREAS, business entities have a number of real estate opportunities to consider when relocating to the Dallas-Fort Worth region; and

WHEREAS, many municipalities within the Dallas-Fort Worth region have economic development programs to compete with the City of Dallas for expansions and relocations of business entities; and

WHEREAS, site selection decisions made by business entities are often significantly influenced by a municipality's ability to provide competitive economic development incentives; and

WHEREAS, it is in the interest of the City of Dallas to support and secure the expansions and relocations of business entities within the city of Dallas and the employment opportunities that these business entities bring for Dallas residents; and

WHEREAS, Toyota Industries Commercial Finance, Inc. has been considering sites in southern California and in the Dallas-Fort Worth region for the location of its new U.S. headquarters; and

WHEREAS, the City of Dallas desires to support and secure the location of the new U.S. headquarters of Toyota Industries Commercial Finance, Inc. within the city of Dallas; and

WHEREAS, the location of the new U.S. headquarters of Toyota Industries Commercial Finance, Inc. will not occur within the city of Dallas without an offer of economic development incentives from the City of Dallas; and

WHEREAS, on June 25, 2014, pursuant to Resolution No. 14-0993, the City Council elected to continue its authorization of the City of Dallas' Public/Private Partnership Program Guidelines and Criteria governing tax abatement agreements as specified in the Property Redevelopment and Tax Abatement Act and other City of Dallas economic development programs including the Business Development Chapter 380 Grant/Loan Program for the period June 25, 2014 through June 25, 2016; and

WHEREAS, the City of Dallas desires to enter into an economic development grant agreement with Toyota Industries Commercial Finance, Inc. to promote economic development, stimulate private sector investment, encourage job creation, and grow the tax base in the city of Dallas.

June 17, 2015

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager, upon approval as to form by the City Attorney, is hereby authorized to execute an economic development grant agreement with Toyota Industries Commercial Finance, Inc. in conjunction with the location of its U.S. headquarters to an existing office facility ("Facility") at 8951 Cypress Waters Boulevard, Dallas.

Section 2. That the real property located at 8951 Cypress Waters Boulevard, Dallas, which shall be described in the economic development grant agreement, is attached as **Exhibit A** (Metes and Bounds Legal Description) and graphically depicted on the attached site map as **Exhibit B**.

Section 3. That **Exhibit C** contains the estimated investment by Toyota Industries Commercial Finance, Inc. for real property improvements (i.e. leasehold improvements) at the Facility.

Section 4. That the economic development grant shall be in an amount not to exceed \$277,500 provided that Toyota Industries Commercial Finance, Inc. meets its obligations under the grant agreement with the City.

Section 5. That the terms of the grant payment shall be as follows:

The grant payment of \$277,500 shall be payable upon verification of: (1) a Certificate of Occupancy and at least \$4 million invested in real property improvements associated with design, engineering, and construction (including hard and soft costs) of leasehold improvements at the facility, and (2) at least 150 FTE's located at the facility on or before December 31, 2016.

Should Toyota Industries Commercial Finance, Inc. fail to maintain at least 150 FTE's for a period of five (5) years beginning from the date of the grant payment, Toyota Industries Commercial Finance, Inc. shall repay \$138,750 to the City of Dallas.

Section 6. That the Chief Financial Officer is hereby authorized to encumber and disburse future funds from: Fund 0352, Department ECO, Unit 9992, Object 3016, Activity PPPF, Encumbrance No. ECO99921248, Vendor No. VS88507, in an amount not to exceed \$277,500.

Section 7. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

EXHIBIT A

PROPERTY DESCRIPTION

A tract or parcel of land situated in the John L. Whitman Survey, Abstract No. 1521, in the City of Dallas, Dallas County, Texas, and being part of the tract of land described in the deed to Trammell Crow Company No. 43, Ltd. recorded in Instrument No. 20080370213 in the Dallas County Deed Records (DCDR), and also including part of the tract of land described in the deed to Trammell Crow Company No. 43, Ltd. recorded in Instrument No. 200600072663 in the Dallas County Deed Records, and being more particularly described as follows:

COMMENCING at a found ½ inch iron rod with yellow cap on the east right-of-line of Belt Line Road (120' wide right-of-way) at the most westerly corner of said Trammell Crow Company No. 43, Ltd. Tract recorded in Instrument No. 20080370213, being the same as the northwest corner of the tract of land described in the deed to Hackbelt 27 Partners, L.P. recorded in Volume 2003167 Page 12149 in the DCDR;

THENCE North 89°44'36" East 620.83 feet along the south side of said Trammell Crow Company No. 43, Ltd. tract and the south side of said Lot I, to a found ½ inch iron rod at a chain link fence corner;

THENCE South 00°18'56" East 476.75 feet along the west side of said Trammell Crow Company No. 43 tract and the west side of said Lot 1, to the POINT OF BEGINNING:

THENCE North 89°41 '04" East 468.08 feet to set ½ inch iron rod with C&P cap;

THENCE South 58° 18'21" East 488.08 feet to set ½ inch iron rod with C&P cap on the west right-of-way line of Cypress Waters Boulevard (94.00 feet wide right-of-way);

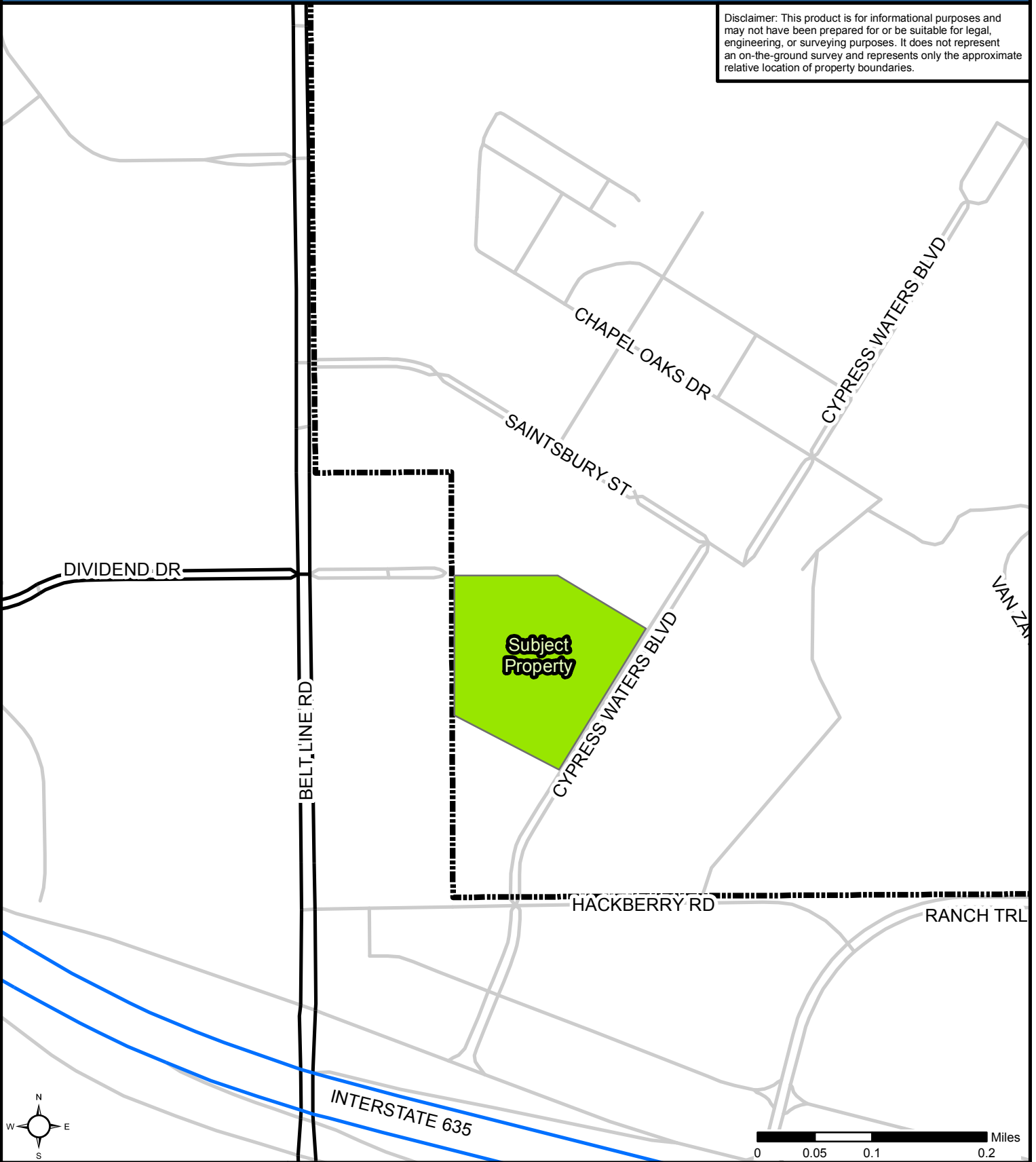
THENCE South 31°41 '39" West 768.28 feet along the west line of Cypress Waters Boulevard to set ½ inch iron rod with C&P cap;

THENCE North 58°18'21" West 559.83 feet to set ½ inch iron rod with C&P cap:

THENCE North 00°18'56" West 613.44 feet along the west side of said Trammell Crow Company No. 43, Ltd. tract and the west side of said Lot 1 to the Point of Beginning and Containing 546,117 square feet or 12.537 acres.

Exhibit B

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



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Legend

- Highway (Blue line)
- Arterial (Thick black line)
- Local Road (Thin grey line)
- City of Dallas (Dashed black line)

Exhibit C

Toyota Industries Commercial Finance, Inc.

List of Improvements

Scope of Work: Toyota Industries Commercial Finance, Inc. will locate its new U.S. headquarters (approximately 60,000 square feet) to Dallas in an existing office facility at 8951 Cypress Waters Boulevard. Scope will include but will not be limited to:

Real Property Improvements:

1. Hard Costs (Construction, Security System & Cabling):

Estimated Cost.....\$3,500,000

2. Soft Costs:

Estimated Cost.....\$500,000

TOTAL:\$4,000,000

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): 7
DEPARTMENT: Office of Economic Development
CMO: Ryan S. Evans, 671-9837
MAPSCO: 46 T

SUBJECT

Authorize a resolution replacing City Council Resolution Nos. 06-1833 and 07-2962, approved on June 28, 2006 and October 10, 2007 respectively, to: **(1)** re-establish certain existing policies, programs, procedures and guidelines for the South Dallas/Fair Park Trust Fund; **(2)** provide for a new South Dallas Adaptive Reuse Program serving the South Dallas Fair Park area; **(3)** establish revised funding sources for the South Dallas/Fair Park Trust Fund and other programs supporting the area; **(4)** allocate funding from existing programs for water conservation at City facilities; and **(5)** add the Public Safety Grant Program to the South Dallas/Fair Park Trust Fund Program Offerings - Financing: This action has no cost consideration to the City

BACKGROUND

The South Dallas/Fair Park Trust Fund (Trust Fund) was authorized in 1987 when City Council adopted the South Dallas Fair Park neighborhood preservation and Economic Development plan. Commencing operations in FY94, the Trust Fund's goals were established and remain to facilitate community and neighborhood development through grants and loans that support: (1) community programs that assist human service needs as well as (2) promote business and economic development activity. A recent Mayor's Fair Park Task Force recommended maintaining the current South Dallas/Fair Park Trust Fund and its structure.

The Trust Fund's Advisory Board, appointed by City Council, reviews and recommends all loan and grant transactions. Transactions greater than \$50,000 require Council approval in accordance with City policy. In the past 10 years, the Trust Fund has made 209 grants totaling \$3,200,000 and \$560,000 in loans. All loans originated since 2007 are current paid in full, with no anticipated loan recovery issues.

City Council Resolution No. 89-3605 established a minimum annual funding target of \$500,000. Revenue sources, including a Fair Park Visitors Formula, were established by Resolution No. 91-1597.

BACKGROUND (Continued)

The “Visitors Formula” was tied to an annual survey which calculates volume of out of town visitors to Fair Park and estimates hotel and motel tax revenue as well as total expenditures by these visitors, a percentage of which was to be dedicated to the Trust Fund. No record of City Council appropriations from the Visitor’s Formula has been identified.

Aggregate appropriations since 1994 have fallen significantly short of the \$500,000 annual funding target by a total of approximately \$3,600,000 (\$5 million with inflation), largely because the Visitors Formula has not been implemented. The minimum \$500,000 annual funding target, is viewed as necessary to support existing loan and grant programs. As such, a new funding structure for the Trust Fund is proposed to ensure that the annual target of \$500,000 is achieved as follows:

- (1) Fair Park Activities: Gexa ticket sales and Flea Market/Antique sales (Visitors Formula is eliminated as a source of funding) with a funding target of at least \$500,000;
- (2) If revenue from Fair Park Activities do not reach \$500,000 in any fiscal year, the shortfall will be augmented by the City’s Public/Private Partnership Fund (PPPF) up to \$500,000;
- (3) If revenues reach \$500,000 in any fiscal year, no PPPF will be required;
- (4) Funding from “Fair Park Activities” will be capped at \$1 million annually; and
- (5) Additional funding may be generated from principal and interest payments from Trust Fund loans, interest on Trust Fund balances as well as sponsorship from enterprise activity (above and beyond the funding target of \$500,000).

Additionally, “restoration” of non-collected funding is proposed over a multi-year period from alternative sources to stimulate economic development in the South Dallas Fair Park area.

The proposed multi-year funding restoration (detailed on **Attachment A**) is subject to future appropriations beginning in FY16, and as follows:

- (1) Supplement the existing Trust Fund’s Special Grant and Loan Program for Catalyst Economic Development initiatives in the amount of \$800,000 annually for four years commencing in FY 16/17 from the General Fund (total not to exceed \$3,200,000);

BACKGROUND (Continued)

- (2) Provide “Seed Money” for Grand Park South Tax Increment Finance District projects through the City’s Public/Private Partnership Fund in the amount of \$250,000 annually for four years (total not to exceed \$1 million);
- (3) Create a South Dallas Adaptive Reuse Program with funding in the amount of \$250,000 through the City’s Public Private Partnership Fund (total not to exceed \$250,000); and
- (4) Address water conservation at City facilities by allocating \$200,000 annually for three years from the DWU – CLEP program (total not to exceed \$600,000).

Proposed replacement language for Resolution No. 06-1833, as amended by Resolution No. 07-2962, is highlighted on **Attachment B** in order to identify the proposed changes for the South Dallas/Fair Park Trust Fund being considered by the City Council with this action.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 18, 1987, City Council authorized and adopted the South Dallas/Fair Park Neighborhood Preservation and Economic Development Plan to establish the South Dallas/Fair Park Trust Fund by Resolution No. 87-0632.

On November 8, 1989, City Council, acting on certain recommendations put forth by the Fair Park Task Force authorized the creation of guidelines and projects concerning the Trust Fund by Resolution No. 89-3605.

On August 26, 1992, City Council affirmed its commitment to the Trust Fund and directed the City Manager and South Dallas/Fair Park Trust Fund Board to submit recommendations for a long-range plan for the Trust Fund.

On March 24, 1993, City Council authorized certain recommendations contained in the long-range plan submitted for the Trust Fund by Resolution No. 93-1145.

On October 27, 1999, City Council authorized the replacement of Resolution No. 93-1145 regarding the programs and administration of the Trust Fund by Resolution No. 99-3439.

On February 25, 2004, City Council approved clarification that unused Trust Fund monies under certain conditions may be used in subsequent fiscal years by Resolution No. 04-0801.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

On June 28, 2006, pursuant to Resolution No. 06-1833, City Council replaced Resolution No. 99-3439 and modified certain policies, procedures and guidelines for operating the South Dallas/Fair Park Trust Fund.

On October 10, 2007, pursuant to Resolution No. 07-2962, City Council authorized amendments to Resolution No. 06-1833, policies, procedures and guidelines for operating the South Dallas/Fair Park Trust Fund.

On June 1, 2015, the Economic Development Committee recommended approval of the proposed funding and program amendments.

FISCAL INFORMATION

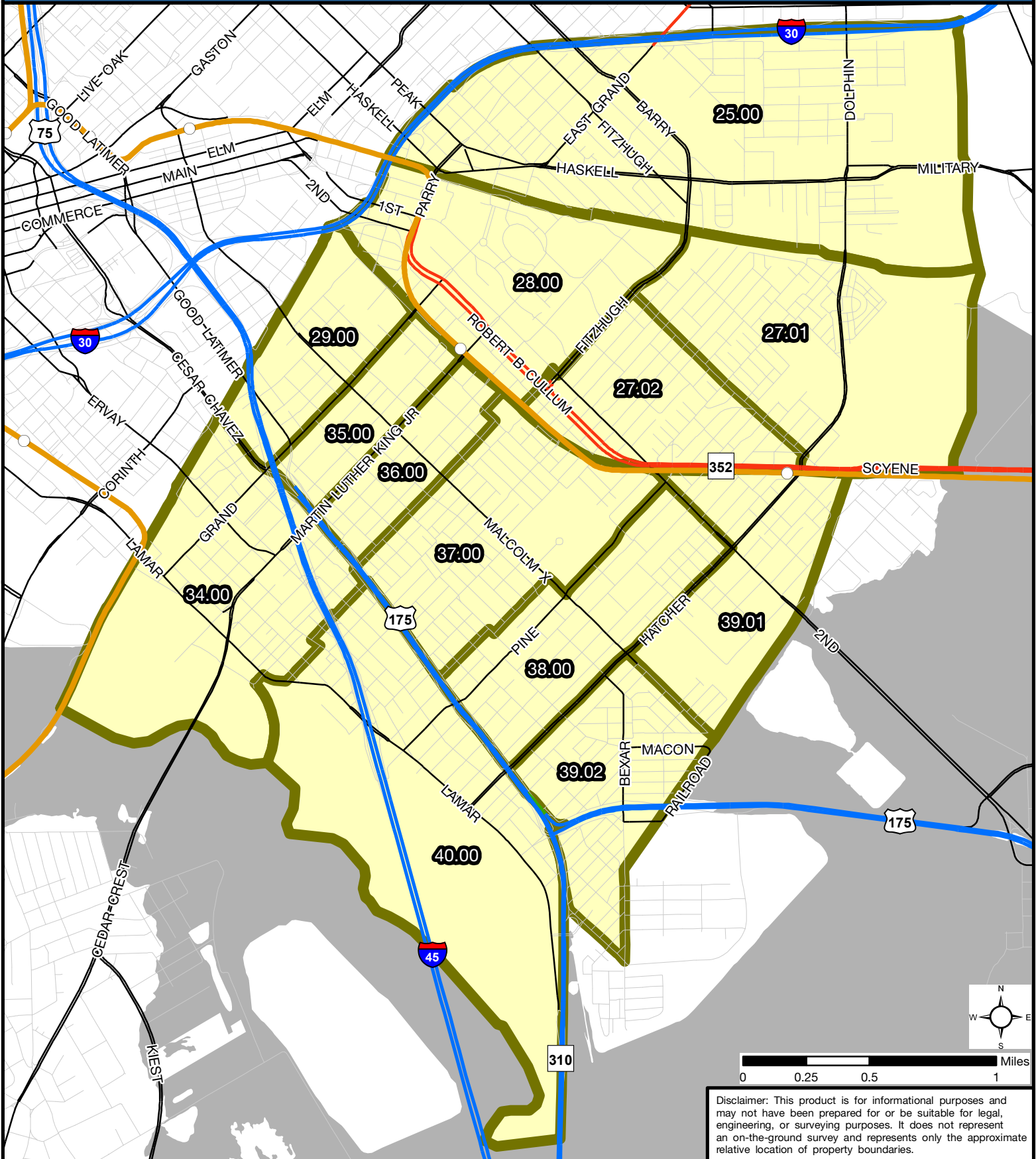
This action has no cost consideration to the City.

Future costs associated with proposed funding and future awards are all subject to appropriations and future Council consideration.

MAP

Attached.

South Dallas / Fair Park Trust Fund Eligible Area






Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.




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Created 8.6.2012 - SDFP_TrustFund.TCG

Legend

-  South Dallas / Fair Park Trust Fund Eligible Census Tract
-  Rail Station
-  DART Light Rail

-  Freeway
-  Highway
-  Arterial

-  Local Road
-  Flood Plain

Source: City of Dallas, 2012

ATTACHMENT A

<u>Item</u>	<u>Description</u>	<u>Amount</u>	<u>Frequency</u>	<u>Total</u>	<u>Funding Source/ Responsible Department</u>
Supplement to existing special grant program for catalyst initiatives	To be used for re-development/development purposes (Examples include: Grand Park Place development, Hatcher Gardens Phase II, South Fair redevelopment, Spring Ave. Retail development, and private development throughout the area.	\$800K	Annually for 4 years	\$3.2M	General Fund (Special Fair Park Program)
"Seed" \$ for Grand Park South TIF	Supplement to Tax Increment generated by TIF for project support	\$250K	Annually 4 years	\$1M	PPP Program
South Dallas Adaptive Reuse Program	Modeled after existing Southern Dallas programs	\$250K	Once	\$250K	PPP Program
City Leadership Grant Program	Address water conservation at City owned facilities	\$200K	Annually for 3 years	\$600K	DWU-CLEP
				\$5,050M	

Attachment B

October 10, 2007

WHEREAS, pursuant to Chapter 380 of the Texas Local Government Code, the governing body of a municipality may establish and provide for the administration of programs, including programs for making loans and grants of public money to promote state or local economic development and to stimulate business and commercial activity in the municipality; and

WHEREAS, on February 18, 1987, the City Council approved and adopted the South Dallas/Fair Park Neighborhood Preservation and Economic Development Plan which established the South Dallas/Fair Park Trust Fund (Trust Fund) by Resolution No. 87-0632; and

WHEREAS, on November 8, 1989, the City Council, acting on certain recommendations put forth by the Fair Park Task Force, authorized Resolution No. 89-3605 which created guidelines and projects concerning the Trust Fund; and

WHEREAS, on August 26, 1992, the City Council affirmed its commitment to the Trust Fund and directed the City Manager and South Dallas/Fair Park Trust Fund Board (Board) to submit recommendations for a long-range plan for the Trust Fund; and

WHEREAS, on March 24, 1993, the City Council approved and adopted certain recommendations contained in the long-range plan submitted for the Trust Fund by Resolution No. 93-1145; and

WHEREAS, on October 27, 1999, the City Council approved Resolution No. 99-3439 to replace Resolution No. 93-1145 regarding the programs and administration of the Trust Fund; and

WHEREAS, on February 25, 2004, the City Council authorized that unused Trust Fund monies under certain conditions may be used in subsequent fiscal years by Resolution No. 04-0801; and

WHEREAS, on May 9, 2006, City staff presented certain recommendations to the Economic Development and Housing Committee regarding certain modifications to the administration and programs of the Trust Fund, which recommendations were adopted by the committee; and

WHEREAS, on June 13, 2006, the Board reviewed the recommendations approved by the Economic Development and Housing Committee and approved the recommendations being submitted to the City Council for its review and approval; and

WHEREAS, in order to accomplish certain of the recommendations adopted by the Economic Development and Housing Committee and the South Dallas/Fair Park Trust Fund Advisory Board, the City Council desires to act to replace by Resolution No. 99-3439.

WHEREAS, on June 28, 2006, the City Council authorized to replace Resolution No. 99-3439 by Resolution No. 06-1833; and

WHEREAS, the City wishes to continue the South Dallas/Fair Park Trust Fund Program.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Attachment B

October 10, 2007

~~Section 1. That the City Manager, upon approval as to the form by the City Attorney, is hereby authorized to amend subsection D (a), (b), (c), subsection E (c) and subsection G in Section 2 of Resolution No. 06-1833, previously approved on June 28, 2006, that authorized modifications to certain policies, procedures and guidelines for funding sources, administrative cost and name change for operating the South Dallas/Fair Park Trust Fund.~~

Section 1. That the City Council adopts this resolution to replace City Council Resolution Nos. 06-1833 and 07-2962, previously approved on June 28, 2006 and October 10, 2007 respectively, to: (1) re-establish certain existing policies, programs, procedures and guidelines for the South Dallas/Fair Park Trust Fund; (2) provide for a new South Dallas Adaptive Reuse Program serving the South Dallas Fair Park area; (3) establish revised funding sources for the South Dallas Fair Park Trust Fund and other programs supporting the area; (4) allocate funding from existing programs for water conservation at City facilities; and (5) add Public Safety Grant Program to the South Dallas/Fair Park Trust Fund Program Offerings.

Section 2. That the City Council approves the following ~~modifications~~ regarding the Trust Fund:

A. The following program areas may be funded through the Trust Fund:

a. Business and economic development initiatives to:

- (i) promote local economic development;
- (ii) improve and stimulate business and commercial activities/opportunities;
- (iii) create and retain jobs; ~~and~~
- ~~(iv) encourage affordable housing development.~~

~~b. Housing and neighborhood improvement projects to provide assistance for low cost repairs of owner-occupied residences and provide needed community improvements.~~

~~eb.~~ Community service programs to provide job-related and human services assistance.

B. The following initiatives may be funded in the program areas:

a. Business Plan Technical Assistance and Market Analysis Program. Technical assistance for detailed market analyses and business plan assistance for business owners, property owners, and interested investors/developers. The individual(s) receiving assistance and the Trust Fund would share in the cost of developing the business plan. The Board will develop a sliding scale for the cost of this service.

b. Revolving Business Loan Program. A revolving loan fund program may be established to provide low interest business loans of up to \$50,000. Applications for loans under this program may not be forwarded to the Board for the Board's review and recommendation unless and until either: (i) two Board Members with loan underwriting experience have reviewed the application, or, (ii) one Board Member with loan underwriting experience has reviewed the application as well as one City staff member from the City's Office of Economic Development (OED) will have reviewed and commented on the application.

Attachment B

October 10, 2007

Section 2 (Continued)

- c. Micro Grant Program. A micro grant award program may be established in which \$1,000 to \$2,000 micro grant awards may be provided to businesses in good legal standing to be used in case of emergency situations. Emergency situations are defined as natural disasters (other than flood), or man-made disasters not covered by insurance.
- ~~d. Home Repair Program. A basic home repair grant/loan program may be established to provide grants for low income and elderly homeowners and/or low interest loans to moderate income homeowners not to exceed \$8,000 per household. The program shall be managed by the Housing Department which shall submit a request for no more than \$100,000 annually to the Board. The program shall be funded upon the recommendation of the Board and approval by the City Manager and City Council. Contractors should be from the program area whenever possible. Low and moderate income limits shall be consistent with those used in the Community Development Block Grant Program.~~
- ed. Community-Based Non-Profit Organization Grant Program. A competitive grant award program may be established that funds community-based non-profit organizations determined to be tax-exempt under Section 501(a) of the Internal Revenue Code of 1986 as an organization described in Section 501(c)(3) of that code (26 U.S.C.A. §501(c)(3)) at an amount up to \$35,000 per year per organization to undertake program initiatives in the three approved program areas. The maximum award to the same organization may not exceed \$75,000 and the same organization may receive no more than three (3) grants. It is the objective that multiple grant awards to the same organization shall decrease through the three years of eligibility. The grant award funds shall be used to supplement other matching sources which may include in-kind service and goods contributions up to twenty-five percent (25%) of the grant award. The match must include at least seventy-five percent (75%) cash.
- e. Challenge Grants. A competitive challenge grant award program for direct assistance may be established to provide grant funding to neighborhood groups for activities that are consistent with Trust Fund objectives. These grant awards shall be a maximum of \$5,000 per grant and shall be matched by: (i) appropriately documented one-hundred percent (100%) volunteer in-kind service or goods, or (ii) one-hundred percent (100%) matching funds raised, or, (iii) a combination of both volunteer in-kind service or goods and matching funds raised that equals the grant award.

Trust Fund monies may be paid to grantees prior to the grantees having received its match where City staff has determined that the match commitment is binding, will be imminently provided and that the grantee project will be jeopardized without the Trust fund monies being contributed prior to the match commitment being accomplished.

Attachment B

October 10, 2007

Section 2 (Continued)

f. Public Safety Grant. The Public Safety Grant Program provides director assistance to neighborhood groups and nonprofit organizations for public safety and crime reducing activities. Projects or programs must reasonable, directly and measurable enhance the public safety of a significant and clearly identifiable segment of the Trust Fund Target area.

Organizations are not required to be 501(c)3 certified, but must have a certified organizational structure with a listing of member and officers. For the purpose of the Public Saftey Grant program, neighborhood groups are defined primarily as community-based, self-help groups, which are opertated primarily by unpaid community volunteers and carry out projects of limited scope and duration; providing social/human services in the Fair Park community.

The maximum eligible organizations may receive from this grant is \$10,000 per applicant per year for no more than three consecutive years.

g. Special Grant/Loan Program. A special economic development grant/loan program may be established to be used as catalyst funding to promote economic development, or to stimulate business and commercial activity in the South Dallas/Fair Park area, including, but not be limited to, interim financing for businesses or projects promoting economic development, workforce development projects, retail development projects, development studies, public safety projects and for other economic development purposes that benefit the South Dallas/Fair Park community. Eligible recipients for such funding for such grants/loans shall include: (i) for-profit entities that are in good legal standing and that are authorized to do business in the state of Texas; (ii) non-profit entities that have been determined to be tax-exempt under Section 501(a) of the Internal Revenue Code of 1986 as an organization described in Section 501(c)(3) of that code (26 U.S.C.A.

§501(c)(3) that have as their purpose either: (1) the development or diversification of the South Dallas/Fair Park economy, (2) the elimination of unemployment or underemployment in the South Dallas/Fair Park community, or, (3) the development or expansion of commerce in the South Dallas/Fair Park community; and (iii) governmental entities that are authorized to accept funding for economic development purposes and have pledged to use the funding in the South Dallas/Fair Park community for that purpose. Projects should have tangible ~~immediate~~ ~~(within one year)~~ economic or community impact. Such loans/grants shall be recommended by the Board reviewed by and approved by the City manager or City Council, where applicable, under City contracting guidelines. Loans/grants may or may not require match funding and may or may not have collateral support. Applications for the special grant/loan program may be accepted throughout the fiscal year and grant/loan disbursements may be through reimbursement to the grant/loan recipient or the direct payment of invoice by a vendor providing documented services or goods to the project in accordance with city contracting procedures.

Attachment B

October 10, 2007

Section 2 (Continued)

- h. Donor-Designated Grants. A donor-designated grant award program may be established in which the Board shall advise the City Manager or City Council, where applicable under City contracting guidelines, in determining funding in amounts and for lawful purposes determined by the donor for projects that have positive benefit to the South Dallas/Fair Park community.

- C. The following measures will be utilized in the implementation of approved funding activities:
 - a. The geographic focus of the program shall be the thirteen (~~13~~11) census tracts identified in the 2000 Census as Census Tracts 25, 27.01, 27.02, ~~28~~, 29, 34, 35, ~~36~~, 37, 38, 39.01, 39.02 and 40.

 - b. The Trust Fund will primarily support activities which are designed to assist current residents, businesses and programs in the target community, and, to a lesser degree, support to assist those businesses wishing to relocate or start up activities that would benefit the area. Marketing of the program will target all ethnic and economic groups in the area to insure opportunities for community wide participation. A good-faith effort shall be made to identify Hispanic recipients for at least ten percent (10%) of the loans/grants.

- D. The following measures shall govern the funding of the Trust Fund:
 - a. ~~Trust Fund funding sources shall include: (i) an annual \$200,000 contribution from the General Fund (contingent on the annual approval by the City Council); (ii) funding from the visitors formula described in Council Resolution 91-1597 adopted on May 22, 1991; (iii) funding from Smirnoff Music Center ticket sales in accordance with that certain agreement with Pace Entertainment Group, Inc. dated December 9, 1987, as that agreement is amended (the Pace Contract); (iv) funding from flea market, and antique shows, held at Fair Park in accordance with the proposal developed in accordance with Council Resolution 89-1674 adopted on May 24, 1989; (v) Trust Fund business loan repayments (both principal and interest); and (vi) interest on Trust Fund account balances. The Trust Fund may sponsor enterprise activities (e.g., vending at Fair Park events) to generate additional income and shall seek to leverage other public-private funding sources when feasible.~~

A target amount of \$500,000 annually from Fair Park Activities as specified herein, shall flow into the Trust Fund from the following sources: (i) GEXA ticket sales in accordance with the most current agreement with operator (ii) funding from flea market and antique shows held at Fair Park in accordance with Resolution No. 89-1674 adopted May 24, 1989. The Chief Financial Officer is hereby authorized to accept and deposit revenues collected to fund 0351, Unit 0448, Revenue Source 8529 (GEXA, and to fund 0351, Unit 0448, Revenue Source 8529) (flea market and antique shows).

Attachment B

October 10, 2007

Section 2 (Continued)

- b. ~~If allowable under state and federal law, the City Manager may recommend that Community Development (CD) funds of up to \$100,000 be allocated to the Trust Fund's basic home repair program, and, if such allocation is approved by the Community Development Commission and City Council, the General Fund appropriation described in Section 2.D.a.i. above shall be reduced by an amount equal to such allocation.~~

If revenues from Section 2.D.a. (i) and (ii) above do not reach \$500,000 for a particular fiscal year, funding will be augmented by an allocation of funding from the City's Public Private Partnership Fund to attain the annual target funding amount of \$500,000. The Chief Financial Officer is hereby authorized to transfer funds in such amount as is determined to be the difference between actual revenue collected and the target of \$500,000 from PPPF 0352, Unit 9949, Object Code 3690 to South Dallas/Fair Park Trust Fund 0351, Unit 0448, Revenue Source 9201.

- c. If revenues from Section 2. D. a. (i) and (ii) reach \$500K in any fiscal year, no Public/Private Partnership Fund resources will be allocated to the Trust Fund.
- d. Annual funding from Fair Park Activities described in Section 2.D.a. (i) and (ii) is capped at \$1,000,000.
- e. Principal and Interest from Trust Fund Business Loan payments, Interest on Trust Fund account balances and sponsorships from Enterprise activity that generates income may be used above the \$500,000 annual funding sources.
- f. In order to supplement the annual funding target of \$500,000 from Fair Park Activities and other sources described within this Section above, the Chief Financial Officer is hereby authorized to transfer an additional \$800,000 from the City's General Fund: Fund 0001, Department TBD, Unit TBD, Object Code 3690 to Fund 0351, Department ECO, Unit 0448, Revenue Source 9201) shall be provided to the Trust Fund annually commencing FY 16/17 for a period not to exceed four years (total not to exceed \$3,200,000) and allocated to the Special Grant/Loan Program for catalyst economic development initiatives.
- g. Funds available for annual Trust Fund programs shall consist of funds received by the Trust Fund from July 1st of the previous calendar year through June 30th of the next succeeding calendar year. Funds from each funding source shall be available for Trust Fund programs in the City fiscal year beginning October 1st, with the annual program appropriation equal to funds received from all funding sources. The Board, through the City Manager, may recommend in accordance with Resolution No. 04-0801 that unused and unencumbered Trust Fund monies which have been accrued at the end of a fiscal year be used in a subsequent fiscal year to fund and support activities that are consistent with the Trust Fund's approved program areas.

Attachment B

October 10, 2007

Section 2 (Continued)

E. The following measures shall govern the administration of the Trust Fund:

- a. Trust Fund Disbursements. The Trust Fund shall disburse funds through one funding cycle per year (except for disbursements for the basic home repair grant/loan program, the micro grant program and the special grant/loan program), based on an annual budget. Emergency grants may be approved throughout the year or until budgeted funds for programs have been committed.
- b. Administration. Program administration shall remain in the OED and continued as an activity funded by the Trust Fund. In order to provide fiscally responsible management, fiscal management of the Trust Fund shall be the responsibility of the OED Budget/Finance Manager. Trust Fund operating expenses are to be budgeted annually by the Trust Fund Manager and OED Budget/Finance Manager with review by the Trust Fund Advisory Board. The final approval of the Trust Fund budget shall be determined by the City Council through the City budgeting process. An internal mid-year budget re-programming may be recommended by the Board to the City Manager if a significant amount of funds become available. The Board and the City staff should formulate a budget by April of each year and submit a recommended budget to the City Manager and City Council during the budget cycle.

Loan payments are to be posted as they are received to the proper accounts, money deposited with cashier and deposits reconciled monthly. A monthly report of all accounts showing current account balance and activity will be made available to the Trust Fund Manager by the 20th of each month. The Trust Fund Manager will work with OED Budget/Finance Manager to pursue the collection of delinquent accounts according to the procedures that the City Comptroller's Office has developed for the collection of business loan accounts. OED Budget/Finance Manager will reconcile the Trust Fund's business loans with other financial systems.

- c. Administrative Costs. Trust Fund monies may be used for at least one (1) City staff position to serve as a South Dallas/Fair Park Neighborhood Advocate/Public Information Officer and/or Trust Fund Manager to assist community groups, individuals and business owners with community services, economic development and housing and neighborhood improvement initiatives and to promote the Trust Fund and develop marketing materials. Administrative costs for the Trust Fund operations, including staff expense, will be paid from the ~~General Fund unit assigned to the Trust Fund. Before the end of the program year, the General Fund will be reimbursed from the~~ Trust Fund Program funding unit currently 0351 ~~no more than 15 percent of budgeted annual operating expenses.~~

Attachment B

October 10, 2007

Section 2 (Continued)

Before the end of the program year, to the PPPF Fund 0352, Unit P151, will be reimbursed from the Trust Fund. Fund 0351, Unit 0448, no more than 15% of budgeted annual operating expenses. Beginning FY 16/17, for a period of four years ending FY 20/21, ALL administrative costs will be reimbursed to PPPF Fund 0352, Unit P151 from Trust Fund Fund 0351, Unit 0448. THEREAFTER, commencing FY21/22, administrative cost for Trust Fund operations will be reimbursed from the Trust Fund: Fund 0351, Unit 0448 to the PPPF Fund 0352, Unit P151 no more than 15% of budgeted annual operating expenses.

- d. Support of Trust Fund From Other City Departments. The Trust Fund will be supported by other City departments in carrying out its programs.
- i. Parks & Recreation Department. The City's Department of Parks and Recreation, under the terms of the Pace Contract, will allocate and deposit to the Trust Fund the monies described in the Pace Contract for events held at ~~the Smirnoff Music Center~~ GEXA and will deposit the allocated antique show and flea market monies to the Trust Fund in accordance with Council Resolution 89-1674. The Parks and Recreation Department will also validate the accuracy of the number of tickets sold with regards to the events described herein. ~~, compile statistics for the visitor's formula annually per Resolution No. 91-1597 and allocate and deposit to the Trust Fund the appropriate monies based on that formula.~~
- ii. Water Utilities Department. ~~Special Collections will set up loan accounts, assign account numbers and mail out payment coupons with customer letters outlining the terms of the loan agreement and informing Trust Fund loan recipients of when, how and where to make payments. Payments are to be posted as they are received to the proper accounts, money deposited with cashiering and deposits reconciled monthly. A monthly report of all accounts showing current account balance and activity will be sent to the Trust Fund Manager by the 11th of each month. Special Collections will assist the Trust Fund Manager in the collection of delinquent accounts according to the procedures that the City Comptroller's Office has developed for the collection of business loan accounts. Special Collections will also reconcile the Trust Fund's business loan system with other financial systems.~~
- The Water Utilities Department will also be responsible for funding and implementing a City Leadership Grant Program specific to South Dallas Fair Park for three years beginning FY 15/16, funded at \$200K annually for the three year period (total funding not to exceed \$600,000).
- iii. The City Attorney's Office. The City Attorney's Office will advise the Board and will prepare all pertinent loan documents, review and approve documentation for loans and grants, make demand on delinquent loan accounts as inappropriate and facilitate collateral lien perfection and recovery.

Attachment B

October 10, 2007

Section 2 (Continued)

- iv. The City Auditor's Office. The City Auditor shall perform an annual audit of the Trust Fund and its operations. The annual audit shall include an audit of cash coming into the Trust Fund account as well as expenditures. The City Auditor shall conduct the fiscal audit requirement shall also require an annual audit of operations of the Trust Fund and the Board. The annual audit of the operations of the Trust Fund and the Board shall be conducted with the Trust Fund Manager.

 - v. The Office of Economic Development. Beginning in FY2015/16, the Office of Economic Development (OED) will allocate "Seed Money" through the City's Public Private Partnership Fund in the amount of \$250,000 annually for four years (total not to exceed \$1 million) for Grand Park South Tax Increment Finance (TIF) District projects approved by the TIF Board. The OED will further allocate additional funding for FY2016/17 in the amount of \$250,000 through the City's Public Private Partnership Fund (total not to exceed \$250,000) to the South Dallas Adaptive Reuse Program herein established and described on Exhibit 1.
- F. The composition of the Board shall be changed to insure that at least eight members must have direct connection to South Dallas/Fair Park community (live, own a business, work, active community involvement). Seven (7) positions will be "at large" having qualifications related to business, housing, non-profit management and/or community building. At least two (2) current board members must have loan underwriting experience. The Board shall hold a minimum of one public hearing a year, hold at least six monthly meetings in the Trust Fund area each year and shall provide citizens an opportunity to address the Board at each regular meeting.

~~Section 3. That Resolution No. 06-1833 approved on June 28, 2007, shall remain in full force and effect except as amended herein.~~

~~Section~~**4 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas; and it is accordingly so resolved.

June 17, 2015

WHEREAS, pursuant to Chapter 380 of the Texas Local Government Code, the governing body of a municipality may establish and provide for the administration of programs, including programs for making loans and grants of public money to promote state or local economic development and to stimulate business and commercial activity in the municipality; and

WHEREAS, on February 18, 1987, City Council approved and adopted the South Dallas/Fair Park Neighborhood Preservation and Economic Development Plan which established the South Dallas/Fair Park Trust Fund (sometimes herein called the "Trust Fund") by Resolution No. 87-0632; and

WHEREAS, on November 8, 1989, City Council, acting on certain recommendations put forth by the Fair Park Task Force, authorized Resolution No. 89-3605 which created guidelines and projects concerning the Trust Fund; and

WHEREAS, on August 26, 1992, City Council affirmed its commitment to the Trust Fund and directed the City Manager and South Dallas/Fair Park Trust Fund Board (Board) to submit recommendations for a long-range plan for the Trust Fund; and

WHEREAS, on March 24, 1993, City Council approved and adopted certain recommendations contained in the long-range plan submitted for the Trust Fund by Resolution No. 93-1145; and

WHEREAS, on October 27, 1999, City Council authorized Resolution No. 99-3439 to replace and rescind Resolution No. 93-1145 regarding the programs and administration of the Trust Fund; and

WHEREAS, on February 25, 2004, City Council authorized that unused Trust Fund monies under certain conditions may be used in subsequent fiscal years by Resolution No. 04-0801; and

WHEREAS, on June 28, 2006, City Council authorized Resolution No. 06-1833 to replace and rescind Resolution No. 99-3439; and

WHEREAS, on October 10, 2007, pursuant to Resolution No. 07-2962, City Council amended Resolution No. 06-1833 providing modifications to certain policies, procedures and guidelines for funding sources, administrative cost and name change for operating the South Dallas/Fair Park Trust Fund; and

WHEREAS, it has been determined that, in part, due to its complexity, the visitors' formula intended to be established in Resolution No. 87-0632 in order to provide revenues for the South Dallas/Fair Park Trust Fund was never implemented and monies from this source of revenue was not appropriated by previous City Councils; and

June 17, 2015

WHEREAS, monies have now been identified to provide the South Dallas/Fair Park Trust Fund with funds to restore the money that would have been set aside for the Trust Fund under the visitors' formula, but not appropriated by the City; and

WHEREAS, additional programs for the Trust Fund have been identified for which monies may be appropriated on an annual basis in order to assist the purpose of the Trust Fund; and

WHEREAS, additional revisions to South Dallas/Fair Park Trust Fund programs and operations have been proposed and the City now desires to implement; and

WHEREAS, the City wishes to rescind Resolutions No. 06-1833 and No. 07-2962 and to continue the South Dallas/Fair Park Trust Fund Program in the manner described as follows.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Council adopts this resolution to replace City Council Resolution Nos. 06-1833 and 07-2962, previously approved on June 28, 2006 and October 10, 2007 respectively, to: (1) re-establish certain existing policies, programs, procedures and guidelines for the South Dallas/Fair Park Trust Fund; (2) provide for a new South Dallas Adaptive Reuse Program serving the South Dallas Fair Park area; (3) establish revised funding sources for the South Dallas/Fair Park Trust Fund and other programs supporting the area; (4) allocate funding from existing programs for water conservation at City facilities; and (5) add Public Safety Grant Program to the South Dallas/Fair Park Trust Fund Program Offerings.

Section 2. That the City Council approves the following regarding the Trust Fund:

- A. The following program areas may be funded through the Trust Fund:
 - a. Business and economic development initiatives to:
 - (i) promote local economic development;
 - (ii) improve and stimulate business and commercial; activities/opportunities;
 - (iii) create and retain jobs;
 - b. Community service programs to provide job-related and human services assistance.

June 17, 2015**Section 2. (Continued)**

B. The following initiatives may be funded in the program areas:

- a. Business Plan Technical Assistance and Market Analysis Program. Technical assistance for detailed market analyses and business plan assistance for business owners, property owners, and interested investors/developers. The individual(s) receiving assistance and the Trust Fund would share in the cost of developing the business plan. The Board will develop a sliding scale for the cost of this service.
- b. Revolving Business Loan Program. A revolving loan fund program may be established to provide low interest business loans of up to \$50,000. Applications for loans under this program may not be forwarded to the Board for the Board's review and recommendation unless and until either: (i) two Board Members with loan underwriting experience have reviewed the application, or, (ii) one Board Member with loan underwriting experience has reviewed the application as well as one City staff member from the City's Office of Economic Development (OED) will have reviewed and commented on the application.
- c. Micro Grant Program. A micro grant award program may be established in which \$1,000 to \$2,000 micro grant awards may be provided to businesses in good legal standing to be used in case of emergency situations. Emergency situations are defined as natural disasters (other than flood), or man-made disasters not covered by insurance.
- d. Community-Based Non-Profit Organization Grant Program. A competitive grant award program may be established that funds community-based non-profit organizations determined to be tax-exempt under Section 501(a) of the Internal Revenue Code of 1986 as an organization described in Section 501(c)(3) of that code (26 U.S.C.A. §501(c)(3)) at an amount up to \$35,000 per year per organization to undertake program initiatives in the three approved program areas.

The maximum award to the same organization may not exceed \$75,000 and the same organization may receive no more than three (3) grants. It is the objective that multiple grant awards to the same organization shall decrease through the three years of eligibility.

June 17, 2015**Section 2. (Continued)**

The grant award funds shall be used to supplement other matching sources which may include in-kind service and goods contributions up to twenty-five percent (25%) of the grant award. The match must include at least seventy-five percent (75%) cash.

- e. Challenge Grants. A competitive challenge grant award program for direct assistance may be established to provide grant funding to neighborhood groups for activities that are consistent with Trust Fund objectives. These grant awards shall be a maximum of \$5,000 per grant and shall be matched by: (i) appropriately documented one-hundred percent (100%) volunteer in-kind service or goods, or (ii) one-hundred percent (100%) matching funds raised, or, (iii) a combination of both volunteer in-kind service or goods and matching funds raised that equals the grant award.

Trust Fund monies may be paid to grantees prior to the grantees having received its match where City staff has determined that the match commitment is binding, will be imminently provided and that the grantee project will be jeopardized without the Trust fund monies being contributed prior to the match commitment being accomplished.

- f. Public Safety Grant. The Public Safety Grant Program provides direct assistance to neighborhood groups and nonprofit organizations for public safety and crime reducing activities. Projects or programs must be reasonable, and directly and measurably enhance the public safety of a significant and clearly identifiable segment of the Trust Fund Target area.

Organizations are not required to be 501(c)3 certified, but must have a certified organizational structure with a listing of member and officers. For the purpose of the Public Safety Grant program, neighborhood groups are defined primarily as community-based, self-help groups, which are operated primarily by unpaid community volunteers and carry out projects of limited scope and duration; providing social/human services in the Fair Park community.

The maximum eligible organizations may receive from this grant is \$10,000 per applicant per year for no more than three consecutive years.

June 17, 2015**Section 2. (Continued)**

- g. Special Grant/Loan Program. A special economic development grant/loan program may be established to be used as catalyst funding to promote economic development, or to stimulate business and commercial activity in the South Dallas/Fair Park area. Funding may include, but is not limited to, interim financing for businesses or projects promoting economic development, workforce development, retail development projects, development studies, public safety projects and other economic development purposes that benefit the South Dallas/Fair Park community. Eligible recipients for such funding shall include: (i) for-profit entities that are in good legal standing and that are authorized to do business in the state of Texas; (ii) non-profit entities that have been determined to be tax-exempt under Section 501(a) of the Internal Revenue Code of 1986 as an organization described in Section 501(c)(3) of that code (26 USCA. §501(c)(3)) that have as their purpose either: (1) the development or diversification of the South Dallas/Fair Park economy, (2) the elimination of unemployment or underemployment in the South Dallas/Fair Park community, or, (3) the development or expansion of commerce in the South Dallas/Fair Park community; and (iii) governmental entities that are authorized to accept funding for economic development purposes and have pledged to use the funding in the South Dallas/Fair Park community for that purpose.

Projects should have tangible economic or community impact. Such loans/grants shall be recommended by the Board reviewed by and approved by the City manager or City Council, where applicable, under City contracting guidelines. Loans/grants may or may not require match funding and may or may not have collateral support. Applications for the special grant/loan program may be accepted throughout the fiscal year and grant/loan disbursements may be through reimbursement to the grant/loan recipient or the direct payment of invoice by a vendor providing documented services or goods to the project in accordance with city contracting procedures.

- h. Donor-Designated Grants. A donor-designated grant award program may be established in which the Board shall advise the City Manager or City Council, where applicable under City contracting guidelines, in determining funding in amounts and for lawful purposes determined by the donor for projects that have positive benefit to the South Dallas/Fair Park community.
- C. The following measures will be utilized in the implementation of approved funding activities:

June 17, 2015**Section 2. (Continued)**

- a. The geographic focus of the program shall be the thirteen (11) census tracts identified in the 2000 Census as Census Tracts 25, 27.01, 27.02, 29, 34, 35, 37, 38, 39.01, 39.02 and 40.
 - b. The Trust Fund will primarily support activities which are designed to assist current residents, businesses and programs in the target community, and, to a lesser degree, support to assist those businesses wishing to relocate or start up activities that would benefit the area. Marketing of the program will target all ethnic and economic groups in the area to ensure opportunities for community wide participation. A good-faith effort shall be made to identify Hispanic recipients for at least ten percent (10%) of the loans/grants.
- D. The following measures shall govern the funding of the Trust Fund:
- a. A target amount of \$500,000 annually from Fair Park Activities as specified herein, shall flow into the Trust Fund from the following sources: (i) GEXA ticket sales in accordance with the most current agreement with operator (ii) funding from flea market and antique shows held at Fair Park in accordance with Resolution No. 89-1674 adopted May 24, 1989. The Chief Financial Officer is hereby authorized to accept and deposit revenues collected to fund 0351, Unit 0448, Revenue Source 8529 (GEXA, and to fund 0351, Unit 0448, Revenue Source 8529) (flea market and antique shows).
 - b. If revenues from Section 2.D.a. (i) and (ii) above do not reach \$500,000 for a particular fiscal year, funding will be augmented by an allocation of funding from the City's Public/Private Partnership Fund to attain the annual target funding amount of \$500,000. The Chief Financial Officer is hereby authorized to transfer funds in such amount as is determined to be the difference between actual revenue collected and the target of \$500,000 from PPPF 0352, Unit 9949, Object Code 3690 to South Dallas/Fair Park Trust Fund 0351, Unit 0448, Revenue Source 9201.
 - c. If revenues received from Section 2. D. a. (i) and (ii) total \$500,000 or more in any fiscal year, no Public/Private Partnership Fund resources will be allocated to the Trust Fund to augment actual revenues received.
 - d. Annual funding from Fair Park Activities described in Section 2.D.a. (i) and (ii) is capped at \$1,000,000.

June 17, 2015**Section 2. (Continued)**

- e. Principal and Interest from Trust Fund Business Loan payments, Interest on Trust Fund account balances and sponsorships from Enterprise activity that generates income may be used above the \$500,000 annual funding sources.
 - f. Funds available for annual Trust Fund programs shall consist of funds received by the Trust Fund from July 1st of the previous calendar year through June 30th of the next succeeding calendar year. Funds from each funding source shall be available for Trust Fund programs in the City fiscal year beginning October 1st, with the annual program appropriation equal to funds received from all funding sources. The Board, through the City Manager, may recommend in accordance with Resolution No. 04-0801 that unused and unencumbered Trust Fund monies which have been accrued at the end of a fiscal year be used in a subsequent fiscal year to fund and support activities that are consistent with the Trust Fund's approved program areas.
- E. The following measures shall govern the administration of the Trust Fund:
- a. Trust Fund Disbursements. The Trust Fund shall disburse funds through one funding cycle per year (except for disbursements for the basic home repair grant/loan program, the micro grant program and the special grant/loan program), based on an annual budget. Emergency grants may be approved throughout the year or until budgeted funds for programs have been committed.
 - b. Administration. Program administration shall remain in the OED and continued as an activity funded by the Trust Fund. In order to provide fiscally responsible management, fiscal management of the Trust Fund shall be the responsibility of the OED Budget/Finance Manager. Trust Fund operating expenses are to be budgeted annually by the Trust Fund Manager and OED Budget/Finance Manager with review by the Trust Fund Advisory Board.

June 17, 2015

Section 2. (Continued)

The final approval of the Trust Fund budget shall be determined by the City Council through the City budgeting process. An internal mid-year budget re-programming may be recommended by the Board to the City Manager if a significant amount of funds become available. The Board and the City staff should formulate a budget by April of each year and submit a recommended budget to the City Manager and City Council during the budget cycle.

Loan payments are to be posted as they are received to the proper accounts, money deposited with cashier and deposits reconciled monthly. A monthly report of all accounts showing current account balance and activity will be made available to the Trust Fund Manager by the 20th of each month. The Trust Fund Manager will work with OED Budget/Finance Manager to pursue the collection of delinquent accounts according to the procedures that the City Comptroller's Office has developed for the collection of business loan accounts. OED Budget/Finance Manager will reconcile the Trust Fund's business loans with other financial systems.

- c. Administrative Costs. Trust Fund monies may be used for at least one (1) City staff position to serve as a South Dallas/Fair Park Neighborhood Advocate/Public Information Officer and/or Trust Fund Manager to assist community groups, individuals and business owners with community services, economic development and housing and neighborhood improvement initiatives and to promote the Trust Fund and develop marketing materials. Administrative costs for the Trust Funds operations, including staff expense, will be paid from the General Fund unit assigned to the Trust Fund.

Before the end of the program year, to the PPPF Fund 0352, Unit P151, will be reimbursed from the Trust Fund. Fund 0351, Unit 0448, in an amount that is no more than 15% of budgeted annual operating expenses. Beginning FY 16/17, for a period of four years ending FY 20/21, ALL administrative costs will be reimbursed to PPPF Fund 0352, Unit P151 from Trust Fund: Fund 0351, Unit 0448. THEREAFTER, commencing FY21/22, administrative cost for Trust Fund operations will be reimbursed from the Trust Fund: Fund 0351, Unit 0448 to the PPPF Fund 0352, Unit P151 in an amount that is no more than 15% of budgeted annual operating expenses.

- d. Support of Trust Fund from Other City Departments. The Trust Fund will be supported by other City departments in carrying out its programs.

June 17, 2015

Section 2. (Continued)

- (i) Parks & Recreation Department. The City's Department of Parks and Recreation, under the terms of the Pace Contract, will allocate and deposit to the Trust Fund the monies described in the Pace Contract for events held at GEXA and will deposit the allocated antique show and flea market monies to the Trust Fund in accordance with Council Resolution No. 89-1674. The Parks and Recreation Department will also validate the accuracy of the number of tickets sold with regards to the events described herein. (subject to appropriations)

In order to supplement the annual funding target of \$500,000 from Fair Park Activities (subject to future appropriations the Chief Financial Officer is hereby authorized to transfer an additional \$800,000 from the City's General Fund: Fund 0001, Department PKR, Unit 9487, Object Code 3690 to fund 0351, Department ECO, Unit 0448, Revenue Source 9201) shall be provided to the Trust Fund annually commencing FY 16/17 for a period not to exceed four years (total not to exceed \$3,200,000) and allocated to the Special Grant/Loan Program for catalyst economic development initiatives.

- (ii) Water Utilities Department. The Water Utilities Department will be responsible for funding and implementing a City Leadership Grant Program specific to South Dallas Fair Park for three years beginning FY2015/16, funded at \$200,000 annually for the three year period (total funding not to exceed \$600,000). (subject to appropriations)
- (iii) The City Attorney's Office. The City Attorney's Office will advise the Board and will prepare all pertinent loan documents, review and approve documentation for loans and grants, make demand on delinquent loan accounts as inappropriate and facilitate collateral lien perfection and recovery.

June 17, 2015

Section 2. (Continued)

- (iv) The City Auditor's Office. The City Auditor shall perform an annual audit of the Trust Fund and its operations. The annual audit shall include an audit of cash coming into the Trust Fund account as well as expenditures. The City Auditor shall conduct the fiscal audit requirement and shall also require an annual audit of operations of the Trust Fund and the Board. The annual audit of the operations of the Trust Fund and the Board shall be conducted with the Trust Fund Manager.
- (v) The Office of Economic Development. Beginning in FY2016/17, the Office of Economic Development (OED) will allocate "Seed Money" through the City's Public/Private Partnership Fund in the amount of \$250,000 annually for four years (total not to exceed \$1 million) (subject to appropriations) for Grand Park South Tax Increment Finance (TIF) District projects approved by the TIF Board.

The OED will further allocate funding for FY2016/17 in the amount of \$250,000 (subject to appropriations) through the City's Public/Private Partnership Fund (total not to exceed \$250,000) to the South Dallas Adaptive Reuse Program herein established and described on **Exhibit 1.**

- F. The composition of the Board shall be changed to insure that at least eight members must have direct connection to South Dallas/Fair Park community (live, own a business, work, active community involvement). Seven (7) positions will be "at large" having qualifications related to business, housing, non-profit management and/or community building. At least two (2) current board members must have loan underwriting experience. The Board shall hold a minimum of one public hearing a year, hold at least six monthly meetings in the Trust Fund area each year and shall provide citizens an opportunity to address the Board at each regular meeting.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Exhibit 1

Southern Dallas Fair Park Adaptive Reuse Program Statement

Award Adaptive Reuse Program Grants(Adaptive Reuse) up to \$30,000 per project building improvements from Public/Private Partnership funds to eligible commercial building owners who are business operators in the building being improved to repurpose underutilized buildings in the South to support new and/or expanded uses as an alternative to demolition, vacancy and/or undesirable uses.

- The Office of Economic Development (OED) will manage the Adaptive Reuse Program on behalf of the City of Dallas. The OED will:
- Post the Program on the City's Web Site
- Screen grant applicants for eligibility
- Award improvement grants up to \$30,000 per business, and execute grant agreements with the approved grant applicant
- Conduct annual code compliance reviews for each approved property/business assisted
- Conduct improvement site visits and coordinate code inspections
 - Process payments upon verification of code compliance, maintenance of the improvements
 -
- Maintain all relevant project documentation

Eligibility and Criteria

- Program duration until depletion of funds.
-
- Maximum Grant amount \$30,000 approved by Administrative Action
- Minimum project investment \$150,000(acquisition and/or improvement-including past expenditures incurred; documented validation of investment)
- Documented code compliance and maintenance of improvements for a period of 5 years
- Grant recipient must be owner of repurposed building
- Recipient must utilize 51% of building for owner business operation

Exhibit 1

Southern Dallas Fair Park Adaptive Reuse Program Statement

- Building must be located in the South Dallas Fair Park community)
- Maximum building size 10,000 square feet
- Payment of Grant proceeds made to Grantee with Invoice for payment and approval from Code Compliance for the building and job creation requirements met and documented
- If requested, ECO to verify funds availability to Contractor prior to work starting
- Prohibited uses per Grant Agreement

ADDENDUM ITEM # 40

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): 13
DEPARTMENT: Sustainable Development and Construction
CMO: Ryan S. Evans, 671-9837
MAPSCO: 25 W; X

SUBJECT

A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a Pedestrian skybridge on property within the Tract 3 portion of Planned Development District No. 314, the Preston Center Special Purpose District, on both sides of Westchester Drive, south of Berkshire Lane

Recommendation of Staff: Approval for a forty-year period, subject to a site plan and conditions

Recommendation of CPC: Approval for a fifteen-year period, subject to a site plan and conditions

Z134-341(RB)

Note: This item was considered by the City Council at public hearings on May 27, 2015, and June 10, 2015, and was deferred until June 17, 2015

FILE NUMBER: Z134-341(RB) **DATE FILED:** September 17, 2014

LOCATION: Both sides of Westchester Drive, south of Berkshire Lane

COUNCIL DISTRICT: 13 **MAPSCO:** 25W, X

SIZE OF REQUEST: Approx. 2,681 Sq. Ft. **CENSUS TRACT:** 73.01

REPRESENTATIVE: Suzan Kedron

APPLICANT: CH Realty VI, R Dallas Preston Center LP

OWNERS: CH Realty VI, R Dallas Preston Center LP; City of Dallas

REQUEST: An application for a Specific Use Permit for a Pedestrian skybridge on property within the Tract 3 portion of Planned Development District No. 314, the Preston Center Special Purpose District.

SUMMARY: The applicant proposes to construct a pedestrian skybridge across Westchester Drive, connecting a proposed retail use and the parking structure.

CPC RECOMMENDATION: Approval for a fifteen-year period, subject to a site plan and conditions.

STAFF RECOMMENDATION: Approval for a forty-year period, subject to a site plan and conditions.

Guiding Criteria for Recommendation:

The following factors are listed in Chapter 51A of the Dallas Development Code to guide the determination as to whether or not an SUP shall be granted. Staff has listed its findings based upon each component below:

1. *Compatibility with surrounding uses and community facilities* – The request will be elevated over Westchester Drive and its design will comply with required building code and the majority of required design criteria (concurrent application to the Board of Adjustment for a special exception to certain design criteria).
2. *Contribution to, enhancement, or promoting the welfare of the area of request and adjacent properties* – This single use amenity for the proposed retail use will provide for alternative access options (street level access and surface parking in the immediate area around the building) for those frequenting the use.
3. *Not a detriment to the public health, safety, or general welfare* – Retail patrons will be able to traverse across the street more safely and with less interruption to vehicular movements in the immediate area.
4. *Conforms in all other respects to all applicable zoning regulations and standards* – A private license to cross a public right-of-way will be required as well as compliance with all engineering and building code regulations.

Zoning History:

<u>File No.</u>	<u>Request, Disposition, and Date</u>
1. BDA 145-007	Special exception to the pedestrian skybridge standards. Pending a March 18, 2015 BDA public hearing.

<u>Street</u>	<u>Designation; Existing & Proposed ROW</u>
Westchester Drive	Local; 80' ROW
Berkshire Lane	Local; 80' ROW

Traffic: The Engineering Section of the Department of Sustainable Development and Construction has reviewed the applicant's request and determined it will not significantly impact the surrounding street system.

Comprehensive Plan: The request site and immediate surrounding area is considered a Walkable, Mixed-Use Building Block. These are areas where a healthy balance of housing, jobs and shopping will exist in close proximity, allowing residents to live, work, shop and play all in the same neighborhood. Public transit, bicycles and walking will get

priority in these areas, although cars will still play an important role. These areas have slower moving traffic and the average car trip is shorter.

GOAL 1.2 Promote desired development.

Policy 1.2.1 Use Vision Building Blocks as a general guide for desired development patterns.

Land Use Compatibility: The requested pedestrian skybridge will connect a proposed retail use with the area's parking garage across Westchester Drive to serve a retail use. The span of the bridge is approximately 77 feet and will be located within 28 feet of the northern property line of the proposed retail use. The new use (second story of existing structure) will have street level access on Westchester Drive, with internal improvements allowing for access to the anticipated second level retail use. The site is surrounded by various retail and office uses. High-density residential uses are developed further west and southwest of the site, but are not impacted by the request.

Except for on-street parking areas and certain uses that possess structured parking, this multi-tenant office and retail portion of Preston Center utilizes the two-level parking garage which is centrally located within Tract 3. It should be noted the garage has access to street level from the upper parking deck at each corner of the garage, thus allowing at grade access to all corners of this tract's mix of uses.

Part of the basis for consideration of granting an SUP for a pedestrian skybridge is an excerpt from the following purpose statement, "...promote the health, safety, and general welfare of persons and property within the city by providing for the structural integrity of pedestrian skybridges over public right-of-ways; preventing visual obstruction of public right-of-ways and urban landscapes; facilitating the flow of traffic; encouraging use public skybridges by pedestrians through well designed additions to the existing pedestrian system; minimizing the negative impact of pedestrian skybridges on adjoining properties, communication and utility company facilities, and public street lighting an safety facilities; and, establishing standards for construction and maintenance of pedestrian skybridges."

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all

applicable zoning regulations and standards. The regulations in this chapter have been established in accordance with a comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the city.

It is anticipated this additional infrastructure will facilitate a safe and efficient means of allowing patrons who utilize the upper level of the parking garage to traverse across the street in a safe and efficient manner, as well as ensuring vehicular movements are not impacted by the proposed retail use (allowed by right). As initially submitted, the applicant proposed a grocery store occupying approximately 55,000 square feet. Utilizing ITE research, the proposed store will generate approximately 5,700 vehicle trips per day. The applicant's land use statement has since been revised, in part, with the following statements:

The proposed use of the request area is to construct a pedestrian skybridge above and across Westchester Drive right-of-way connecting property owned by the Applicant on the west side and a City-owned parking garage on the east side.

The skybridge is needed to add a handicap accessible route from the second story of the parking garage and to increase public safety by offering a safe and secure alternative to traversing Westchester Drive. The skybridge provides an above-grade connection across a busy thoroughfare.

As such, if the second level is utilized for a single retail use other than a grocery store, and possesses the same floor area (55,000 sf), anticipated trip generation would be approximately 2,400 vehicle trips per day.

Developments consisting of nonresidential uses tend to capture off-street parking on the same lot. These developments tend to be single use developments on a building site (example-Minyards on McKinney Avenue between Lemmon Avenue East and Lemmon Avenue West) or as the anchor use as part of a multi-tenant nonresidential development (example-Target at IH 20, Cliff Creek Crossing, Bainbridge Avenue, and Hampton Road).

With respect to vehicular movement efficiency throughout the Tract 3 portion of PDD No. 314, the proposed pedestrian skybridge will be successful in removing store patrons (who are willing to utilize the upper level of the parking garage at the proposed skybridge's landing) from negotiating a need to cross Westchester Drive at grade, be it at its intersection at Berkshire Lane, mid-block, or at the southern end of the blockface at Luther Lane. To put this in perspective, a pedestrian will walk at a pace of three and one-half feet per second. Westchester Drive is approximately 58 feet wide, back-of-curb to back-of-curb, thus requiring approximately 16.6 seconds to traverse the right-of-way at grade. What is not known at this time is the percentage of store patrons that may park in areas other than the second level of the existing parking structure as well as factoring in the other right-of-way crossings noted in this paragraph, thus affecting this efficiency. As a result, staff cannot quantify the 'savings' of time being given back

to drivers that maneuver through this intersection. As the section of Westchester Drive between Northwest Highway and Berkshire Lane provides queuing for seven-eight vehicles as they enter the shopping center from the north, the skybridge would improve vehicular flow through the adjacent intersection regardless of the percentage of people utilizing this proposed improvement, thus minimizing any queuing that may spill into Northwest Highway's right-of-way.

In regard to the above referenced purpose statement for this use, the utilization of the improvements will enhance safety of tenants/employees and patrons of the various uses in the immediate area as well as improving vehicular flow through the adjacent intersection. Visual obstruction of public right-of-ways and view corridors of the urban landscape is not anticipated. The three columns supporting the proposed skybridge have been located in such a manner as to comply with the minimum unobstructed sidewalk width required by the underlying zoning. It should be noted this requirement was somewhat forward-thinking in its vision whereas today's infrastructure to support on street level activity is routinely expected. For example, the nonresidential sidewalks within the Victory PDD (excluding the subdistrict encompassing American Airlines Center) requires an unobstructed sidewalk width ranging from five feet to nine and one-half feet, depending on specific cross sections.

As a result of this analysis, staff supports the request subject to the attached site plan and conditions. It should be noted that following a recommendation by the City Plan Commission, this request will not be scheduled before the City Council until a favorable recommendation by the Board of Adjustment has been rendered (see Zoning History) and a private license prepared by the City Attorney has been prepared for consideration by the Council.

Urban Design: The Dallas Development Code requires compliance with 19 items associated with the structural design and visual presence of the skybridge. The attached summary summarizes those requirements in compliance. In context with these deficiencies, the applicant has submitted an application for a special exception to these respective design standards: 1) supports located within the public right-of-way; 2) alternate clear height between grade and the skybridge; and 3) vary the maximum interior passageway width; increase divergence (from 30 degrees) from perpendicular angle to the right-of-way.

Private License: In order to cross a public right-of-way with the proposed skybridge, the applicant will be required to submit an application for a private license to the Real Estate Section of the Department of Sustainable Development and Construction. It is anticipated that the requested SUP will be scheduled for City Council at the same time the private license is considered, but after the Board of Adjustment has considered the application for a special exception to certain design criteria. With respect to the time period recommended by staff, it is a requirement to recommend a time period that will

coincide with the time period for the above referenced private license. The applicant has requested a permanent time period.

Off-Street Parking. PDD 314 permits a reduction in required parking (from Dallas Development Code requirements, by use) when a minimum of 800 spaces are provided in the Tract 3 parking garage, bounded by Berkshire Lane, Westchester Drive, Luther Lane, and Kate Street. While the required site plan for a pedestrian skybridge typically only delineates the public right-of-way ‘footprint’ between the connection points, staff is aware the proposed retail use connected to the skybridge will affect parking spaces on the upper level (skybridge landing area and other infrastructure needed in this area).

While the vehicle for such requirement has yet to be determined (SUP for pedestrian skybridge or private license granting improvements over the public right-of-way), this requirement will be addressed at the staff briefing.

Mandatory Pedestrian Skybridge Provision	Applicant’s Status
Pedestrian sky-bridges must be properly maintained at all times. If a pedestrian skybridge connects two buildings which are separately owned, an operating agreement assigning maintenance and liability responsibilities is required.	Comply
No more than one pedestrian skybridge may be located within any block or 700 feet of frontage, whichever is less.	Comply
Pedestrian sky-bridges must have clearance above the public right-of-way of at least 18 feet above grade.	Special exception: There is 14 foot clearance above grade. Both structures are existing and in order to connect them at the requisite point only at 14 foot clearance above grade is achievable.
If the pedestrian skybridge has a length of less than 150 feet, the interior passageway must be no less than 10 feet and no greater than 20 feet in width. If the pedestrian skybridge has a length equal to or greater than 150 feet, the interior passageway must be no less than 12 feet and no greater than 20 feet in width.	Special exception: The interior passageway will have a 50 foot span at the point it connects to the existing commercial building.
The interior height of the passageway must be at least 7 1/2 feet. The interior height at the spring line of vaulted ceilings must be at least 7 1/2 feet.	Comply
Supports must not be located within the public right-of-way.	Special exception: There will be five support columns in the right-of-way.
A sign must be posted within the adjoining structures indicating whether the skybridge is open to the public, the location of the pedestrian skybridge, and where the pedestrian skybridge leads.	Comply
Pedestrian sky-bridges must meet state and federal standards for accessibility to and usability by individuals	Comply

Mandatory Pedestrian Skybridge Provision	Applicant's Status
with disabilities.	
Pedestrian sky-bridges connected to structures with air conditioning must be enclosed and air conditioned	Comply , but it is noted that the garage does not have a hvac system
Any change in slope of the pedestrian skybridge greater than one percent must be over private property or concealed within the pedestrian skybridge.	Comply
Pedestrian sky-bridges must not diverge from a perpendicular angle to the right-of-way by more than 30 degrees.	Special exception: The bridge will flare at the point of connection to the existing commercial building.
At least 70 percent of the side walls must be open, or glass or transparent material with a light transmission of not less than 36 percent and a luminous reflectance of not more than 6 percent. "Light transmission" means the ratio of the amount of total light to pass through the material to the amount of total light falling on the material and any glazing. "Luminous reflectance" means the ratio of the amount of total light that is reflected outward by a material to the amount of total light falling on the material.	Comply
Minimum artificial lighting of 15 foot candles must be provided. Lighting must not produce glare of an intensity that creates a nuisance for motor vehicles or pedestrians.	Comply
No exterior signs, other than government signs, may be applied to or suspended from any pedestrian skybridge.	Comply
Pedestrian sky-bridges must not be located within 300 feet of an historic overlay district.	Comply
Pedestrian sky-bridges must be designed to prevent people from jumping or throwing objects from the pedestrian skybridge.	Comply
Structural materials must be durable and easily maintained. Construction must comply with the City of Dallas Building and Fire Codes.	Comply
Pedestrian sky-bridges must not interfere with or impair use of the right-of-way by existing or proposed communication and utility facilities.	Comply
The applicant must post bond for the estimated cost to the city to remove the pedestrian skybridge if it becomes a public nuisance.	Comply

Recommended Pedestrian Skybridge Provision	Applicant's Status
Pedestrian sky-bridges which are open to the public should penetrate the second story of the adjoining structures, or, if not possible, as close as possible to the street level.	Comply
Pedestrian sky-bridges should penetrate the adjoining structures as close as possible to escalators or elevators having access to the entire structure and the street.	Comply
Free-standing pedestrian skybridges and pedestrian skybridges connected to structures without air conditioning should have a roof, wind breaks, and adequate ventilation that maximize the comfort and safety of pedestrians. A pedestrian skybridge should be open only when the adjoining structures are open.	Comply
If the length of the pedestrian skybridge exceeds 250 feet, the passageway should be interrupted by interior visual breaks, such as turns, courts or plazas.	Comply
Primary lighting sources should be recessed and indirect. Accent lighting is encouraged. Natural lighting should be used in addition to artificial lighting.	Comply
The pedestrian skybridge should be designed so as to coordinate with the adjoining structures to the extent possible. Where coordination is not possible, the pedestrian skybridge should be of a neutral color, such as brown or grey.	Comply

CPC ACTION – March 5, 2015

Motion: It was moved to recommend **approval** of a Specific Use Permit for a Pedestrian skybridge for a fifteen-year period, subject to a revised site plan clarifying certain locational criteria and conditions on property within the Tract 3 portion of Planned Development District No. 314, the Preston Center Special Purpose District, on both sides of Westchester Drive, south of Berkshire Lane.

Maker: Murphy
Second: Schultz
Result: Carried: 7 to 6

For: 7 - Culbreath, Shidid, Lavallaisaa, Tarpley,
Shellene, Schultz, Murphy
Against: 6 - Emmons, Rodgers, Anantasomboon, Bagley,
Peadon, Abtahi
Absent: 2 - Anglin, Ridley
Vacancy: 0

Notices: Area: 750 Mailed: 47
Replies: For: 21 Against: 8

Speakers: For: Suzan Kedron, 901 Main St., Dallas, TX, 75202
Dan Feeney, 3819 Maple Ave., Dallas, TX, 75219
Robert Dozier, 2000 McKinney Ave., Dallas, TX, 75201
David Culbertson, 5310 Harvest Hill Rd., Dallas, TX, 75230
Steve Stoner, 400 S. Houston St., Dallas, TX, 75202
For (Did not speak): Anna Graves, 7425 Caruth Blvd., Dallas, TX, 75225
Kristin Millington, 6332 Town Hill Ln., Dallas, TX, 75214
Jenny Wilkes, 5131 Willis Ave., Dallas, TX, 75206
Daniel Branch, 4209 Wycliff Ave., Dallas, TX, 75219
Against: Laura Miller, 5335 S. Dentwood Dr., Dallas, TX, 75220
Marguerite Lobello Archer, 6347 Deloache Ave., Dallas, TX, 75225
Lawrence Bock, 6019 Berkshire Ln., Dallas, TX, 75225
Walter Levy, 5315 Rock Cliff Pl., Dallas, TX, 75209
Rick Williamson, 8411 Preston Rd., Dallas, TX, 75225
Leland Burk, 1412 Main St., Dallas, TX, 75202
Against (Did not speak): Susan Cox, 6715 Desco Dr., Dallas, TX, 75225
Sharon Hayden, 6831 Desco Dr., Dallas, TX, 75225
Matt Hayden, 6831 Desco Dr., Dallas, TX, 75225
Finley Francis Burke, 4314 Merrell Rd., Dallas, TX, 75229
Alice Sutherland, 4314 Merrell Rd., Dallas, TX, 75229
Jane Hoffman, 6747 Lupton Dr., Dallas, TX, 75225
Van R. Lynch, 3109 Douglas Ave., Dallas, TX, 75219
Staff: Lloyd Denman, Sustainable Development and Construction
Chris Caso, Assistant City Attorney, City of Dallas

List of Officers/Applicant

CH Realty VI/R Dallas Preston Center LP

- Preston Center Pavilion & Square is owned 100% by CH Realty VI/R Dallas Preston Ctr, L.P.
- The general partner of CH Realty VI/R Dallas Preston Ctr, L.P. is CH Realty VI/R Dallas Preston Ctr GP, L.L.C. They are the controlling partner and they are managed by Fund VI Managers, L.L.C.
- Fund VI Managers, L.L.C. is controlled by these officers:

Anne L. Raymond	President
M. Kevin Bryant	Vice President
J. Dodge Carter	Vice President
Daniel F. Feeney	Vice President
Robert A. McClain	Vice President
Diane C. Parmerlee	Vice President
Carlos Rainwater	Vice President
M. Kevin Bryant	Managing Member

**CPC RECOMMENDED CONDITIONS FOR SPECIFIC USE PERMIT FOR A
PEDESTRIAN SKYBRIDGE**

1. USE: The only use authorized by this specific use permit is a pedestrian skybridge.
2. SITE PLAN: Use and development of the Property must comply with the attached site plan.
3. TIME LIMIT: This specific use permit expires on (fifteen years).
4. MAINTENANCE: The entire Property must be properly maintained in a state of good repair and neat appearance.
5. GENERAL REQUIREMENT: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.



Preston Center Sky Bridge
 8335 Westchester Drive
 Dallas, TX 75225

Lincoln Property Company

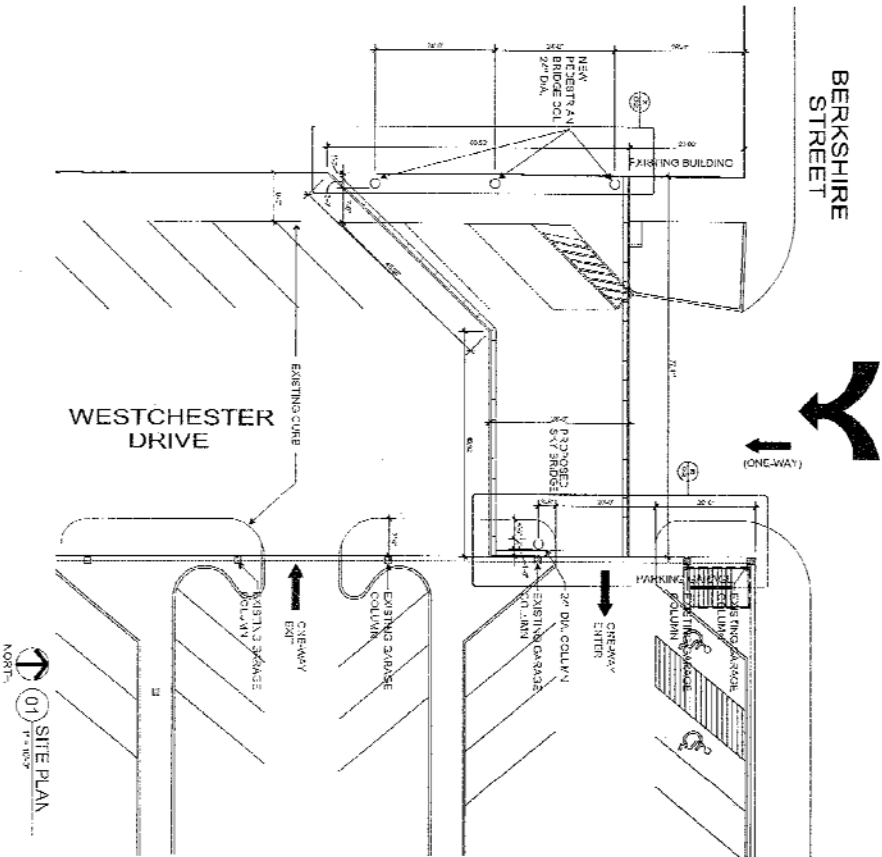
Site Plan 01

Date: 04-23-15

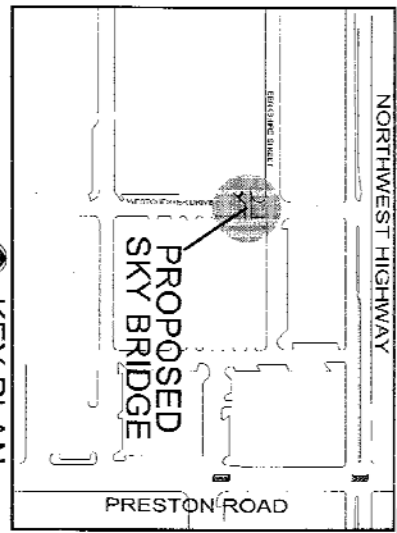
1. COMPLIANCE WITH ALL APPLICABLE VISUAL RESTRICTION REGULATIONS
2. COMPLIANCE WITH FC 314 AND ADA STANDARDS WITH REGARD TO ALL APPLICABLE SIDEWALK AND PEDESTRIAN CLEARANCE STANDARDS.
3. NO COLUMNS LOCATED WITHIN ROADWAY OR BELOW LEVEL PARKING SPACES WITHIN RIGHT-OF-WAY

SITE BCA 134-007
 REGARDING A SPECIAL EXCEPTION TO CERTAIN PEDESTRIAN SKYBRIDGE STANDARDS, APPROVED BY THE BOARD OF ADJUSTMENT ON MARCH 18, 2015 AND APRIL 22, 2015

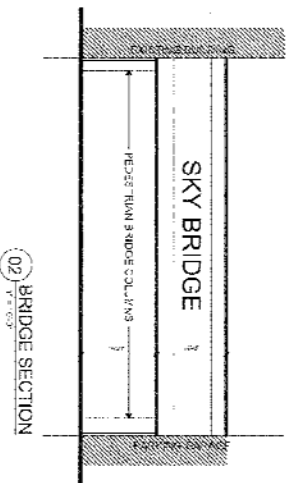
4-134-341(RB)



01 SITE PLAN

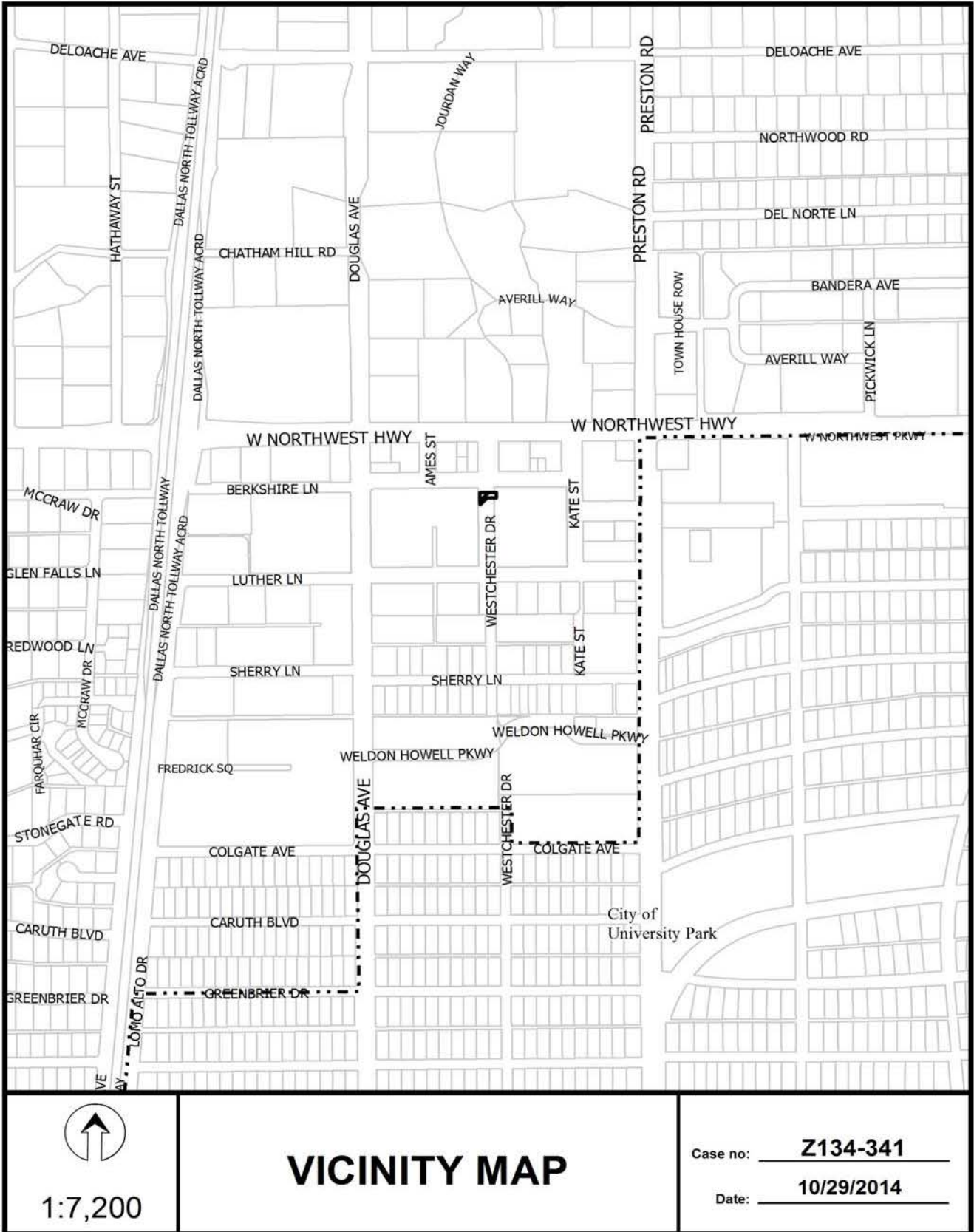


02 KEY PLAN



03 BRIDGE SECTION

Proposed Site Plan

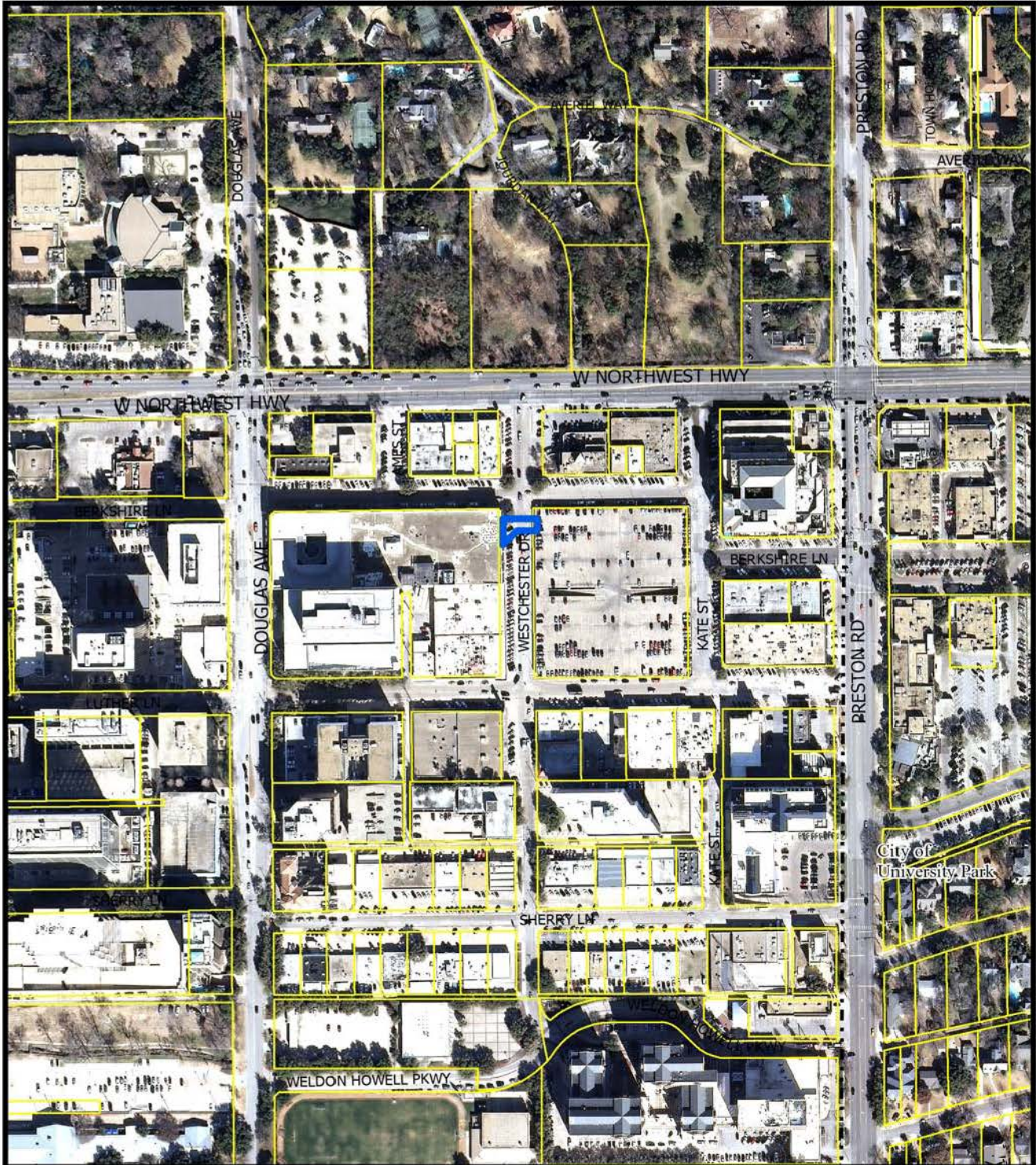


1:7,200

VICINITY MAP

Case no: Z134-341

Date: 10/29/2014

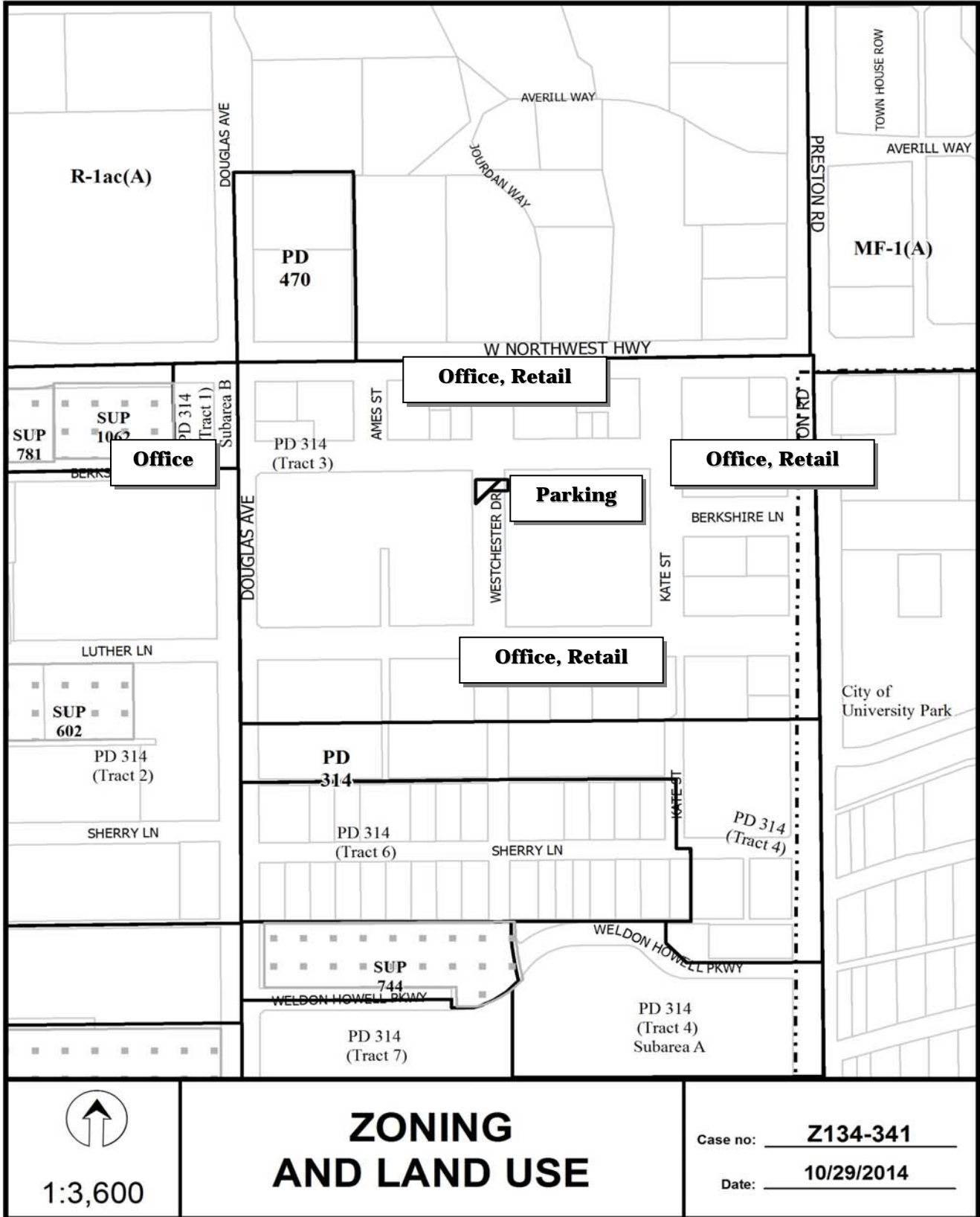


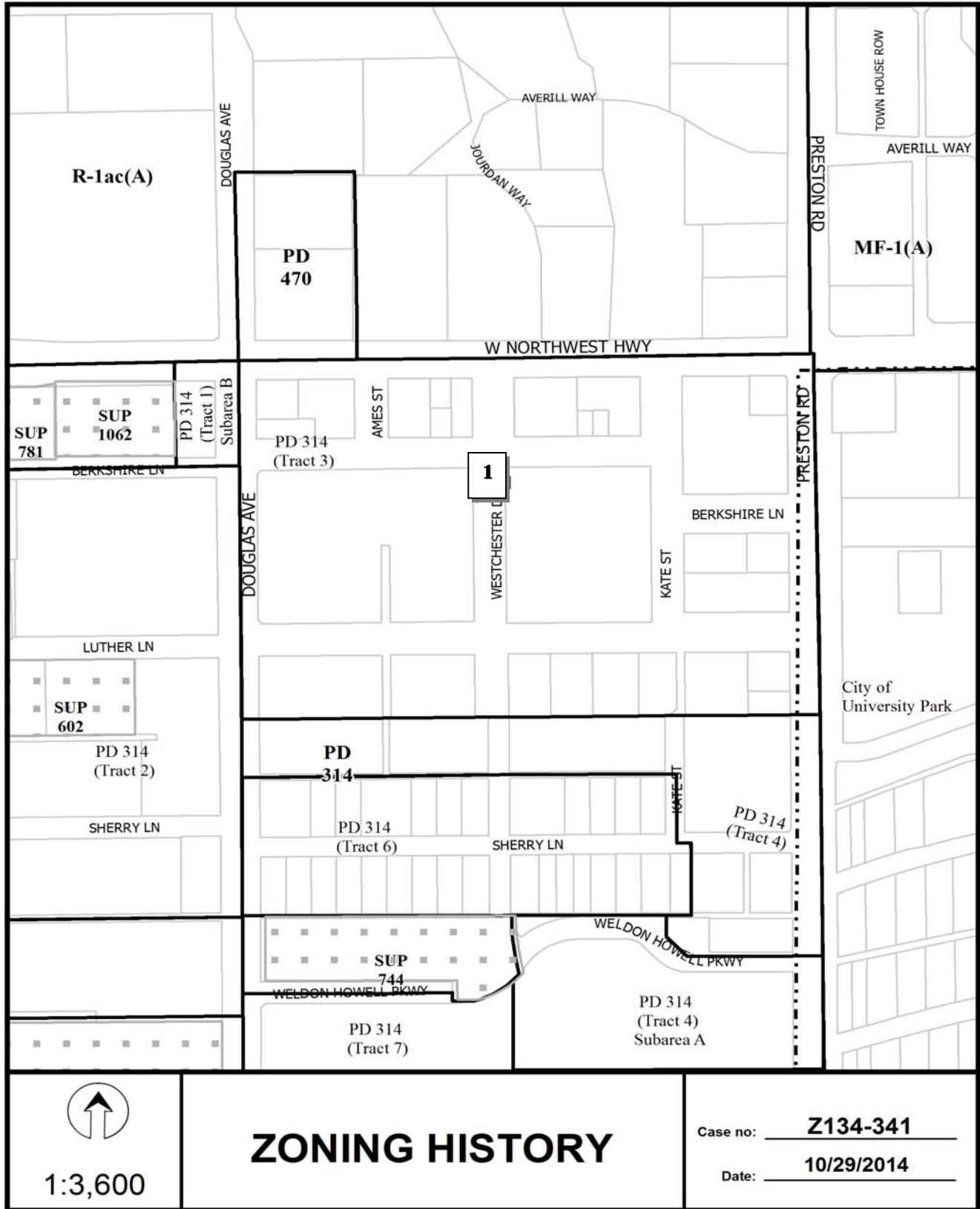
1:3,600

AERIAL MAP

Case no: Z134-341

Date: 10/29/2014





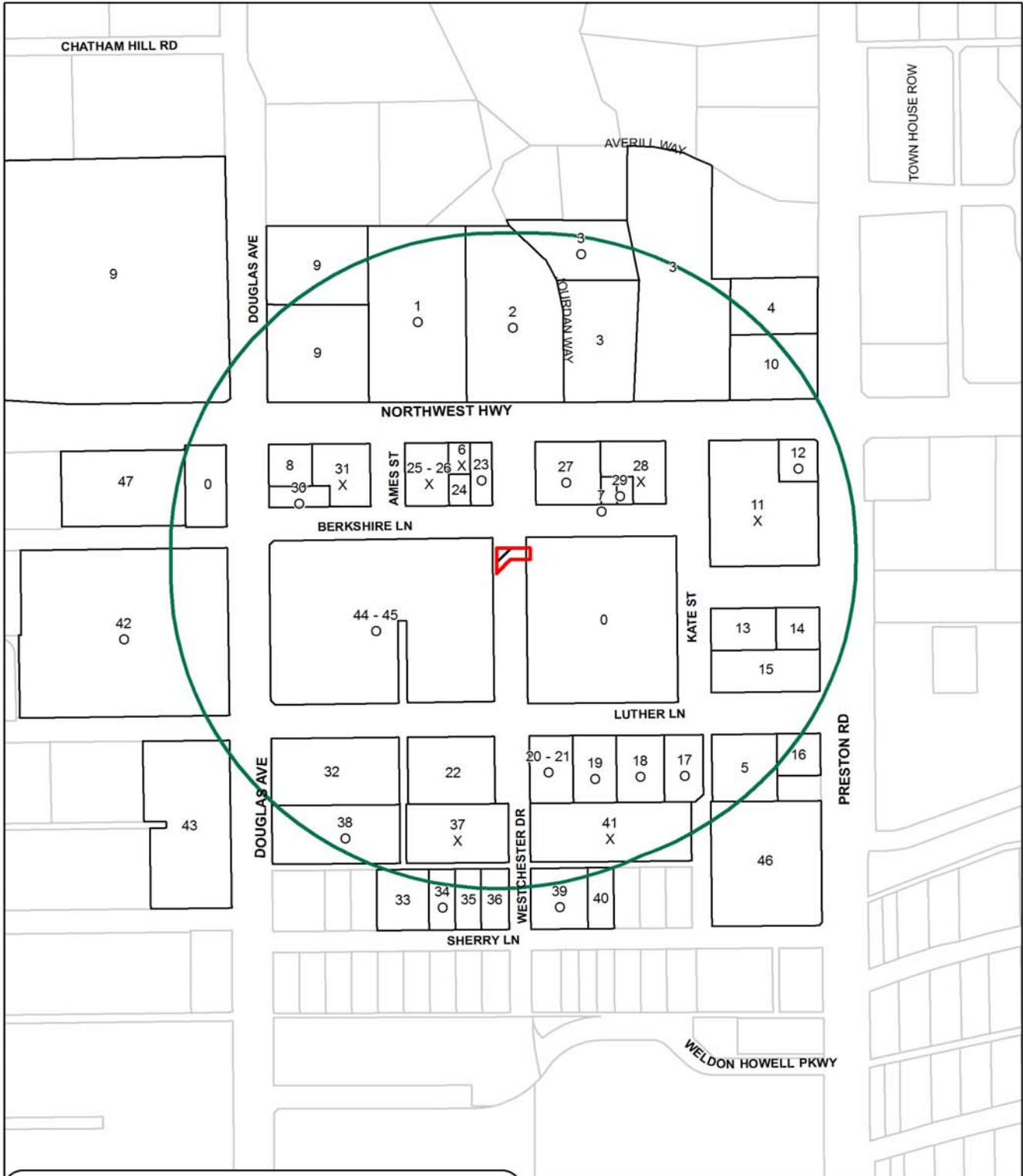
1:3,600

ZONING HISTORY

Case no: Z134-341

Date: 10/29/2014

CPC RESPONSES



<u>47</u>	Property Owners Notified (50 parcels)
<u>21</u>	Replies in Favor (18 parcels)
<u>8</u>	Replies in Opposition (7 parcels)
<u>750'</u>	Area of Notification
<u>3/5/2015</u>	Date <u>1/22/2015</u> Under Advisement

Z134-341
CPC



1:3,600

NOTE: Various affidavits from property owners have been submitted in regard to this request. The affidavit numbers listed at the end of the report change the notification number that staff normally assigns to a property. As a result, a new “A” number is used. For example, Number 1 was reassigned to “A3”, while one of the three properties that started out as number 3 was reassigned to “A4” while the other two properties with the number 3 still remain as number 3.

03/04/2015

Reply List of Property Owners

Z134-341

47 Property Owners Notified

21 Property Owners in Favor

8 Property Owners Opposed

<i>Reply</i>	<i>Label #</i>	<i>Address</i>	<i>Owner</i>
	3	8500 JOURDAN WAY	CUBAN MARK
	4	8515 PRESTON RD	EBBY HALLIDAY PPTIES INC
	5	6132 LUTHER LN	KATE LUTHER LP
X	6	5930 NORTHWEST HWY	LOBELLO SAM INV
	8	5900 NORTHWEST HWY	HBT PARTNERS LP
	9	8505 DOUGLAS AVE	NORTHWEST BIBLE CHURCH
	10	5999 NORTHWEST HWY	EBBY HALLIDAY PPTIES INC
O	12	8421 PRESTON RD	MC PRESTON LP
	13	8307 PRESTON RD	ROBBINS SERAFINA ETAL
	14	8315 PRESTON RD	LOBELLA SAM INV
	15	6131 LUTHER LN	PRESTON SQUARE TRUST THE
	16	8239 PRESTON RD	MENS WEARHOUSE INC
O	21	6100 LUTHER LN	TREK RESOURCES INC
	22	6038 LUTHER LN	RB PASS LLC
	24	6033 BERKSHIRE LN	6033 BERKSHIRE LLC
X	25	5926 NORTHWEST HWY	LOBELLO SAM INV
X	26	5926 NORTHWEST HWY	LCT MATHEWS JV
X	28	5960 NORTHWEST HWY	CURRIN LAND JOINT VENTURE
X	31	6019 BERKSHIRE LN	HBT PARTNERS LP
	32	8226 DOUGLAS AVE	DOUGLAS PLAZA LAND LLC
	33	6039 SHERRY LN	TOMLIN FAMILY LTD
O	34	6059 SHERRY LN	K & B SHERRY TX LTD &
	35	6065 SHERRY LN	TOMLIN FAMILY LTD

<i>Reply</i>	<i>Label #</i>	<i>Address</i>	<i>Owner</i>
	36	6071 SHERRY LN	6071 SHERRY LN VENTURE
O	39	6103 SHERRY LN	OCONNOR - SHERRY LANE LTD
	40	6125 SHERRY LN	6121 SHERRY LLC
X	41	WESTCHESTER DR	CCP PC OFFICE LP
	43	8235 DOUGLAS AVE	DIP SPV COMPANY 4 LLC
O	44	8301 WESTCHESTER DR	CH REALTY VI R DALLAS PRESTON CTR LP
	46	8201 PRESTON RD	TRT PRESTON SHERRY LLC
	47	5858 NORTHWEST HWY	DB FIVE GRILL LP
X	A1	8215 WESTCHESTER DR	LEGGE LYNDA L TRUSTEE &
X	A2	8411 PRESTON RD	PRESTON CTR WEST JV
O	A3	5830 AVERILL WAY	CUBAN MARK
O	A4	8530 JOURDAN WAY	CUBAN MARK
O	A5	8531 JOURDAN WAY	JAUCHEN REALTY LLC
O	A6	6003 BERKSHIRE LN	BERKSHIRE DOUGLAS RETAIL
O	A7	8400 WESTCHESTER DR	SEARS DIANA COX &
O	A8	6115 BERKSHIRE LN	K & B COMM TEXAS LTD ETAL
O	A9	6118 LUTHER LN	RAMSBOTTOM PARTNERS LP
O	A10	6126 LUTHER LN	RAMSBOTTOM PARTNERS LP
O	A11	6110 LUTHER LN	MCEVOY A PATRICK ET AL
O	A12	6100 LUTHER LN	TREK RESOURCES INC
O	A13	8220 WESTCHESTER DR	TREK RESOURCES INC
O	A14	5938 NORTHWEST HWY	KINNEY PROPERTY F & P LTD
O	A15	6117 BERKSHIRE LN	K & B COMM TEXAS LTD ETAL
O	A16	8222 DOUGLAS AVE	CF02 DALLAS LLC
O	A17	8300 DOUGLAS AVE	CFO DT II LLC
O	A18	8333 DOUGLAS AVE	CFO DT III LLC

ADDENDUM ITEM # 41

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): 6
DEPARTMENT: Sustainable Development and Construction
CMO: Ryan S. Evans, 671-9837
MAPSCO: 44 N; P

SUBJECT

A public hearing to receive comments regarding an application for and an ordinance granting a Planned Development District for single family uses on property zoned an IM Industrial Manufacturing District and an IR Industrial Research District south of the intersection of Duluth Street and Borger Street

Recommendation of Staff: Denial

Recommendation of CPC: Approval, subject to a conceptual plan, street cross section exhibit and conditions

Z145-185(WE)

ACM: Ryan S. Evans

FILE NUMBER: Z145-185(WE) **DATE FILED:** February 9, 2015

LOCATION: South of the intersection of Duluth Street and Borger Street

COUNCIL DISTRICT: 6 **MAPSCO:** 44N, P

SIZE OF REQUEST: Approx. 15.33 acres **CENSUS TRACT:** 43.00

APPLICANT / OWNER: Austin International Ventures

REPRESENTATIVE: Santos Martinez, Masterplan

REQUEST: An application for a Planned Development District for single family uses on property zoned an IM Industrial Manufacturing District and an IR Industrial Research District.

SUMMARY: The purpose of this request is to allow a shared access single-family development. The request site is currently developed with industrial types uses. The applicant proposes to develop approximately 240 detached units on 15.33 acres of land. Given the vision for the area, staff believes that a high-density, single-family development is warranted. However, it is imperative that this development is designed to be pedestrian friendly incorporating open spaces and opportunities for gathering places and connectivity to future redevelopment. The proposed conditions and conceptual plan do not embody these principles.

CPC RECOMMENDATION: Approval, subject to a conceptual plan, street cross section exhibit and conditions

STAFF RECOMMENDATION: Denial

DESIGNATED ZONING CASE

GUIDING CRITERIA FOR RECOMMENDATION:

Staff recommendation of denial of the Planned Development District is based upon:

1. *Performance impacts upon surrounding property* – Single family uses developed in a manner consistent with the Comprehensive Plan will have a positive impact on the surrounding properties. The area is in a process of transitioning from a heavily industrial area to a residential area, with retail uses concentrated along key corridors (i.e., Singleton Boulevard). However, staff has some concerns with the overall design layout of the shared access development as it relates to the preservation of additional open space and providing a pedestrian linkage for the residences.

In addition, staff is also concerned that the pedestrian linkage within the shared access development does not gather or connect the community in several central areas. While the applicant indicates they will provide open space, pedestrian linkages, and amenities, a plan is needed to see how these items interrelate.

2. *Traffic impact* – The surrounding street system can accommodate the vehicle trips from this development. However, there is concern with how internal traffic will be managed within a shared access development. Shared access developments have driveways (as opposed to private and public streets) that do not require sidewalks and certain pavement widths. Given the number of units, staff cannot be comfortable that parking, bicycling and walking will be integrated in a cohesive manner.
3. *Comprehensive Plan or Area Plan Conformance* – The *forwardDallas! Comprehensive Plan* shows that the request site is located in an Urban Neighborhood Building Block. The proposed conditions and conceptual plan do not meet this building block.
4. *Justification for PD Planned Development District Zoning as opposed to a straight zoning district* – The applicant would have to submit a multifamily zoning district applicant to meet the proposed density. Because they want to plat individual lots, a Planned Development District has been submitted for a shared access development.

BACKGROUND INFORMATION:

Zoning History: There has been one recent zoning change requested in the area.

1. Z134-282 On December 10, 2014, the City Council approved Planned Development District No. 933 for certain Mixed Uses on property zoned an IR Industrial Research District in the location between Singleton Boulevard, Obenchain Street, Duluth Street and Borger Street.

Thoroughfares/Streets:

Thoroughfare/Street	Type	Existing ROW	Proposed ROW
Andy Street	Local	80 ft.	80 ft.
Amos Street	Local	50 ft.	50 ft.
Borger Street	Local	80 ft.	80 ft.

The applicant proposes to extend Borger Street to Duluth Street, which will allow the existing residence better access to Singleton Boulevard. Currently, Borger Street terminates at the southern boundary of the request site.

COMPREHENSIVE PLAN: The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request. The Plan identifies the request site being in an Urban Neighborhood Building Block.

Urban Neighborhoods, including Oak Lawn, the Grand Avenue area in South Dallas, the area near Jefferson Boulevard and the Vickery Meadow area, are predominately residential but are distinguished from other neighborhoods by the wide variety of housing options they provide and easy access to public transit. Housing choices should include single-family detached dwellings, townhomes and low- to midrise condominiums or apartments. These neighborhoods will have concentrations of shops and offices along key corridors or at key intersections, providing important services and job opportunities within walking distance of residences. These areas may have mixed-use buildings with ground floor shops. Areas currently developed with single-family or duplex uses should generally be maintained unless redevelopment is addressed through an Area Planning process. Urban Neighborhood streets will be very pedestrian friendly, providing excellent connectivity to shopping, schools and other community services. Emphasis should be placed on slowing traffic through use of on-street parking and other similar traffic calming measures. Public investments in these areas will focus on parks, pathways, transit stops, pedestrian-oriented landscaping and road improvements.

The site is located west of the western boundary (Sylvan Avenue) of the West Dallas Urban Structure and Guideline [the Structure]. In March 2011, the City Council adopted the Plan. The three primary objectives of the Structure are to: enhance and protect La Bajada, encourage incremental development, and foster new development that complies with the vision.

STAFF ANALYSIS:

Surrounding Land Uses:

	Zoning	Land Use
Site	IM, IR	Industrial
North	IR	Single family
South	R-5(A), IR	Single family, G.C & S.F. & T & P joint rail road
East	TH-3(A), PDD No. 933	Single family, Industrial
West	IM	Industrial

Land Use Compatibility:

The area is in a process of transitioning from a heavily industrial area to a residential area, with retail uses concentrated along key corridors (i.e., Singleton Boulevard). The request site is adjacent to single family uses to the east and south. A. G. C. & S. F. & T & P. joint railroad spur is also adjacent to the southern boundary. Properties to the west and north consist of various industrial uses. City Council approved Planned Development District No. 933 for certain mixed uses, which will be developed with residential and retail uses.

Development Standards:

<u>DISTRICT</u>	<u>SETBACKS</u>		Density	Height	Lot Coverage	Special Standards	PRIMARY Uses
	Front	Side/Rear					
IR Industrial research	15'	30' adjacent to residential OTHER: No Min.	2.0 FAR overall 0.75 office/ retail 0.5 retail	200' 15 stories	80%	Proximity Slope Visual Intrusion	Industrial, wholesale distribution & storage, supporting office & retail
IM Industrial manufacturing	15' 0' on minor	30' adjacent to residential OTHER: No Min.	2.0 FAR overall 0.75 office/ retail 0.5 retail	110' 8 stories	80%	Proximity Slope Visual Intrusion	Industrial, wholesale distribution & storage, supporting office & retail
PDD - Proposed Single Family	0'	0'/10'	240 units	36'	40%	Proximity Slope Visual Intrusion	Residential, Accessory community center

Landscaping: The applicant proposes one tree for every 4,000 square feet within the shared access development. Also, a minimum of 87,000 square feet of open space will be provided. At this time, the areas for the landscape area are not shown on the conceptual plan. The applicant has agreed to increase the minimum of landscape areas from 55,000 square feet to 87,000 square feet.

CPC Action – June 4, 2015

Motion: It was moved to recommend **approval** of a Planned Development District for single family uses, subject to a conceptual plan, street cross section exhibit and revised conditions with the following modifications to Shared Access Development: 1) Section P_107, change main permitted use from R-7.5(A) to R-5(A); 2) Section P_109, change maximum lot coverage from 45 percent to 55 percent; 3) Section P_113, under Urban Design Guidelines change minimum setback of 2 ft. to 1 ft. from the front of the facade; and 4) Section P_115, increase landscaping area from a minimum 55,000 sq. ft. to a minimum 87,000 sq. ft. (not including recreation center) on property zoned an IM Industrial Manufacturing District and an IR Industrial Research District south of the intersection of Duluth Street and Borger Street.

Maker: Anantasomboon
Second: Anglin
Result: Carried: 13 to 0

For: 13 - Anglin, Emmons, Rodgers, Shidid,
Anantasomboon, Bagley, Lavallaisaa, Tarpley,
Schultz, Peadon, Murphy, Ridley, Abtahi

Against: 0
Absent: 0
Vacancy: 1 - District 4
Conflict: 1 - Shellene

Notices: Area: 500 Mailed: 115
Replies: For: 5 Against: 7

Speakers: For: Santos Martinez, 900 Jackson St., Dallas, TX, 75202
Dallas Cothrum, 900 Jackson St., Dallas, TX, 75202
David Rivera, 3200 Crossman Ave., Dallas, TX, 75212
Julia Suarez-Macias, 1318 Duluth St., Dallas, TX, 75212
Mary Magdalen Robles, 2904 Chicago St., Dallas, TX, 75212
For (Did not speak): Mariela Portillo, 2919 Chicago St., Dallas, TX, 75212
Against: Abe Hershman, 13330 Noel Rd., Dallas, TX, 75280
Paula Hutchinson, 507 W. Main St., Dallas, TX, 75208
Stephanie Hanson, 1914 Nomias St., Dallas, TX, 75212
Against (Did not speak): Patsy Jackson, 1953 Shaw St., Dallas, TX, 75212

LIST OF OFFICERS

- Jeffery Fisher President
- Justin Holt Secretary
- Brenda Schertz Treasurer
- Alan Stakem Assistant Secretary

**CPC PROPOSED PDD
CONDITIONS**

SEC. P-____.101. LEGISLATIVE HISTORY.

PD was established by Ordinance No. _____, passed by the Dallas City Council on _____.

SEC.P-____.102. PROPERTY LOCATION AND SIZE.

PD ____ is established in the general area south of the intersection of Duluth Street and Borger Street. The size of PD ____ is approximately 15.31 acres.

SEC. P-____.103 DEFINITIONS AND INTERPRETATIONS.

(a) Unless otherwise stated, the definitions in Chapter 51A apply to this article.

(b) Unless otherwise stated, all references to articles, divisions, or sections in this article are to articles, divisions, or sections in Chapter 51A.

(c) In this district:

(1) RECREATIONAL AMENITIES means a structure that is being used for physical exercise or enjoyment and is not limited to playground equipment, exercise stations, splash park or swimming pools.

(2) URBAN NEIGHBORHOOD means a neighborhood that is predominately residential but is distinguished from other neighborhoods by the wide variety of housing options provided and easy access to public transit.

SEC. P-____.104 EXHIBITS.

The following exhibit is incorporated into this division:

Exhibit ____A: Conceptual plan.

Exhibit ____B: Street cross section exhibit

SEC. P-____.105. CONCEPTUAL PLAN.

Development and use of the Property must comply with the conceptual plan (Exhibit ____). If there is conflict between the text of this division and the conceptual plan, the text of this division controls. Minor adjustments to final street alignments and locations are permitted at the time if platting without requiring an amendment to the conceptual plan.

SEC. S-____.106. DEVELOPMENT PLAN

(a) Except as provided in this section, a shared access development plan must be approved by the city plan commission before issuance of any building permit. Development plans may be processed in phases and include any portion of the Property. If there is a conflict between the text of this article and the development plan, the text of this article controls.

(b) For single family uses, an approved preliminary plat shall satisfy the requirement for a development plan under this section.

SEC. P-____.107. MAIN USES PERMITTED.

Except as provided in this section, the only main uses permitted are those main uses permitted in the R-5(A) zoning district, subject to the same conditions applicable in the R-5(A) District, as set out in Chapter 51A. For example, a use permitted in the R-5(A) Zoning District only by specific use permit (SUP) is permitted in this district only by SUP; a use subject to development impact review (DIR) in the R-5(A) zoning district is subject to DIR in this district, etc.

SEC. P-____.108. ACCESSORY USES.

As a general rule, an accessory use is permitted in any district in which the main use is permitted. Some specific accessory uses, however, due to their unique nature, are subject to additional regulations in Section 51A-4.217. For more information regarding accessory uses, consult Section 51A-4.217.

(a) The following accessory uses are not permitted:

- Accessory helistop
- Accessory medical/infectious waste incinerator
- Accessory outside display of merchandise
- Accessory outside sales
- Accessory pathological waste incinerator

(b) The following main use is permitted by right:

- Accessory community center (private)

SEC.P-____.109. YARD, LOT, AND SPACE REGULATIONS.

(Note: The yard, lot, and space regulations in this section must be read together with the yard, lot and space regulations in Part I of this article. If there is a conflict between this section and Part I of this article, this section controls.)

(a) In general. Except as provided in this section, the yard, lot, and space regulations for the R-5(A) Single Family District apply.

(b) Front yard.

(1) Except as provided in this section, minimum front yard is 15 feet.

(2) For a detached single family use, no minimum front yard is required.

(c) Side yard.

(1) Except as provided in this section, minimum side yard is 10 feet.

(2) For a detached single family use, no minimum side yard

(d) Rear yard

(i) Except as provided in this section, minimum rear yard is 15 feet.

(ii) For a detached single family use, minimum rear yard is 10 feet.

(e) Height. Maximum structure height is 36 feet.

(i). The following structures may project a maximum of 12 feet above the maximum structure height for an accessory community center (private):

- (a) Elevator penthouse or bulkhead.
- (b) Mechanical equipment room.
- (c) Cooling tower.
- (d) Tank designed for holding liquids.
- (e) Ornamental cupola or dome.
- (f) Skylights.
- (g) Clerestory.
- (h) Visual screens which surround roof mounted mechanical equipment.
- (i) Chimney and vent stacks.
- (j) Amateur communications tower.
- (k) Parapet wall or deck railing, limited to a height of five feet.

(ii). The following structures may project a maximum of 12 feet above the maximum structure height for single family dwelling units:

- (a) Ornamental cupola or dome.
- (b) Skylights.
- (c) Clerestory.

(d) Chimney and vent stacks.
(e) Amateur communications tower
(f) Parapet wall or deck railing, limited to a height of five feet.

(f) Density. Maximum number of dwellings units is 240.

(h) Floor area ratio. No maximum floor area.

(i) Lot coverage.

(a) Detached Single family Structures.

(1) Except as provided in this section, maximum lot coverage is 45 percent.

(2) For a detached single family use, maximum lot coverage is 55 percent.

(b) Accessory community center (private).

(1) Maximum lot coverage is 40 percent.

(2) The following items shall not be included in the lot coverage calculations for an accessory community center (private).

(a) Pavilion

(b) Gazebo

(j) Lot Size.

(a) Shared Access Development

(1) Except as provided in this section, minimum lot size for residential uses is 7,500 square feet.

(b) For a detached single family use, minimum lot size is 1,550 square feet.

SEC. P-____.110. OFF-STREET PARKING AND LOADING.

(a) In general. Except as provided in this section, consult the use regulations in Division 51A-4.200 for the specific off-street parking and loading requirements for each use.

(d) A minimum of five parking spaces are required for an accessory community center (private).

SEC. P-___.111. INGRESS/EGRESS.

(a) Ingress and egress must be provided as shown on the conceptual plan. Final location of the driveways and drive approaches may vary from the location shown with no increase in number of drive approaches. Final design and location must be shown on an approved development plan.

(b) For a shared access development, the location of ingress/egress points must be shown on the development plan and preliminary plat.

SEC. P-___.112. SHARED ACCESS DEVELOPMENT

(a) Shared access development. The shared access development must meet the spirit and intent of an Urban Neighborhood. Urban Neighborhood streets will be very pedestrian friendly, providing excellent connectivity throughout the community and other community services. Emphasis should be placed on slowing traffic through use of on-street parking and other similar traffic calming measures. Public investments in these areas will focus on parks, sidewalks, pathways, pedestrian-oriented landscaping and road improvements that are interspersed throughout the neighborhood.

(1) Except as provided in this subparagraph, shared access development must comply with Section 51A-4.411.

(a) A maximum of 240 lots are permitted within a shared access development with a minimum of four access points.

(b) More than two adjacent shared access developments may have shared access areas (driveways) that connect and utilities that connect.

(c) Fire hydrants may be located within the boundaries of a shared access development.

(d) A maximum of two access points may be limited for emergency vehicles.

(e) Sidewalks. A minimum sidewalk width of 4 feet is required. The sidewalks may be interspersed throughout the development. A minimum of 3,315 linear feet of sidewalk must be provided.

(f) A minimum of one community swimming pool or splash park must be permitted prior to submittal of the last final plat.

SEC.P-___.113 URBAN DESIGN GUIDELINES

(a) Except as provided in this district, the following design guideline must be incorporated in a shared access development.

(i) Each block face should contain at least three different elevations. A separation of at 3 lots should be maintained for any model with similar elevations, colors or materials.

(ii) If a front facing garage is proposed, require a minimum setback of 1 foot from the front if the façade.

(iii) Minimum driveway width for a garage is 12 feet; maximum width is 18 feet from curb to garage.

(iv) Off-street parking is permitted on both sides of a double loaded street.

(v) A shared access development must provide maximum connectivity with multiple ways into and out-of the development. No dead-end street are permitted

(vi) Provide sidewalk connections to the various amenities

(vii) Sidewalk minimum distance. Each dwelling unit shall be within a 100-foot radius of a sidewalk.

SEC. P-___.114. ENVIRONMENTAL PERFORMANCE STANDARDS.

See Article VI.

SEC. P-___.115. LANDSCAPING.

(a) Landscape plan. Except as provided in this section, landscaping must be provided in accordance to Article X, as amended. The entire District shall be considered one lot for purposes of this section.

(b) Shared access development. For shared access development, landscaping must be provided in accordance with the following:

(1) One site tree must be provided for every 4,000 square feet within the shared access development. Every tree must have a planting area of at least 25 square feet. Trees must be species listed in Section 51A-10.134

(2) In addition to any site trees, one large canopy tree must be provided for every 25 feet of street frontage, excluding shared access points, with a minimum of two street trees required. Street trees may be located within the front yard

or parkway if all private licensing requirements of the city code and charter are met. In this subparagraph, parkway means the portion of a street curb and the front lot line or corner side lot line. If the director determines that a large canopy tree would interfere with utility lines, a substitute street tree from the species listed in Section 51A-10.134 may be provided.

(c) Landscape area. A minimum of 87,000 square feet of Landscape area is required and must be dedicated in combination with all final plats created within this district. Landscape area and common areas may be dedicated in phases.

(i) The 87,000 square feet of open space cannot be located within one phase of the development or one final plat application.

(ii) Landscape area and common areas may include recreational amenities.

(d) Tree mitigation may be completed in phases. These phases shall be in accordance with all final plats created within this district. Within five years after the issuance of a grading permit, the property owner shall present to the building official the total mitigation calculation including mitigation amount less trees planted. This term may be extended by two one year extensions to be mutually agreed by the building official and the property owner.

SEC. P-____.116. SIGNS.

In general. Except as provided in this section, signs must comply with the provisions for non-business zoning districts in Article VII.

SEC. P-____.117. ADDITIONAL PROVISIONS.

(a) The Property must be properly maintained in a state of good repair and neat appearance.

(b) Development and use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the city.

(c) No more than 240 lots may be platted as a shared access development.

(d) Before the final inspection of the first single family dwelling unit, an eight inch water main must be provided to serve the shared access development, with final design and construction approved by Dallas Water Utilities.

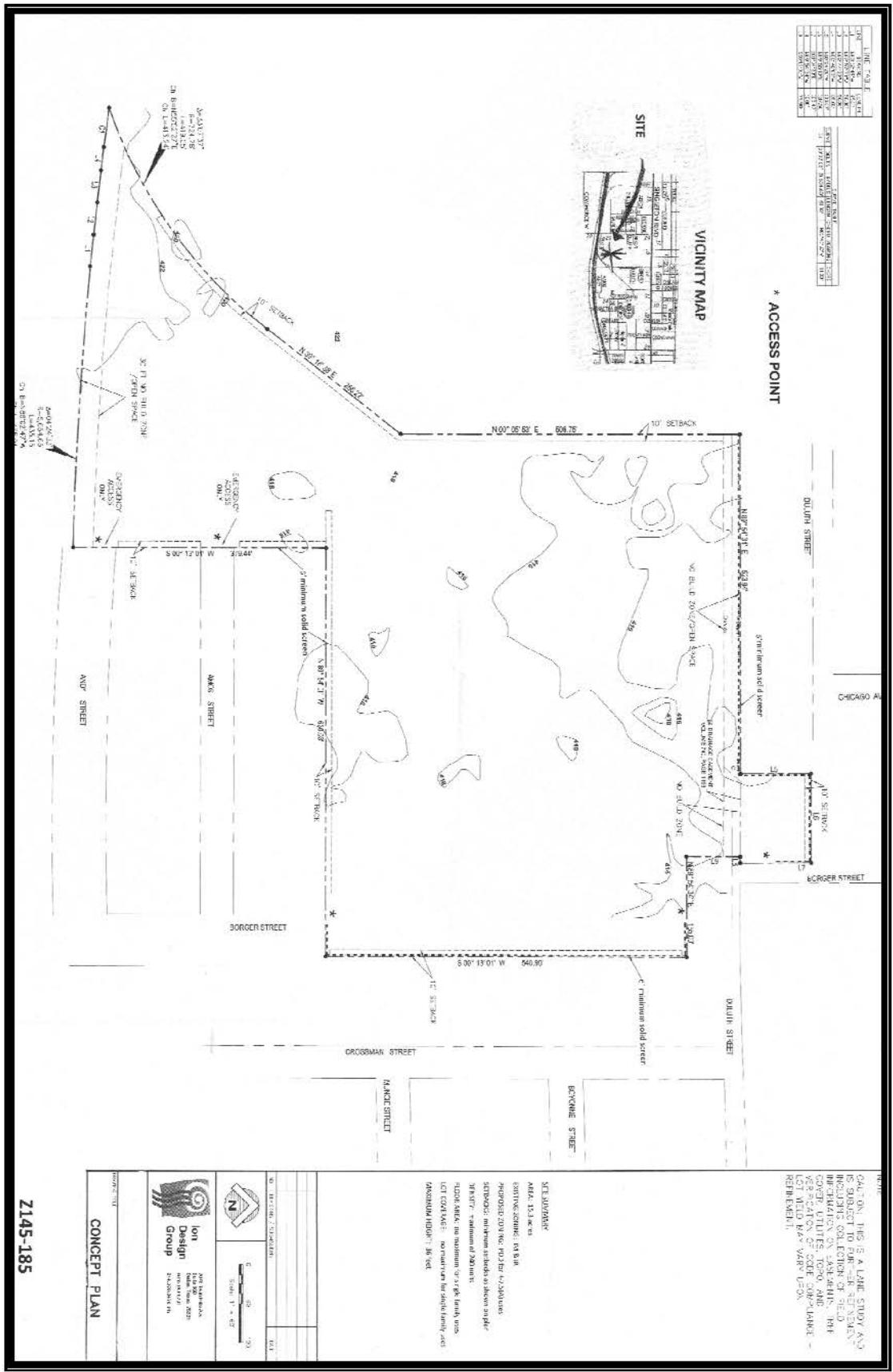
(e) Shared Access Development. A minimum of pavement width of 24 feet is required throughout the development.

SEC. P ____ .118. COMPLIANCE WITH CONDITIONS.

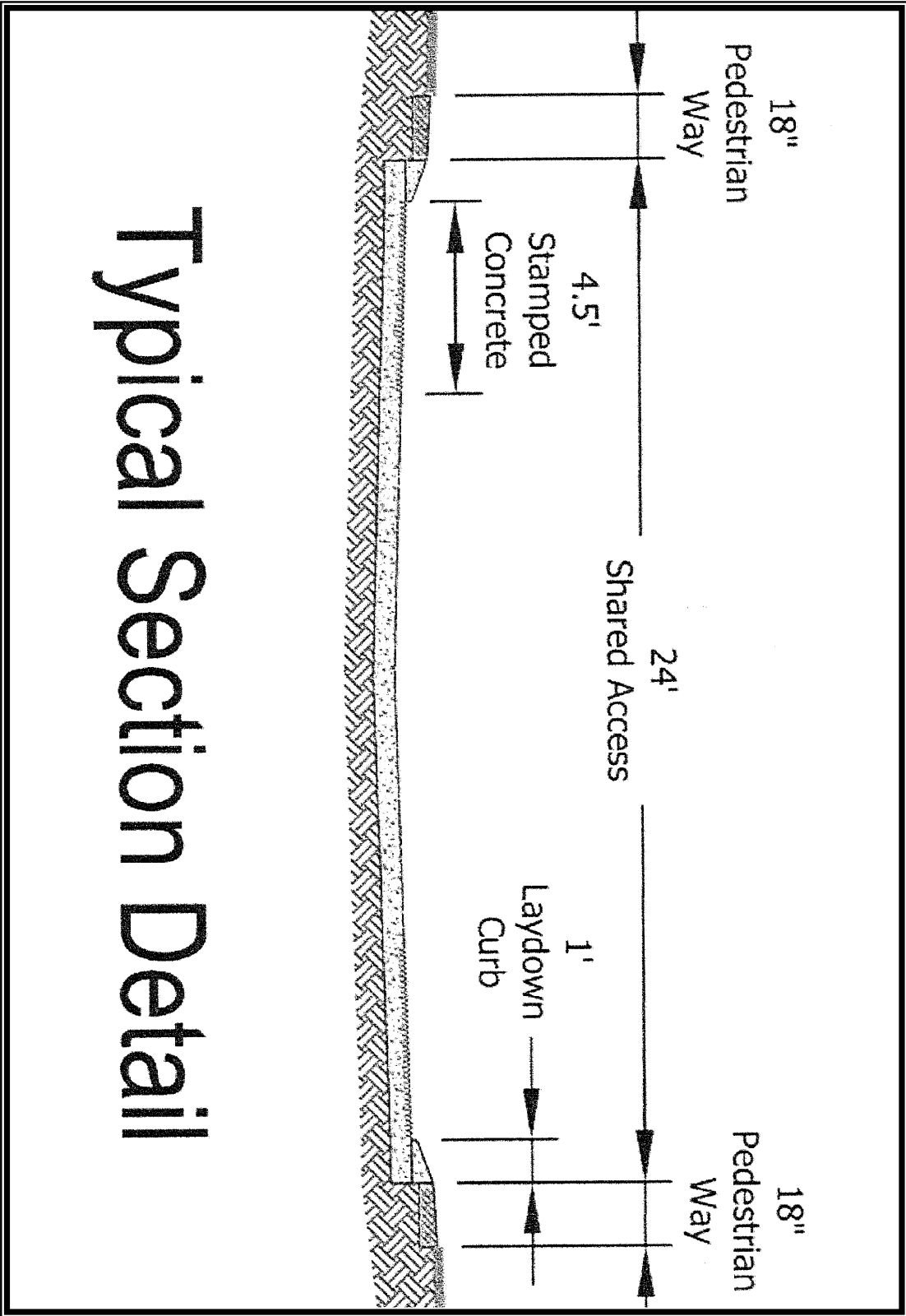
(a) All paved areas, permanent drives, streets, and drainage structures, if any, must be constructed in accordance with standard city specifications, and completed to the satisfaction of the city.

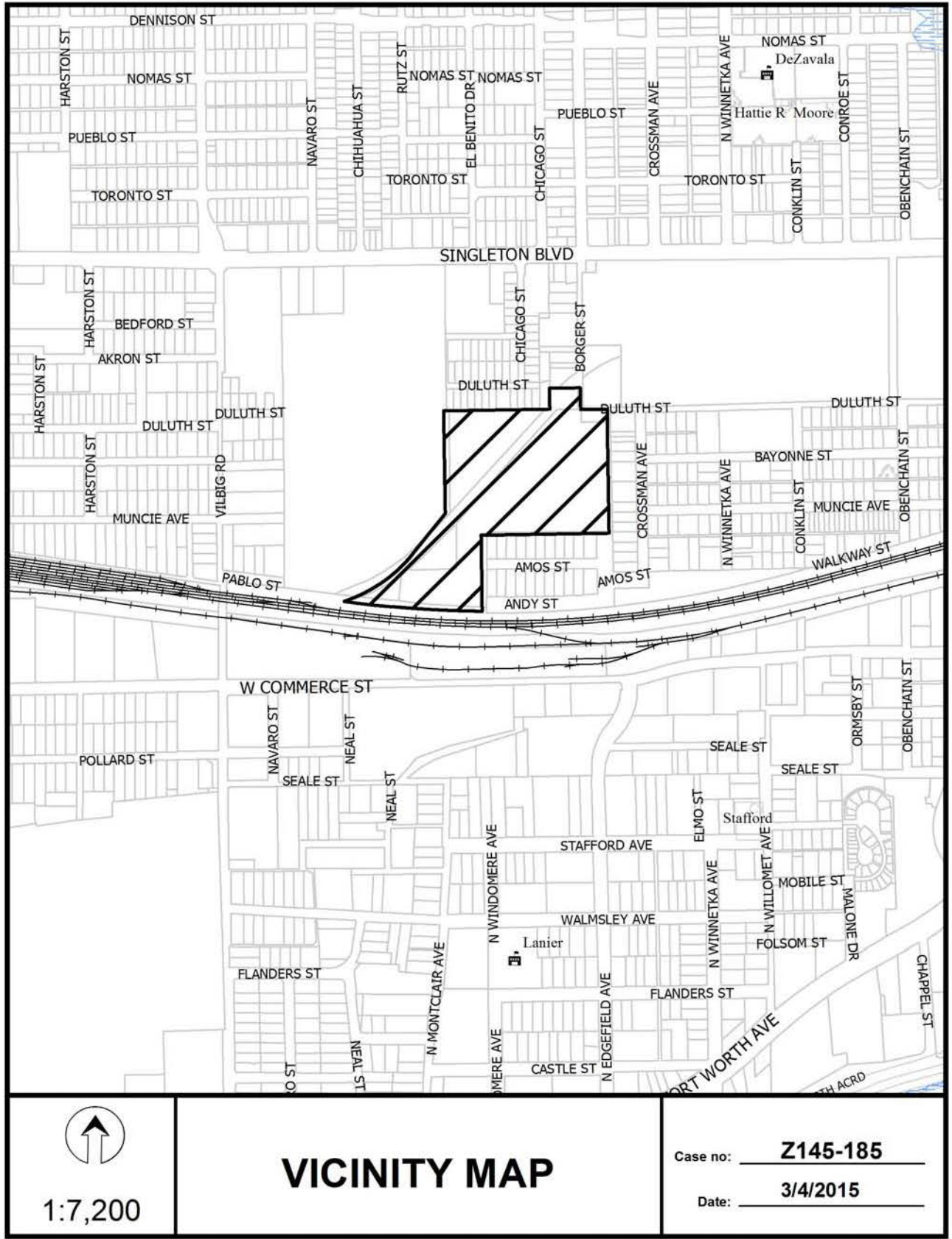
(b) The building official shall not issue a building permit or a certificate of occupancy for a use in this planned development district until there has been full compliance with this division, the Dallas Development Code, the construction codes, and all other ordinances, rules, and regulations of the city.

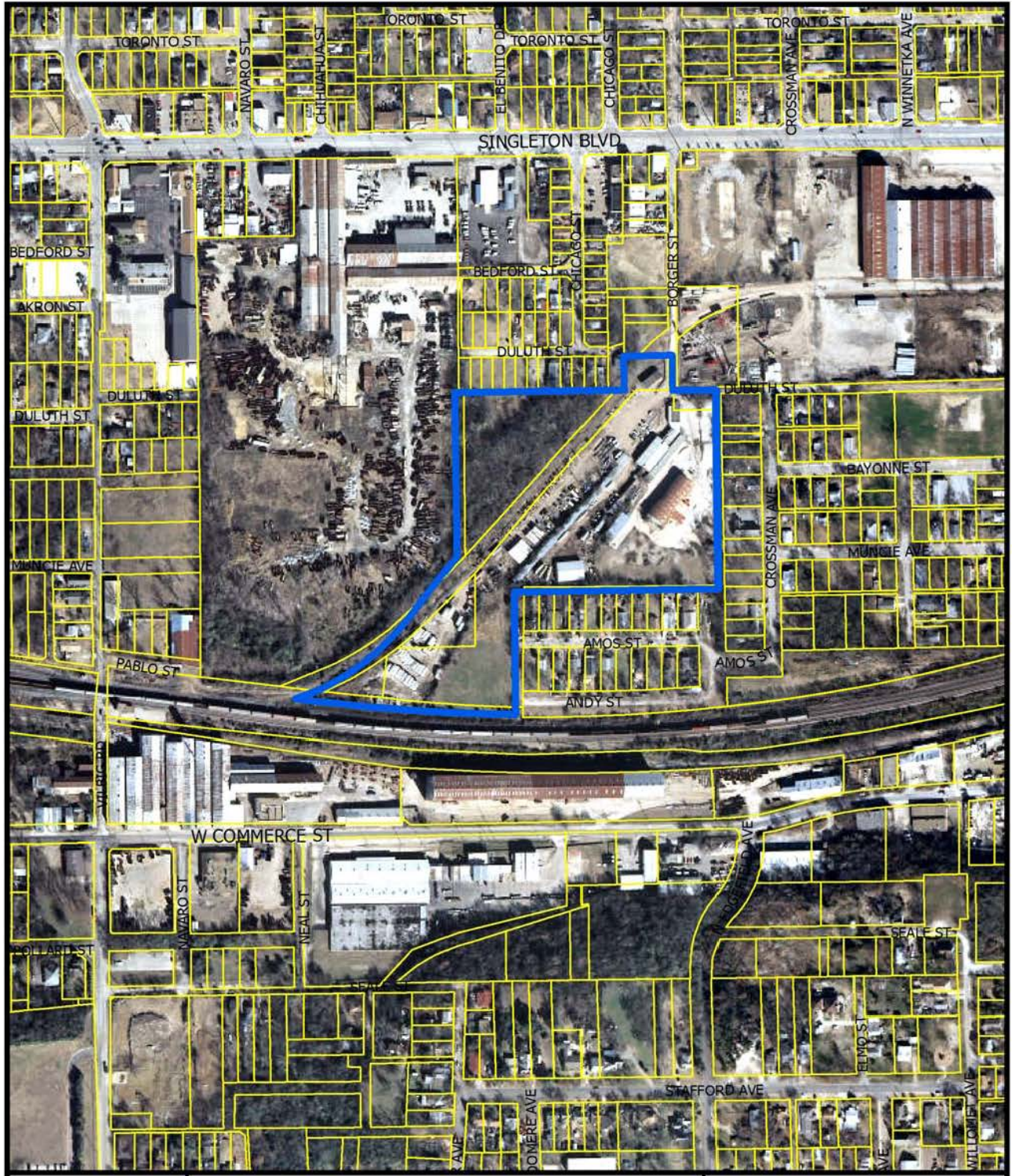
CPC PROPOSED CONCEPTUAL PLAN



Street Cross Section Exhibit





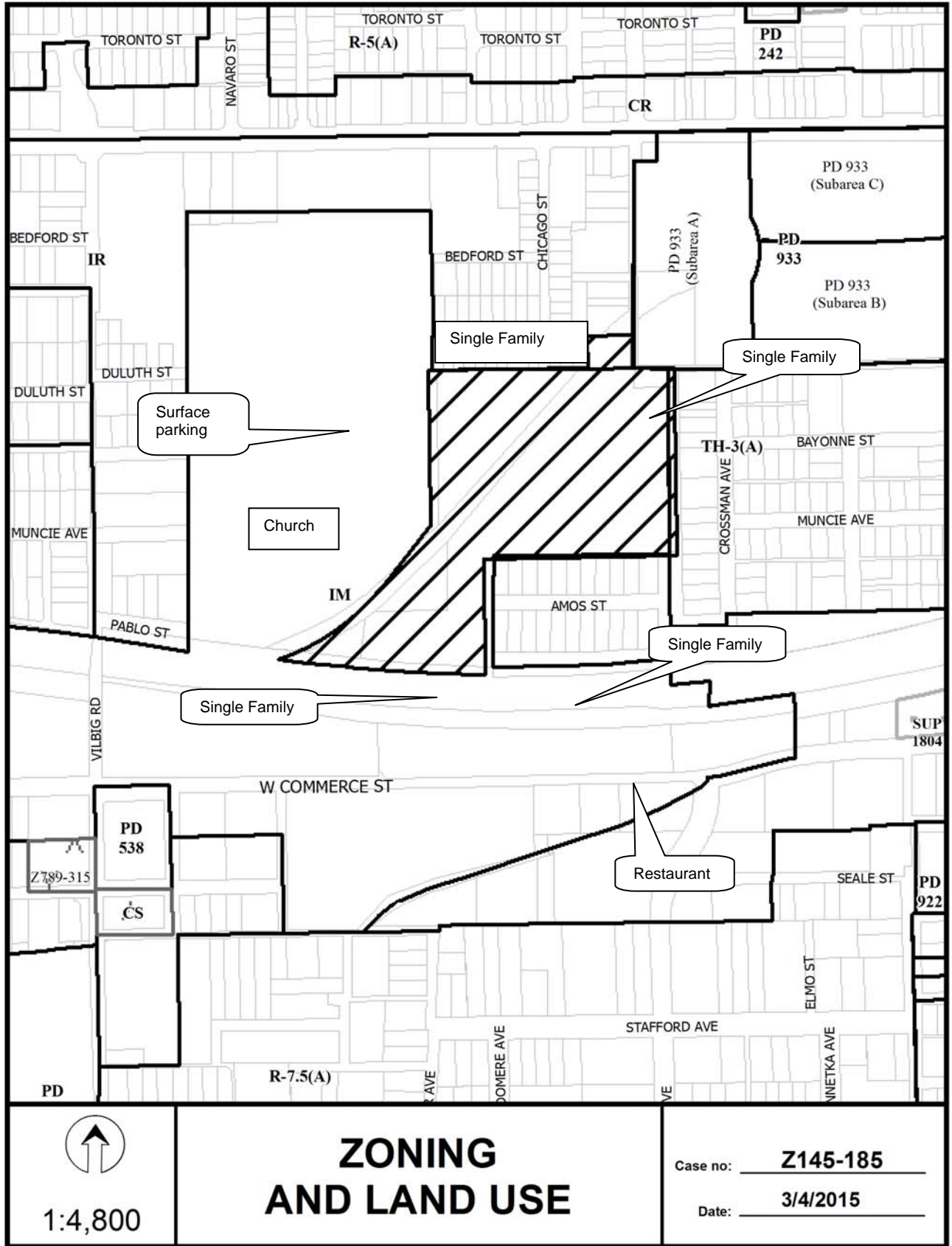


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AERIAL MAP

Case no: **Z145-185**

Date: **3/4/2015**

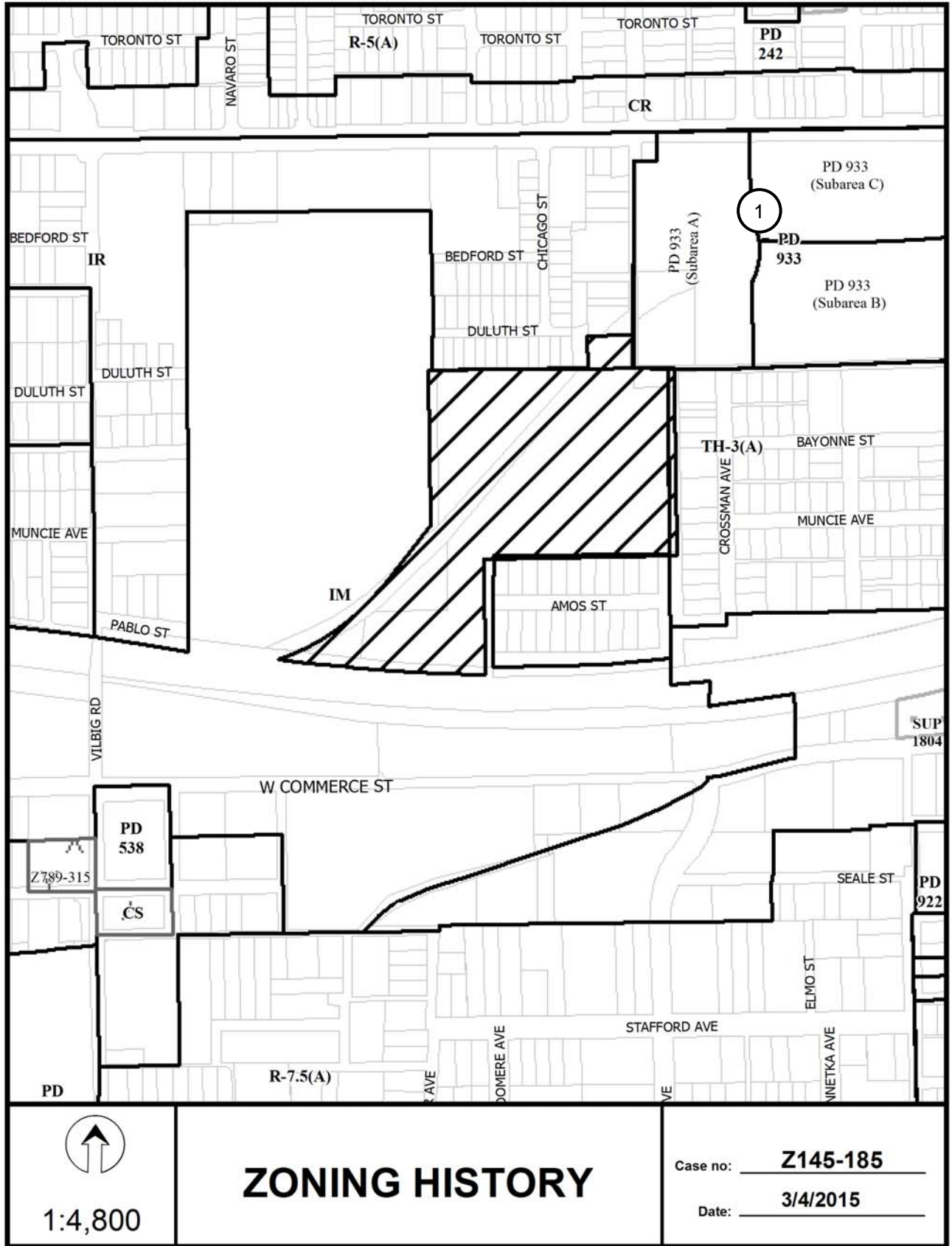


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ZONING AND LAND USE

Case no: Z145-185

Date: 3/4/2015



1:4,800

ZONING HISTORY

Case no: Z145-185

Date: 3/4/2015

CPC RESPONSES



<u>115</u>	Property Owners Notified (152 parcels)
<u>5</u>	Replies in Favor (6 parcels)
<u>7</u>	Replies in Opposition (7 parcels)
<u>500'</u>	Area of Notification
<u>6/4/2015</u>	Date
<u>5/21/2015</u>	Under Advisement

Z145-185
CPC



1:4,800

Notification List of Property Owners

Z145-185

115 Property Owners Notified 5 Property Owners in Favor 7 Property Owners Opposed

Reply	Label #	Address	Owner
	1	1310 DULUTH ST	SALAZAR RICHARD EST OF
	2	1317 AMOS ST	CRAYTON LATISHIA D
	3	1323 AMOS ST	HAMILTON PAULINE
	4	1325 AMOS ST	HAMILTON JERRY R
	5	1329 AMOS ST	CASTRO GERARDO MORALES &
	6	1333 AMOS ST	GRIMALDO ALBERTO
	7	1337 AMOS ST	GRIMALDO MARIA
	8	1341 AMOS ST	GRIMALDO FLORENTINA
O	9	1300 ANDY ST	AUSTIN INTERNATIONAL VEN
O	10	2800 BORGER ST	AUSTIN CORP SERVICES INC
O	11	2800 LADD ST	AUSTIN INTL VENTURES INC
	12	1600 SINGLETON BLVD	LRG L L C
O	13	1300 DULUTH ST	AUSTIN INTERNATIONAL
	14	4401 LINFIELD RD	ST LOUIS S W RAILWAY CO
	15	9999 NO NAME ST	UNION PACIFIC RR CO
	16	1734 MUNCIE AVE	HMK LTD
	17	1731 PABLO ST	CRUZ ELLIOT TRUSTEE
	18	1314 DULUTH ST	SUAREZ SILVERIA M
	19	1320 DULUTH ST	MACIAS JULIA SUAREZ
	20	1400 DULUTH ST	LOPEZ FLORENTINO
	21	1404 DULUTH ST	TEMPLO PENA DE HOREB
	22	1401 DULUTH ST	SAENZ RODRIGO S & IRMA
	23	1403 DULUTH ST	SAENZ IRMA HERNANDEZ
	24	1407 DULUTH ST	SAENZ IRMA
	25	1411 DULUTH ST	RODRIGO SAUCEDO SAENZ
	26	2819 CHICAGO ST	LOPEZ FLORENTINO ET AL

06/03/2015

<i>Reply</i>	<i>Label #</i>	<i>Address</i>	<i>Owner</i>
	27	1404 BEDFORD ST	HERNANDEZ JENNIFER N
	28	1406 BEDFORD ST	ESCAMILLA JIMMY R
	29	1412 BEDFORD ST	RODRIGUEZ ALFREDO S
	30	1420 BEDFORD ST	ORTIZ YOLANDA
	31	2802 CHICAGO ST	LOZADA MANUEL
	32	2806 CHICAGO ST	LOZADA MANUEL JR &
	33	2810 CHICAGO ST	ESPERANZA LOZADA VENTURA
X	34	2814 CHICAGO ST	BANDA ELIDIO
	35	2818 CHICAGO ST	WILLIAMS W A ESTATE OF
	36	2820 CHICAGO ST	ROBLES MARY M
	37	2902 CHICAGO ST	DILLARD CHARLES E JR &
	38	2904 CHICAGO ST	ROBLES ROBERTO & MARY M
	39	2903 CHICAGO ST	LOPEZ SEFERINA
	40	2907 CHICAGO ST	WILCHES MARCELEN A
	41	2919 CHICAGO ST	YANEZ JORGE & MARIELA
	42	2800 BORGER ST	AUSTIN INTL VENTURES INC
	43	2823 BORGER ST	TERRY R H
X	44	2819 BORGER ST	BUILDERS OF HOPE CDC
	46	1300 AMOS ST	GRIMALDO ALBERTO & ROSA
	47	1304 AMOS ST	SAMARRIPA MARCELINO &
	48	1308 AMOS ST	BURROUGHS BILLY JOE
	49	1312 AMOS ST	DE LEON JUAN
	50	1316 AMOS ST	SANDOVAL THOMAS M
	51	1320 AMOS ST	IPINA LORENZO
	52	1324 AMOS ST	YBARA REYNALDO &
	53	1328 AMOS ST	TORRES ALEJANDRINO
	54	1332 AMOS ST	TORRES PEDRO &
	55	1336 AMOS ST	MERRELL DON R
	56	1340 AMOS ST	MERRELL DON R
	57	1301 AMOS ST	URIBE BRENDA JANET
	58	1307 AMOS ST	CASTRO ENRIQUE & ELSA R

06/03/2015

<i>Reply</i>	<i>Label #</i>	<i>Address</i>	<i>Owner</i>
	59	1309 AMOS ST	PARKS MILDRED JOHNSON
	60	1315 AMOS ST	MEDINA ELIGIO
	61	2404 BORGER ST	COMO COLUMBUS
	62	1610 COMMERCE ST	COMMERCIAL METALS COMPANY
	63	1338 COMMERCE ST	1400 TRIPLE B HOLDINGS LP
	64	1401 COMMERCE ST	HB COMMERCE HOLDINGS LLC
	65	2411 WINNETKA AVE	DAVIS IRA JR
	66	2415 WINNETKA AVE	MCDUFF WILLIE
	67	1102 MUNCIE AVE	SILPAVIVAT CHAVALIT
	68	1106 MUNCIE AVE	WARE MARY BUSH
	69	1112 MUNCIE AVE	SMITH DELTESSA ET AL
	70	1120 MUNCIE AVE	IBARRA JUAN MANUEL
	71	1128 MUNCIE AVE	WARE MARY
	72	2406 CROSSMAN AVE	WILLIS EDNA
	73	2404 CROSSMAN AVE	ARNOLD WILL
	74	2404 CROSSMAN AVE	ARNOLD WILLIAM & BIRDIE
	75	2509 WINNETKA AVE	JACKSON CARLOS
	76	2513 WINNETKA AVE	MT GILEAD BAPTIST CH
	77	1110 BAYONNE ST	ANDERSON CAROL RUTH
	78	1114 BAYONNE ST	ARELLANO GERARDO &
	79	1118 BAYONNE ST	VASQUEZ FRANCESA &
	80	1120 BAYONNE ST	RODRIGUEZ MONICA
	81	1124 BAYONNE ST	VASQUEZ ERICK
	82	1127 MUNCIE AVE	HARRIS ROSA LEE
	83	1121 MUNCIE AVE	LEE LULA MAE ESTATE OF
	84	1119 MUNCIE AVE	ENRIQUE MARQUEZ
	85	1115 MUNCIE AVE	BARKWELL CATHERINE L
	86	1101 BAYONNE ST	Dallas ISD
	87	1110 DULUTH ST	WILLIAMS DELBERT &
	88	1114 DULUTH ST	TOPLETZ DENNIS D
	89	1118 DULUTH ST	RODRIGUEZ EVERARDO

06/03/2015

<i>Reply</i>	<i>Label #</i>	<i>Address</i>	<i>Owner</i>
	90	1122 DULUTH ST	RODRIGUEZ ARTURO P &
	91	1126 DULUTH ST	COVARRUBIAS RAPHAEL
	92	1123 BAYONNE ST	ALVARADO RUBEN &
	93	1121 BAYONNE ST	JONES CHIQUITA ETAL
	94	1119 BAYONNE ST	RAMIREZ VICTORIA G
	95	2403 CROSSMAN AVE	MOUNT NEBO BAPTIST CHURCH
	96	2415 CROSSMAN AVE	REED MATILDA R EST OF
	97	2419 CROSSMAN AVE	CARTER TEMPLE CME CH
	98	2503 CROSSMAN AVE	CARTERS TEMPLE CME CHURCH
	99	2603 CROSSMAN AVE	MITCHELL A C MRS
	100	2607 CROSSMAN AVE	MENDOZA MIGUEL S
	101	2607 CROSSMAN AVE	MENDOZA MIGUEL S &
	102	2615 CROSSMAN AVE	MAYES MRS E L
	103	2911 CHICAGO ST	QUINTERO MARIA EULALIA
	104	2300 GRAND AVE	BNSF RAILWAY
	105	1500 SINGLETON BLVD	DALLAS ISD
	106	1404 SINGLETON BLVD	WILONSKY DOROTHY
	107	1318 SINGLETON BLVD	ZARATE ANTONIO
	110	1618 COMMERCE ST	JUNG BUCK L & HELEN W
	111	1607 COMMERCE ST	BRANHAM RINGER PTNRSHIP
	112	1400 COMMERCE ST	1400 TRIPLE B HOLDINGS LP
	113	1318 COMMERCE ST	SMITH RAPHAEL W
X	A1	2901 BORGER ST	HERSHMAN ABE I
X	A2	1311 DULUTH ST	HERSHMAN ABE I
X	A3	2915 BORGER ST	HERSHMAN ABE I
X	A4	2919 BORGER ST	HERSHAMAN ABE I
X	A5	2921 BORGER ST	HERSHMAN ABE I
O	A6	900 SINGLETON BLVD	AUSTIN INTL VENTURES INC

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: June 17, 2015

COUNCIL DISTRICT(S): 2

DEPARTMENT: Public Works Department
Aviation

CMO: Jill A. Jordan, P.E., 670-5299
Ryan S. Evans, 671-9837

MAPSCO: 34K

SUBJECT

Authorize an engineering services contract with O'Brien Engineering, Inc., ~~lowest responsive~~ most qualified proposer of four, for site planning design and construction documents for the Tom Braniff Channel Cover project at Dallas Love Field - Not to exceed \$195,596 - Financing: Aviation Capital Construction Funds

BACKGROUND

This action will authorize an engineering services contract with O'Brien Engineering, Inc. to provide engineering services necessary to cover the Tom Braniff Channel and create additional parking areas for the taxicab holding area.

The City of Dallas, Department of Aviation has identified a need to expand the area for enlarging the Taxi Queue Lot located at 6828 Ansley Avenue, Dallas, Texas, 75235, located adjacent to the Tom Braniff Channel.

The existing open channel is ±1200-feet long end-to-end, 50-foot wide with 12-foot sidewalks. It is the intent of this project to cover the open channel at grade level, use cover for the taxi queue parking while examining opportunities to improve access to the neighboring Sallyport and Thrifty Car Rental properties.

This project includes the engineering design services required to accomplish this project, including alternative parking and site plan studies, hydrologic and hydraulic design, storm water modeling, survey, geotechnical investigation in the evaluation phase of this project. Once complete with the evaluation phase, to determine the best layout for the site, a supplemental agreement will be developed for engineering design services including site development engineering plans, construction safety and phasing plan, and construction documents based on an approved design for construction competitive bidding. Construction administration services will be authorized at the same time as the construction contract is authorized.

PROPOSAL INFORMATION (Continued)

<u>Proposer</u>	<u>Rank</u>
O'Brien Engineering, Inc.	1
Urban Engineers Group, Inc.	2
Nathan D. Maier, Consulting Engineers Inc.	3
Salcedo Group, Inc.	4

The proposals were evaluated according to the criteria published in the Request for Qualifications and the Request for Proposals. These criteria with respective weights were as follows:

Criteria 1 - Qualifications and Availability	20 points
Criteria 2 - Staffing Capabilities	15 points
Criteria 3 - Project Experience	20 points
Criteria 4 - Ability to produce innovative solutions	20 points
Criteria 4 - Team Organization	10 points
Criteria 6 - Past performance and history of complying with M/WBE goals	15 points

OWNER

O'Brien Engineering, Inc.

Jim O'Brien, P.E., CFM, F.SAME

MAP

Attached.

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize an engineering services contract with O'Brien Engineering, Inc., ~~lowest responsive~~ **most qualified** proposer of four, for **site planning** design and construction documents for the Tom Braniff Channel Cover project at Dallas Love Field - Not to exceed \$195,596 - Financing: Aviation Capital Construction Funds

O'Brien Engineering, Inc. is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Architecture & Engineering

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$195,595.60	100.00%
Total non-local contracts	\$0.00	0.00%
TOTAL CONTRACT	\$195,595.60	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
CP&Y	PMMB64115Y0217	\$44,620.00	22.81%
Craig Design Group	WFDB63186Y0915	\$17,250.00	8.82%
Total Minority - Local		\$61,870.00	31.63%

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$44,620.00	22.81%	\$44,620.00	22.81%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$17,250.00	8.82%	\$17,250.00	8.82%
Total	\$61,870.00	31.63%	\$61,870.00	31.63%

Tom Braniff Channel Cover Project at Love Field



Mapsc0 34K

June 17, 2015

WHEREAS, Dallas Love Field has determined a need for additional parking for the Taxi-cab Queuing Lot located adjacent to the Tom Braniff Channel; and,

WHEREAS, covering the existing Tom Braniff Open Channel will result in additional parking areas for the Taxi-Cab Queuing Lot; and,

WHEREAS, a solicitation for Professional Architectural / Engineering and Consulting Services was developed and publicly advertised by the Public Works Department; and,

WHEREAS, a proposal request was issued to the four shortlisted firms; and,

WHEREAS, four firms submitted proposals to provide engineering services for the Tom Braniff Channel Cover project at Dallas Love Field Airport; and,

WHEREAS, O'Brien Engineering, Inc. was selected as the most qualified proposer of four, as a result of a qualifications based selection process in accordance with City of Dallas procurement guidelines; and,

WHEREAS, it is now desirable to authorize a contract with O'Brien Engineering, Inc., most qualified proposer of four, to provide engineering services for site planning design and construction documents for the Tom Braniff Channel Cover project at Dallas Love Field Airport, in an amount not to exceed \$195,595.60.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is now hereby authorized to execute a contract with O'Brien Engineering, Inc., most qualified proposer of four, to provide engineering services for site planning design and construction documents for the Tom Braniff Channel Cover project at Dallas Love Field, in an amount not to exceed \$195,595.60, after it has been approved as to form by the City Attorney.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$195,595.60 in accordance with the terms and conditions of the contract:

Tom Braniff Channel Cover Project	
Aviation Capital Construction Fund	
Fund 0131, Department AVI, Unit P949, Activity AAIP,	
Object 4111, Program #AVTBCCP, CT AVIOEIP949	
Vendor # 352724 in an amount not to exceed	\$195,595.60

June 17, 2015

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 17, 2015
COUNCIL DISTRICT(S): 1
DEPARTMENT: Public Works Department
CMO: Jill A. Jordan, P.E., 670-5299
MAPSCO: 44 Z 54 D

SUBJECT

Authorize the disbursement of funds to Dallas Area Rapid Transit for construction of extensions of the Dallas Streetcar, and for the purchase of two additional Streetcar vehicles to serve the expanded system - Not to exceed \$27,472,531 - Financing: North Central Texas Council of Governments Grant Funds

BACKGROUND

The Regional Transportation Council (RTC) of the North Central Texas Council of Governments (NCTCOG), reallocated \$30,872,531 in Texas Mobility Funds previously reserved for the Dallas Love Field People Mover Project to extend the Dallas Streetcar system south to the Bishop Arts District, north to the Omni Convention Center Hotel, and to purchase two modern streetcars. These projects will extend the base project from 1.61 miles to 2.91 miles.

~~These extensions are important links to achieving the ultimate goal of connecting North Oak Cliff to Uptown. Once completed, this will be the first cross-town route connecting neighborhoods through downtown Dallas.~~

The City Council authorized an ILA with DART on September 24, 2014, authorizing design and design support for the Streetcar extensions. On April 8, 2015, the City Council authorized an ILA with DART for construction services associated with the extensions of the Streetcar. On April 28, 2015, the DART Board awarded a construction contract for the southern extension to a Joint Venture consisting of Archer-Western Construction, CARCON Industries, and Omega Contracting, Inc. (ACO) in an amount not to exceed \$15,682,317 plus a supplemental work contingency of \$784,116 (5%) for unanticipated expenses, for a total authorized amount not to exceed \$16,466,433. In addition, DART will order and install as part of this project, a traction power sub-station (TPSS) and special track work at an additional cost along with support services such as geo-tech studies, surveying, construction management, and safety/integration testing. The remaining grant funding will be used to purchase additional streetcar vehicles and construction of the northern extension.

BACKGROUND (Continued)

Additional funding is expected to be added to this project at which time the interlocal agreements with DART will need to be modified as part of a future council agenda item.

This requested action, if approved, will authorize the City Manager to disburse all the funds on hand to Dallas Area Rapid Transit (DART) for the construction of the extensions of the Dallas Streetcar, along with the purchase of two additional Streetcar vehicles to serve the expanded system. The vehicles are a long lead item, so it is important that the vehicle orders be placed at least one year in advance of requiring them for revenue service. ~~Texas Mobility Funds, as outlined above, will be utilized to pay for the construction of the Streetcar extensions along with the purchase of the two additional Streetcar vehicles.~~

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 4, 2010, City Council authorized the acceptance of \$10M for streetcar development; an Interlocal Agreement between NCTCOG and DART to detail roles and responsibilities, and an Interlocal Agreement with DART to establish a purchasing program for goods and services, by Resolution No. 10-1921.

On April 27, 2011, City Council authorized an Interlocal Agreement with the NCTCOG and Dallas Area Rapid Transit to detail agency roles and responsibilities related to the financial commitment for operation and maintenance of the TIGER Streetcar Project, by Resolution No. 11-1185.

On April 11, 2012, City Council authorized an Interlocal Agreement with the NCTCOG and Dallas Area Rapid Transit to clarify roles and responsibilities related to procurement and financial matters for implementation of the TIGER Streetcar Project, by Resolution No. 12-1041.

On August 8, 2012, City Council authorized the acceptance of \$5,800,000 from the NCTCOG for the development of the TIGER Streetcar Project, by Resolution No. 12-1921.

On February 13, 2013, City Council authorized the acceptance of a Federal Transit Administration Grant through the NCTCOG in the amount of \$26,000,000.00 for the TIGER Streetcar Project, by Resolution No. 13-0312.

On May 18, 2014, City Council authorized an Interlocal Agreement with Dallas Area Rapid Transit to detail agency roles and responsibilities related to operation and maintenance of the TIGER Grant funded Dallas Streetcar Project (Union Station to North Oak Cliff), by Resolution No. 14-0831.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

On September 24, 2014, City Council authorized an Interlocal Agreement with Dallas Area Rapid Transit to outline project roles and responsibilities related to design and design support for the northern and southern extensions; and to accept a grant from NCTCOG, functioning as agent for the Texas Department of Transportation (TxDOT), in the amount of \$30,872,531 for the extension of the TIGER Modern Streetcar System from Methodist Hospital to the Bishop Arts District and from Union Station to the Omni Hotel along with the purchase of streetcar vehicles to operate on the expanded modern streetcar system, by Resolution Nos. 14-1645 and 14-1646.

On April 8, 2015, City Council authorized an Interlocal Agreement with DART for construction services for extensions of the Dallas Union Station to Oak Cliff Streetcar Project.

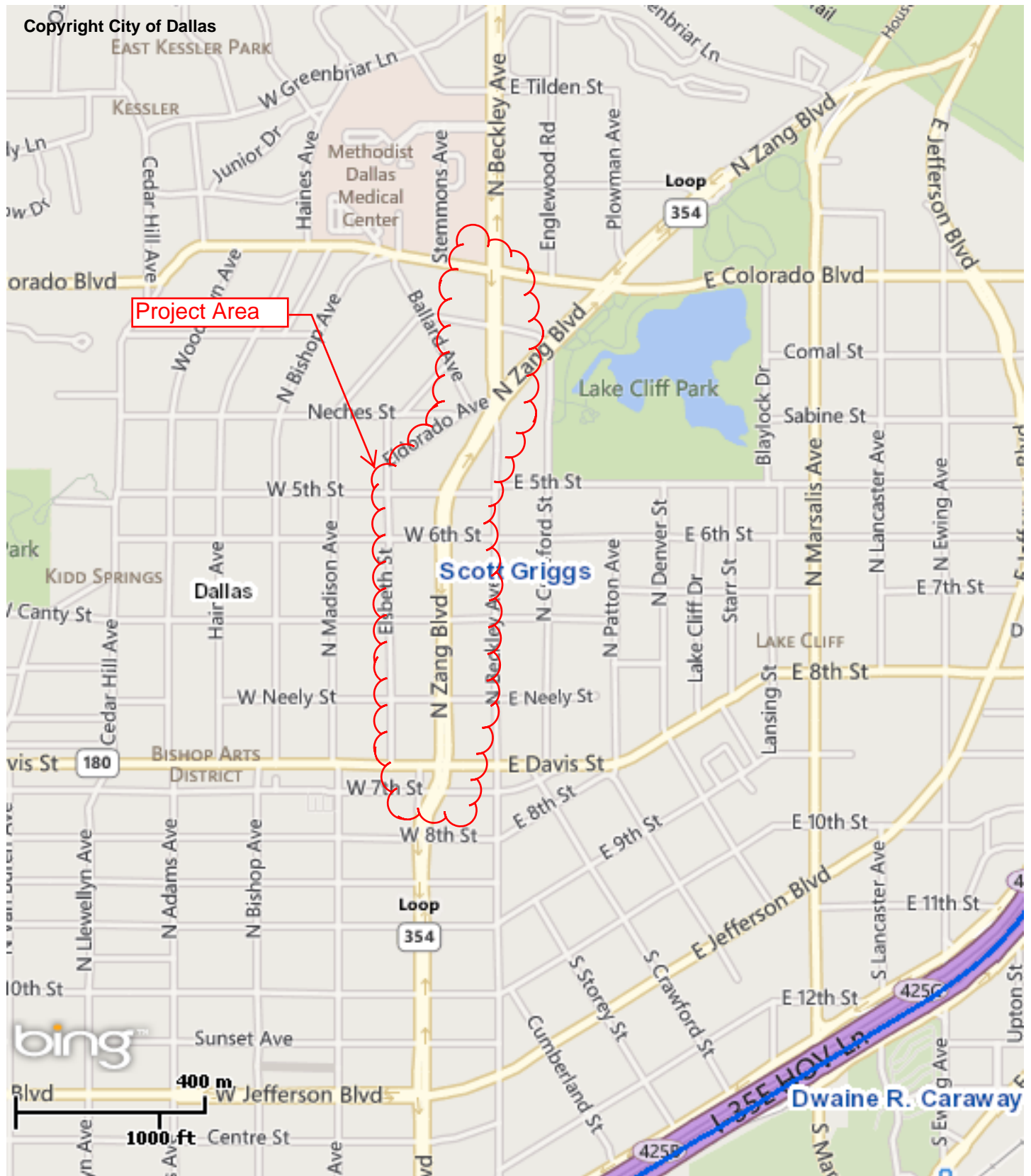
FISCAL INFORMATION

North Central Texas Council of Governments Grant Funds - \$27,472,531

MAP

Attached.

Copyright City of Dallas



Streetcar South Ext.

City of Dallas

District: 1
 MAPSCO: 44Z, 54D

DISCLAIMER

This data has been compiled for City of Dallas. Various official and unofficial sources were used to gather this information. Every effort was made to ensure the accuracy of this data, however, no guarantee is given or implied as to the accuracy of said data.



June 17, 2015

WHEREAS, the City of Dallas, Dallas Area Rapid Transit (DART) and the North Central Texas Council of Governments (NCTCOG) entered into agreements related to the funding, environmental process, and implementation of the Dallas Union Station to Oak Cliff Streetcar Project, also referred to as the Dallas Tiger-Funded Modern Streetcar Project; and,

WHEREAS, the City of Dallas has been awarded design and construction funding to extend the Union Station to Oak Cliff Streetcar Project south to the Bishop Arts District (Extension One), and north to near the Dallas Convention Center Hotel (Extension Two), and for procurement of rail for Extension One, collectively referred to as the "Project"; and,

WHEREAS, the City of Dallas is the recipient of three grants totaling \$30,872,531 from the North Central Texas Council of Governments for the extension of the base streetcar line an additional 1.25 miles and the purchase of two modern streetcar vehicles; and,

WHEREAS, the Project is anticipated to be funded in an amount not to exceed \$30,872,531 using Texas Mobility Funds reallocated by the Regional Transportation Council and the Texas Transportation Commission for this purpose; and,

WHEREAS, on September 24, 2014, Resolution Nos. 14-1645 and 14-1646 authorized an Interlocal Agreement with Dallas Area Rapid Transit to outline project roles and responsibilities related to design and design support for the northern and southern extensions; and to accept a grant from the North Central Texas Council of Governments (NCTCOG), functioning as agent for the Texas Department of Transportation (TxDOT), in the amount of \$30,872,531 for the extension of the TIGER Modern Streetcar System from Methodist Hospital to the Bishop Arts District and from Union Station to the Omni Hotel along with the purchase of streetcar vehicles to operate on the expanded modern streetcar system; and,

WHEREAS, on April 8, 2015, Resolution No. 15-0709 authorized an Interlocal Agreement with Dallas Area Rapid Transit (DART) for construction services for extension of the Dallas Union Station to Oak Cliff Streetcar Project; and,

WHEREAS, on April 28, 2015, DART awarded a construction contract for the Southern Extension of the Streetcar Project from Dallas Methodist Medical Center to the Bishop Arts District to ACO, a Joint Venture of Archer-Western Construction, CARCON Industries and Omega Contracting, Inc. in a total amount not to exceed \$16,466,433; and,

June 17, 2015

WHEREAS, in order to proceed with construction, along with the ordering of a traction power sub station (TPSS), special track work, associated support services, and initiate procurement of two additional Streetcar vehicles, DART has requested the City to provide funding ~~for the construction of the Southern Extension of the Streetcar Project from Dallas Methodist Medical Center to the Bishop Arts District~~ in an amount not to exceed \$27,472,531; and,

WHEREAS, it is now necessary to make payment to DART to provide funding for the construction of the extensions of the Streetcar Project and the procurement of two additional Streetcar vehicles ~~initiate procurement of two additional Streetcar vehicles,~~ in an ~~the amount not to exceed~~ \$27,472,531.00 using Texas Mobility Funds.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the Chief Financial Officer is authorized to disburse funds to Dallas Area Rapid Transit (DART) for construction of the extensions of the Streetcar Project, and for two additional Streetcar vehicles ~~the purchase of two additional Streetcar vehicles~~ in accordance with the terms and conditions of the agreement from:

North Central Texas Council of Governments Grant Fund Fund F437, Dept. PBW, Unit 1683 Obj. 4599, Program No. PBPRF437, CT PBWPRF43711 Vendor No. 232802, in an amount not to exceed	\$11,600,000.00
North Central Texas Council of Governments Grant Fund Fund F437, Dept. PBW, Unit 1684 Obj. 4599, Program No. PBPRF437, CT PBWPRF43711 Vendor No. 232802, in an amount not to exceed	\$ 7,872,531.00
North Central Texas Council of Governments Grant Fund Fund F437, Dept. PBW, Unit 1685 Obj. 4740, Program No. PBPRF437, CT PBWPRF43711 Vendor No. 232802, in an amount not to exceed	<u>\$ 8,000,000.00</u>
Total in an amount not to exceed	\$27,472,531.00

June 17, 2015

Section 2. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.