

Sunnyslope County Water District

A G E N D A

SEPTEMBER 29, 2020

SPECIAL BOARD MEETING: 5:15 PM

District Office Board Room



3570 Airline Hwy., Hollister, CA

AS AUTHORIZED BY THE STATE OF CALIFORNIA EXECUTIVE ORDER N-25-20 PUBLIC ACCESS TO DISTRICT MEETINGS CAN BE OBTAINED THROUGH THE FOLLOWING ACCESS POINTS:

Join from PC, Mac, Linux, iOS or Android:

<https://meetings.ringcentral.com/j/1495668623?pwd=Q1JibWwvZldSWUZ4UG4wUURZWf6UT09>

Password: SSCWD

Or Telephone: Dial +1(623)404-9000 and when prompted enter Meeting ID: 149 566 8623

Regular Board Room attendance will NOT be available.

Any members of the public requiring special accommodations may call the District office at (831) 637-4670 a minimum of 3 hrs prior to the start of the meeting.

Mission Statement:

"Our Mission is to provide safe, reliable, and high quality water and wastewater services to our customers and all future generations in an environmentally and financially responsible manner."

- A. CALL TO ORDER
- B. ROLL CALL – President James Parker, Vice-President Jerry Buzzetta, and Directors: Judi Johnson, Ann Ross, and Mike Alcorn.

Regular Session

- C. PLEDGE OF ALLEGIANCE
- D. APPROVAL OF AGENDA
- E. PUBLIC COMMENTS and AUDIENCE INTRODUCTIONS – The public may comment ¹ on any District business, not on the agenda, with a time limit of three minutes per speaker. No actions may be taken.
- F. NEW BUSINESS – The Board will review and discuss agenda items and take action or direct staff to return to the Board for action at a following meeting. The public may address the Board ² on these items as the Board reviews each item.

1. **Keenan & Associates Benefit Proposal** – Direct the General Manager to Make Changes to the District Dental, Vision, and Life Insurance Benefits as Presented. Consider and Approve the Establishment of Health Reimbursement Arrangement (HRA) for all District Employees.
2. **Special Agreement, District Code 3.40.070** – Consider Granting a Variance to District Code 3.40.020 to Allow Installation of a Three Inch Badger E-Series Ultrasonic Water Meter Rather than a Three Inch Compound Water Meter for the Santana Ranch School Irrigation and Landscape.

G. ADJOURNMENT

Upon request, Sunnyslope County Water District (SCWD) will make a reasonable effort to provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. SCWD will also make a reasonable effort to provide translation services upon request. Please submit a written request, including your name, mailing address, phone number and brief description of the requested materials and preferred alternative format or auxiliary aid or service as soon as possible in advance of the meeting.

Next Regular Board Meeting – October 20, 2020 @ 5:15 p.m., District Office

AGENDA DEADLINE: 12:00 p.m. October 14th, 2020

Future Scheduled Committee Meetings

Water Resources Agency – October 1, 2020 @ 4:00 PM

¹ The person speaking is requested to fill out a speaker card stating items on which they wish to comment to be properly recognized during communications from the public and address comments to the Board of Directors. A limit of three (3) minutes per speaker is requested to allow others an opportunity to comment. Board members may ask questions of the speaker, but no action may be taken and no discussion may be held on non-agenized items raised by the public. The General Manager may refer the matter to the proper personnel for review. Please step up to and speak at the podium.

² The person speaking is requested to fill out a speaker card stating their name, address, and items on which they wish to comment to be properly recognized during communications from the public and address comments to the Board of Directors. Please limit your comment to three (3) minutes. Please step up to and speak at the podium.

Staff Report

Agenda Item: **F-1**

DATE: September 24, 2020 (September 29, 2020 meeting)

TO: Board of Directors

FROM: Drew Lander, General Manager

SUBJECT: **Special Keenan & Associates Benefit Proposal** – Direct the General Manager to Make Changes to the District Dental, Vision, and Life Insurance Benefits as Presented. Consider and Approve the Establishment of Health Reimbursement Arrangement (HRA) for all District Employees.

BACKGROUND:

Keenan & Associates (K&A) specializes in broker/consultant services and presently is serving over 950 public agency clients in California. At no cost to the District, K&A evaluated the Dental, Vision, and Life Insurance benefits provided by the District and made recommendations for providers where benefits can be improved or maintained at lower operating cost.

District benefits may be modified as needed by the Board at any time and are not subject to the Collective Bargaining Agreement entered into between staff and the District on June 18, 2019. The Employee and Personnel committee met on September 10th to review these proposed benefits.

After review of the SSCWD benefits K&A has provided a recommendation for improved services. The attached summary pages include detailed explanation of benefits. The requested changes are listed below:

- 1) Change Dental providers to Principal Financial Dental Plan for a savings of \$12,616.92 annually, (30.47% cost reduction). This program increases benefits and availability of dental offices who accept the plan in the Hollister area. Adult Orthodontia is not provided under this plan, however. This is only a one-time \$1,500 reduction in benefits for any staff member who may be interested in this service. Dependent children orthodontia is included. To offset this minor service reduction staff recommends that utilization of a Health Reimbursement Arrangement (HRA) which is defined later in this staff report.
- 2) Change Vision providers to the Principal Financial Vision Plan for a savings of \$899.40 annually, (22.72% cost reduction). This plan decreases copays and improves the frequency that an employee may buy glasses for the reduced price. It is the exact same VSP insurance we have now, accepted by the same service providers, only for less cost and with improved benefits.

- 3) Change Group Life/AD&D insurance to Principal Financial for a savings of \$149.31 annually, (5.77% cost reduction). This life insurance is exactly the same as the Nationwide program we started with this year. Nationwide recently notified the District that as of next year their company most likely will leave the life insurance markets so this plan is needed to replace Nationwide, and it is at an even lower cost.
- 4) Provide Voluntary Life Insurance to all employees through Principal Financial. The District currently does not offer voluntary life insurance to employees. Principal Financial offers pooled rates which are lower than published rates of non-pooled insurance providers. These services are voluntary, so they do not have a cost for the District but the ability to purchase thru this program is only available through the District. Employees may purchase these services as they wish, up to \$300,000 of coverage.
- 5) K&A also has provided the District with a partnership with Building Blocks for Business (BB4B). At no cost to the District, BB4B provides a positive and engaging enrollment experience for all district employees. They will meet with staff individually or with their spouse, to review all benefits provided and to explain all of the provided benefits. This program will greatly improve staff understanding of benefits and how to use them.
- 6) BB4B is a Colonial Life broker. At no cost to the District, Colonial Life will provide additional flexible benefit plans which employees may take advantage of at a discount. This offering is not described in detail here but the program is voluntary for all staff and provides more options for employees to save money on programs which may be useful to them.

K&A has guaranteed the offered rates as fixed for 2 years and historically they have maintained benefit increases to significantly lower than 5% increase in subsequent years. K&A will continue to review benefit providers to give the District the best options for cost for service.

The HRA program is gateway to establishing a robust “cafeteria plan” for medical expenses in the future. Unlike a Flexible Savings Account (FSA), which is an available option with BB4B benefits, the HRA allows employees to roll over an unspent funds that are allocated to the account. Only the employer can fund the HRA, however employees may allocate any amount to be placed into the HRA during open enrolment once a year. This money is pre-tax and can be used tax free for Health-related expenses. The use of the HRA program will increase employee flexibility for health-related expenses and the program will also reduce employment taxes accrued by both the employee and the District. Provision 5019.4 of the Employee Handbook providing the \$500 per month benefit to be used towards “the cost of any dependent insurance coverage”, will be revised to provide the flexibility to contribute the \$500 per month towards an employee’s HRA as an option during open enrollment.

FISCAL IMPACT:

Converting all benefit programs to Principal Financial will provide all employees with increased benefits and results in a direct savings of \$13,665.63 annually for the District. Implementation of the HRA program as described will cost the District \$1,380 annually to administer, with an additional \$4,140 annual expense to be directly applied to the employee HRA (proposed as a baseline \$15/mo per employee) to fund the HRA. With the implementation of the HRA program the District will still realize an annual savings of \$8,145.63 annually in benefit expenses, fixed for two years (\$16,291 total savings to be realized). The historic annual increases in benefit costs

through K&A have been less than 5%. This program will help to better control future benefit increases.

ENVIRONMENTAL IMPACT:

The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

RECOMMENDATION:

Staff recommends that the Board make a motion to Direct the General Manager to make the changes in employee benefit offerings as proposed by Keenan & Associates and detailed in the staff report; and to establish a Health Reimbursement Arrangement funded at \$15 per month per employee.



Sunnyslope County Water District

Dental, Vision, Group Life/AD&D, and Voluntary Life

Effective: January 1, 2021

Presented by: Howell Southmayd





Sunnyslope County Water District

Dental PPO

Effective: January 1, 2021

	Current			Option 1		
Carrier Name	Premier Access			Principal Financial		
Rate Guarantee	1 year			2 years		
Plan Name	PPO Plan 8-224			POS Plan 1		
Network	PCN	PPO	Non-PPO	EPO	PPO	Non-PPO
General Plan Information						
Annual Deductible/Individual	\$25	\$50	\$50	\$0	\$0	\$0
Annual Deductible/Family	\$75	\$150	\$150	\$0	\$0	\$0
Annual Plan Maximum	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
EyeCare	N/A			N/A		
Annual Max Rollover	N/A			\$500/year, up to \$2,000		
Waiting Period	None			None		
Out-of-Network Reimbursement	N/A	N/A	90th% UCR	N/A	N/A	99th% UCR
Covered Services						
Diagnostic and Preventive						
Diagnostic and Preventive	100%	100%	100%	100%	100%	100%
Sealants	100%	90%	80%	100%	100%	100%
Basic Services						
Basic	100%	90%	80%	90%	90%	90%
Endodontic Treatment	100%	90%	80%	90%	90%	90%
Periodontic Treatment	100%	90%	80%	90%	90%	90%
Major Services						
Major	70%	60%	50%	60%	60%	60%
Prosthodontics	70%	60%	50%	60%	60%	60%
Implants	70%	60%	50%	60%	60%	60%
Orthodontia Services						
Lifetime Maximum	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Orthodontia (Child) - to age 26	50%	50%	50%	50%	50%	50%
Orthodontia (Adult)	50%	50%	50%	N/A	N/A	N/A
Rate Structure						
	Subs					
Employee Only	8	\$88.54		\$56.58		
Employee + Spouse	2	\$187.48		\$112.54		
Employee + Child(ren)	5	\$190.16		\$139.18		
Employee + Family	5	\$283.23		\$205.04		
Monthly Premium		\$3,450.23		\$2,398.82		
Annual Premium		\$41,402.76		\$28,785.84		
% Savings Increase Over Current				-30.47%		
\$ Savings Increase Over Current				-\$12,616.92		

CONFIDENTIAL: The information contained in this chart is intended for the exclusive use of the recipient in connection with the recipient's review of this proposal. It is not intended for any other purpose. The information described on this page is only intended to be a summary of your benefits. It does not include all benefit provisions, limitations, exclusions, or qualifications for coverage. Please review your Summary Plan Description (SPD) for a complete summary of your benefits. If the information on this page conflicts in any way with the SPD, the contract provisions of the appropriate policy or plan document (available through your employer) will prevail. The rates outlined are intended as a sample rate comparison only. Final rates may differ and are based upon actual enrollment, plan design(s) selected, and underwriting approval.



Sunnyslope County Water District

Vision

Effective: January 1, 2021

		Current		Option 1	
Carrier Name		Pathian (VSP)		Principal Financial (VSP)	
Rate Guarantee		1 year		2 years	
Plan Name		Plan B \$25		Plan C \$10/\$10-\$150/\$150	
Network		Signature	Non-Network	Choice	Non-Network
General Plan Information					
Copay					
Examination		\$25 copay	\$50 reimbursed	\$10 copay	\$45 reimbursed
Materials		Combined w/exam	N/A	\$10 copay	\$10 copay
Benefit Frequency					
Examination		12 months		12 months	
Lenses		12 months		12 months	
Contacts		12 months		12 months	
Frames		24 months		12 months	
Covered Services					
Lenses					
Single Vision Lens		\$0 after copay	\$50 reimbursed	\$0 after copay	\$30 reimbursed
Bifocal Lens		\$0 after copay	\$75 reimbursed	\$0 after copay	\$50 reimbursed
Trifocal Lens		\$0 after copay	\$100 reimbursed	\$0 after copay	\$65 reimbursed
Contact Lenses					
Fit-and-Follow-Up		Up to \$60 copay	Not covered	Up to \$60 copay	Not covered
Medically Necessary		100% after copay	\$210 reimbursed	100% after copay	\$210 reimbursed
Elective		TBD	\$105 reimbursed	\$150 allowance	\$105 reimbursed
Frames		TBD	\$70 reimbursed	\$150 allowance	\$70 reimbursed
Rate Structure					
	Subs				
Employee Only	9	\$10.86		\$9.91	
Employee + 1	6	\$16.52		\$15.07	
Employee + Family	5	\$26.61		\$15.07	
Monthly Premium		\$329.91		\$254.96	
Annual Premium		\$3,958.92		\$3,059.52	
% Change Over Current				-22.72%	
\$ Change Over Current				-\$899.40	

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Sunnyslope County Water District
Group Life/AD&D
Effective: January 1, 2021

	Current	Option 1
Carrier Name	Nationwide	Principal Financial
Rate Guarantee	1 year	2 years
Plan Name	Group Life/AD&D	Group Life/AD&D
Life-AD&D Benefits		
Class 1: Management	\$100k	\$100k
Class 2: All Other	\$50k	\$50k
Guaranteed Issue		
All Classes	\$100k/\$50k	\$100k/\$50k
Reduction of Benefits Schedule		
Age 65	Reduced by 35%	Reduced by 35%
Age 70	TBD	Reduced by 50%
Age 75	TBD	No further reduction
Age 80	TBD	No further reduction
Rate Structure		
Group Life Volume	\$1,382,500	\$1,382,500
Premium Rate (Basic Life) per \$1,000	\$0.136	\$0.117
Premium Rate (AD&D) per \$1,000	\$0.020	\$0.030
Monthly Premium	\$215.67	\$203.23
Annual Premium	\$2,588.04	\$2,438.73
% Change Over Current		-5.77%
\$ Change Over Current		-\$149.31

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Sunnyslope County Water District
Voluntary Life
Effective: January 1, 2021

Carrier	Proposed
	Principal Financial
Rate Guarantee	2 years
Voluntary Life	
Employee	Increments of \$10k up to \$300k
Spouse	Increments of \$5k up to \$100k; Employee coverage is required
Child	< 14 days: \$1k 14 days+ : \$10k
Guaranteed Issue	
Employee	\$70k (\$10k over age 70)
Spouse	\$10k
Child	\$10k
Age Reduction	
65 - 69	Reduced by 35%
70 - 74	Reduced by 50%
75 - 79	No further reduction
80 +	No further reduction
AD&D Rate (per \$1,000)	
Employee, Spouse, Child	\$0.030 (EE & Spouse)
Rate Structure (per \$1,000)	
	Employee & Spouse
Under 20	\$0.081
20 - 24	\$0.081
25 - 29	\$0.081
30 - 34	\$0.089
35 - 39	\$0.130
40 - 44	\$0.202
45 - 49	\$0.332
50 - 54	\$0.530
55 - 59	\$0.820
60 - 64	\$1.265
65 - 69	\$2.069
70 - 74	\$3.479
75 - 79	\$3.479
80 - 84	\$3.479
Optional Life - Child	\$0.200

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Dental insurance

See the rewards of making healthy dental choices

Be prepared for big dental expenses with Maximum Accumulation



Like most of us, you know how important it is to take care of your teeth by getting regular dental check-ups. Preventive care can help you avoid the big stuff when it comes to your teeth. But it's not foolproof.

What happens when your dentist delivers the news that you need costly dental procedures? Dental insurance can be a significant help financially, but there's a limit on how much it'll pay each calendar year. It's called your maximum benefit.

That's where Maximum Accumulation comes in.

How does Maximum Accumulation work?

You likely won't use all your maximum benefit every year. So where does that money go? If you visit your dentist during the year, you may be eligible to roll over a portion of your unused maximum benefit to increase your maximum benefit for the following year. It's available when you have dental coverage for preventive, basic and major services.

- **Preventive** — Exams, cleanings and sometimes x-rays
- **Basic** — X-rays, extractions, fillings and sometimes crowns
- **Major** — Crowns, inlays, onlays, bridges and dentures

How do you know if you're eligible to carry benefits over to the next year? If your dental benefits paid are less than \$1,000, you can roll over \$500 and accumulate up to \$2,000. The amount accumulated is added to your annual maximum for the next year.

Let's look at an example of how the rollover amount is calculated assuming a \$2,500 calendar-year maximum.

	Maximum*	Claim limit	Benefits paid	Rollover amount	Accumulated rollover
Year 1	\$2,500	\$1,000	\$450	\$500	\$500
Year 2	\$3,000	\$1,000	\$1,200	\$0	\$500
Year 3	\$3,000	\$1,000	\$450	\$500	\$1,000
Year 4	\$3,500	\$1,000	\$0	\$0	\$0
Year 5	\$2,500	\$1,000	\$450	\$500	\$500

*Calendar-year maximum, plus accumulated rollover from the prior year.

You can see that in year 2, where benefits paid were more than the yearly claim limit of \$1,000, there was no rollover. And in year 4, where there were no claims at all, your accumulated amount went back down to zero. That's why it pays to visit the dentist regularly for preventive care.

With Maximum Accumulation, you won't leave money for costly dental procedures on the table. See the rewards of making healthy choices for your teeth — all it takes is making regular visits to your dentist.

[principal.com](https://www.principal.com)

Group dental insurance from Principal® is issued by Principal Life Insurance Company, 711 High Street, Des Moines, IA 50392.

This is an overview of the benefits dental insurance provides, but there are limitations and exclusions. For additional details, contact your employer. If your dental benefits are self-funded, then your employer assumes financial responsibility for paying claims, and Principal is contracted to administer the coverage on your employer's behalf.

For members with split maximums, the accumulation amount is based on the non-network maximum. If your dental coverage is effective in October, November or December, you're eligible to start qualifying for rollover beginning in January. The amount you accumulate will be added to your maximum the following January.

Principal, Principal and symbol design and Principal Financial Group are trademarks and service marks of Principal Financial Services, Inc., a member of the Principal Financial Group.



Sunnyslope County Water District

Presented by:
David George
dgeorge@basiconline.com

Technology Driven HR Solutions to
Take Your Company Further





Company Summary

About Our Company

Established in 1989, BASIC has grown into one of the largest TPAs in the nation, servicing over 18,000 employers nationwide. BASIC provides an HR ecosystem to employers and health insurance agents/brokers. Paired with our experienced staff, BASIC's proprietary software and solutions allow employers to control costs, manage risks, and maintain flexibility. **HR solutions should be simple. Keep it BASIC.**

Serving Clients Coast to Coast for over 30 Years



Commitment to Service

BASIC's commitment to service is in the numbers. We manage our processes and quality by measuring the key metrics of our operations. We have an average hold time of only 11 seconds, an FSA and HRA claim accuracy rate of 99.95%, and an average claim processing time of 1 day; we understand that consistency is the key to success. Our integrated HR solutions paired with our commitment to service can provide full circle support for your business.

Certified Experts

Our industry certified case managers take the time to thoroughly understand your unique business environment. As Federal and State laws continue to evolve, it's reassuring to know an expert is simply a phone call away.



Proposed Service

Simple Health Reimbursement Arrangement (HRA) Administration

A BASIC Simple Health Reimbursement Arrangement (Simple HRA) remains the top choice for employers who value complete plan customization to maximize their healthcare dollars. Employers determine contribution amounts and eligible expenses themselves to fit the specific needs of their workforce. While Simple HRAs are employer funded, they can still be a potential cost saver by stabilizing group health insurance premiums and improving participant healthcare decisions. Simple HRA funds are tax deductible for employers and tax free for participants. Help your employees save on rising healthcare costs by adopting your own custom BASIC Simple HRA.

A New Way to Manage Benefits

BASIC's one-stop solution allows you to manage all your benefit plans on one card, one website, and one mobile app for the utmost convenience. You have the power to create a custom benefit program tailored to your employees' specific needs. Choose from a wide range of healthcare benefit accounts like FSA, Simple HRA, or HSA, and combine them with Dependent Care, Transit, Wellness Rewards, and Education Reimbursement accounts – all on a single platform.

The BASIC Card

Our benefits card is one of the most advanced, convenient cards on the market, giving participants the fastest, easiest way to access their benefit funds. The BASIC Card can be used anywhere MasterCard is accepted and eliminates the need for participants to pay out-of-pocket and submit reimbursement requests.

- At no additional cost to employers, participants receive a BASIC Card to access all their benefit accounts, whether they have one benefit account or five.
- Clients can designate the account payment order within their plan design.
- Our proprietary software ensures funds are withdrawn from the appropriate account with each card swipe with no delay to the transaction's processing time.
- We carefully program each employer's account parameters to auto-approve 85% of transactions, all within the guidance of the IRS regulations.
- Participants no longer need to use two payment methods at checkout. The BASIC Card is smart enough to pay for eligible items from benefit accounts and ineligible expenses (e.g., milk, gum, or other ancillary expenses) in the same transaction from a participant's MyCash account.





MyCash

BASIC's claims management is second to none in ease and speed. If a participant paid out-of-pocket for an eligible expense, they can submit a reimbursement request online or through the BASIC Benefits App. The reimbursement funds are deposited directly into their MyCash account as soon as the reimbursement request is processed. No more waiting for a check or direct deposit.

MyCash funds are reimbursed post-tax funds and not restricted.

- Participants can use MyCash funds with their BASIC Card anywhere Mastercard is accepted.
- Participants can also transfer funds from MyCash to a personal savings or checking account with a one-time or recurring transfer based on their personal needs.
- Funds can also be withdrawn at an ATM once a PIN is established.

The BASIC Benefits App

Participants can manage benefits on the go with the BASIC Benefits App. They can track and manage all of their BASIC benefit accounts with a single app.

- Access account information
- Request reimbursement
- Expense eligibility check
- Mobile account alerts
- Participants can lock and disable their card in seconds if lost or stolen, and unlock the card if it's found
- Receipt repository allows participants to store benefits related receipts in one convenient place

Picture to Pay

In three quick steps, participants can have BASIC pay healthcare providers directly on their behalf with our "Picture to Pay" feature. No paper, no postage, and no hassle for the participant.

1. Participants take a picture of the provider's bill
2. Submit the photo to the BASIC Benefits App
3. BASIC pays the provider from the appropriate benefit account





Next Level Service

While BASIC harnesses the power of superior technology, we still believe in old-fashioned customer service like answering our phones. Our industry certified account representatives have been going beyond the basics for over 30 years.

- **Dedicated Account Manager** – Every client is assigned a dedicated Account Manager with direct dial and email access. Our CDA Account Managers have an average tenure of 8 years with BASIC. Their knowledge and experience are second only to their commitment to client satisfaction.
- **U.S. Based Service Center** – Even with our self-service features, participants often need to speak with a real person. Calling us is convenient on our toll-free direct customer service line, with average hold times of fewer than 30 seconds. (Available between 9:00 a.m. – 7:00 p.m. ET Monday thru Friday)

Account Administration & Features

- **Plan Design Assistance** – Whether we are helping you establish a new plan or taking over administration for an existing plan, we conduct a thorough review. By doing this we can help you avoid implementing or continuing a plan design that is cumbersome or, even worse, discriminatory.
- **Varied Plan Designs** – Our Simple HRA can be paired with any type of health plan. Let us help you navigate the options and design a plan that works for your company culture and goals:
 - First Dollar Plans reimburse eligible out-of-pocket medical expenses, starting with the first dollar.
 - Comprehensive Plans offer design flexibility by categories of expenses for reimbursement eligibility, including co-pay, deductible, RX, coinsurance, dental, and vision. Any money left at the end of the year can be carried over to the next year, providing incentive not to use all their funds.
 - You decide if reimbursements are paid from their BASIC FSA or HRA plan first and we make sure there is no double dipping.
- **Medicare Secondary Payer (MSP)** – We manage all MSP filing requirements for participants and dependents.
- **Electronic Files (EDI)** – We accept feeds from a wide variety of systems helping simplify enrollment, ongoing eligibility management, and payroll deductions.

Client Reports

Client reports can display a single benefit account or aggregated reports combining all the benefit accounts.

- Enrollment Report – lists current participants enrolled by plan and election
- Request Payment Detail – lists claims paid for each employee (does not show service provider)



Documentation & Compliance Services

- **Guaranteed Compliance** – Our compliance experts ensure that your plan adheres to the ever-evolving regulations governing tax advantaged Consumer Driven Accounts.
- **Legal Plan Documents** – Complete plan documents are essential to protecting the favorable tax status of your plan. You will receive a customized Plan Document and Summary Plan Description (SPD) containing all required language under the HIPAA Privacy and Security Rule. You will receive amendments at no additional charge every four years or whenever a change is required by the Federal or State regulations or if your plan changes at your anniversary.
- **Summary of Benefits and Coverage (SBC)** – SBCs are provided to help employees and their family members make informed health coverage decisions by enabling them to compare plans.
- **IRS Form 5500** – Provided annually for required HRA plans.
- **Non-Discrimination Testing** - If applicable to the CDA accounts administered by BASIC, non-discrimination testing will be included as part of the service.



Additional Information

Eligibility - Individuals with 2% or more stock in an S-Corporation, Partnership, LLC or Sole Proprietorship are NOT eligible to participate. Also, an employed spouse and children of an S-Corporation are NOT eligible. PC, PLC, PLLC owners may participate if they file their corporate taxes as a C-Corporation. All owners are subject to non-discrimination testing.



Financial Analysis – September 4, 2020

Sunnyslope County Water District

Number of Employees: 25

Number of Eligible Employees: 25

Estimated Number of Participants: 25

Preferred Pricing - BASIC HRA Administration	
Monthly Rate	\$ 5.00 per participant (\$ 50.00 monthly minimum)
<p>Please Note:</p> <ul style="list-style-type: none"> • Each participant will receive two BASIC debit cards (for themselves and a dependent). The card is configured to work with our other CDA benefit accounts • A \$10 fee will be charged to a participant's account if they order a set of replacement cards • Nondiscrimination Testing and Form 5500 preparation included for Health HRA if applicable <p>Additional fees may apply for service aspects outside our standard offerings or require manual processing, such as:</p> <ul style="list-style-type: none"> • Typically there are no fees for vendor file feeds (EDI); fees apply if set-up with the Client's vendor takes more than 20 hours of BASIC staff time for set-up coordination or if there are data quality issues with ongoing files that cannot be rectified with the vendor- 	

**See detailed proposal page(s) for guidelines, exclusions and requirements*

***This proposal and pricing are based on specifications given to BASIC. If the specifications are not accurate or change, pricing may be affected. This proposal is current for 60 days.*

**** Billing cycles vary from monthly, quarterly or annually depending on level of service charges.*

This proposal contains confidential and privileged information and may not be used or shared with any other person or organization without authorization.

Presented by:



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1

HRAS CAN BE USED FOR HEALTH INSURANCE PREMIUMS

While both plans cover eligible health care expenses like deductibles, co-pays, prescription drugs, eyeglasses, dental expenses, and other medical expenses, the HRA can also be used for **premiums upon retirement**.^{*} One of the disadvantages of HSAs is that funds cannot be used for health insurance premiums unless the participant has reached age 65. Given that many schools, cities, and counties allow employees to retire prior to 65, this is a major drawback. In fact, eligible HRA premium payments include Retiree Health, Dental, Vision, and Long-Term Care Insurance, as well as Medicare B, C, D, and Medicare Supplements. Accumulated HRA balances may make it easier for participants to afford to retire since health insurance is one of the barriers to early retirement.

2

WITH HRAS, ALL PARTICIPANTS ARE ELIGIBLE TO PARTICIPATE

HRAs are open to everyone, both participants and retirees. HSAs are more limited. For example, a participant is generally prohibited from participating if they are also covered by a spouse's non-qualifying HDHP or non-modified Flexible Spending Plan.

This eligibility problem can also affect the actualization of the projected savings. Why? Because those participants (usually 15% or so) who are also covered by a spouse's non-HDHP or non-modified FSA must drop their spouse's coverage in order to participate in an HSA. This, in turn, creates higher claims for those who were using two plans in the past; thereby, increasing claims on your new plan. More claims equal higher rates. Anticipated savings may be reduced or lost.

3

HRAS HAVE NO RESTRICTIVE PLAN DESIGN REQUIREMENTS

An HSA, according to IRS rules, must be used in conjunction with an HSA-qualified HDHP.

With an HRA, you are free to mold and shape a plan that works for your group. Any plan, no matter how high or low the deductible, can be used with an HRA. Additionally, there are no contribution limits.

4

HRAS HAVE CARRY-OVER FLEXIBILITY THAT ALLOWS EMPLOYERS TO SAVE MORE

With the HRA, you have options. For example, if a balance remains after the plan year, you can design your plan so that the employer shares in a portion of the unused funds.

With an HSA, once the employer provides the contribution, there is no opportunity to share in the unused funds.

5

INCREASED RESPONSIBILITY FOR HEALTH CARE CHOICES

Americans are savvy consumers of almost everything except health care. This lack of consumer awareness creates runaway claims that drive premium increases. With an HRA, participants feel an increased sense of personal responsibility for their health care choices that may drive down claims, bending the cost curve.

^{}If the HRA is integrated into the employer-sponsored health insurance plan, funds can be rolled into a Retiree-Only plan and used for health insurance premiums during retirement.*

Eligible Expenses

Common Qualified Claims

Premiums

- Medical Insurance
- Dental Insurance
- Vision Insurance
- Health Maintenance Organization (HMOs)
- Long Term Care Insurance* (Tax Qualified)
- Medicare Part B
- Medicare Supplement

Most Common Expenses

- Over-the-Counter Drugs**
- Office Visit Copays
- Physician Service Copays
- Prescription Copays
- Insurance Plan Deductibles
- Insurance Plan Co-Insurance

Other Services & Fees

- Anesthetist
- Chiropractor
- Christian Science
- Dentist
- Exam, physical
- Eye Exam
- Fertility Treatments
- Gynecologist
- Healing Services
- Hospital
- Laboratory

- Osteopath
- Physician
- Physiotherapist
- Psychiatrist
- Sex Therapist
- Specialists
- Surgeons

Military Retiree Coverage (TRICARE formerly known as CHAMPUS)

- Copays
- Deductibles
- Office Visits
- Vision
- EXTRA Premiums
- Medicare Part B Premiums
- PRIME (HMO) Premiums
- PRIME Supplement Premiums
- Retiree Dental Premiums
- Standard Premiums

Misc. Expenses

- Adoption (medical expenses incurred before adoption is finalized)
- Air conditioning and air filters used for alleviating illness
- Alcoholism and Drug Treatment Center Costs
- Ambulance Hire
- Artificial Limbs and Teeth

- Automobile Modifications (hand controls, special equipment, mechanical lifts)
- Birth Control Pills
- Braille Books & Magazines
- Childbirth Classes (birth preparation, not child rearing)
- Contact Lenses
- Dental Treatments
- Eye Exam
- Eyeglasses
- Fertility Treatments
- Food & Beverages for specific diseases
- Genetic Testing (to determine possible defects)
- Hearing aids & Batteries
- Immunizations
- Infertility Treatment
- Laser Eye Surgery
- Lead-Based Paint Removal
- Learning Disability (school or educator for learning disabled children recommended by doctor)
- Lifetime Care at Medical Facility
- Lodging for Medical Care or Treatment (subject to \$50/day per person)
- Medical Supplies & Equipment

- Norplant Insertion or Removal
- Obstetrical Expense
- Operations
- Optometrist
- Oral Surgery
- Organ Transplants
- Orthodontia
- Physical Therapy
- Prescription Medicines
- Private Hospital Room
- Retirement Home Fees, costs allocable to medical care
- Seeing-Eye Dog
- Speech Training for Child with Dyslexia or other Learning Disability
- Sterilization
- Stop-Smoking Programs
- Student Health Fees
- Support for Corrective Devices
- Telephone for Deaf
- Therapy Treatments ***
- Transportation Expense Relative to Illness (subject to IRS limits)
- Vaccines
- Vasectomy
- Viagra
- Vitamins (subject to doctor's verification)
- Weight Loss Program (to treat an existing disease)
- Wheelchair
- X-Rays

*CARES Act additions effective 1/1/2020: Over The Counter drugs not prescribed by a physician and menstruation care products are eligible expenses. Also, health plans can cover telehealth services pre-deductible.

Keenan
Associates

Innovative Solutions. Enduring Principles.

Staff Report

Agenda Item: **F-2**

DATE: September 24, 2020 (September 29, 2020 meeting)

TO: Board of Directors

FROM: Rob Hillebrecht, Associate Engineer

SUBJECT: **Special Agreement, District Code 3.40.070** – Consider Granting a Variance to District Code 3.40.020 to Allow Installation of a Three Inch Badger E-Series Ultrasonic Water Meter Rather than a Three Inch Compound Water Meter for the Santana Ranch School Irrigation and Landscape.

BACKGROUND:

The Santana Ranch Elementary School currently under construction near the corner of Sunnyslope Rd. and Fairview Rd. has requested a three-inch water meter for their dedicated landscape and irrigation water service. To increase accuracy of readings at both high and low flows through these larger meters District Code 3.40.020 states "...Meters three inch and larger require compound meters..." However, Badger Meter offers a three-inch E-Series ultrasonic water meter that uses the same technology as the new ¾-inch through 2-inch meters installed in the District. The attached excerpts from the manufacturer specifications reveal that the capabilities of the ultrasonic meter are very similar to and in some cases superior to that of the compound meter. The E-Series Ultrasonic meter uses no moving parts that would be subject to wear, whereas the Recordall Compound Series meter has a complex design with various parts that are more subject to malfunction.

Staff has analyzed the benefits of both meters and finds evidence that the Three-Inch Badger E-Series Ultrasonic Meter meets the intent of District Code 3.40.020 at the anticipated flow rates for the proposed service. This meter will provide accuracies sufficient to document water use.

District Code 3.40.070 allows the District to grant special conditions associated with services. Staff recommends the board authorize a modification of code section 3.40.020 and allow staff to recommend the Three-Inch Badger E-Series Ultrasonic Meter in place of a compound meter.

FISCAL IMPACT:

Initial purchase of either the E-Series or Recordall Compound Series carries no fiscal impact as the purchase cost of the meter is covered in the Meter Installation Fee. Meter replacement cost after its useful life (about 15 years for each) will be borne by the District. Meter accuracies are similar enough to have little effect on the amount of water metered and billed.

ENVIRONMENTAL IMPACT:

The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

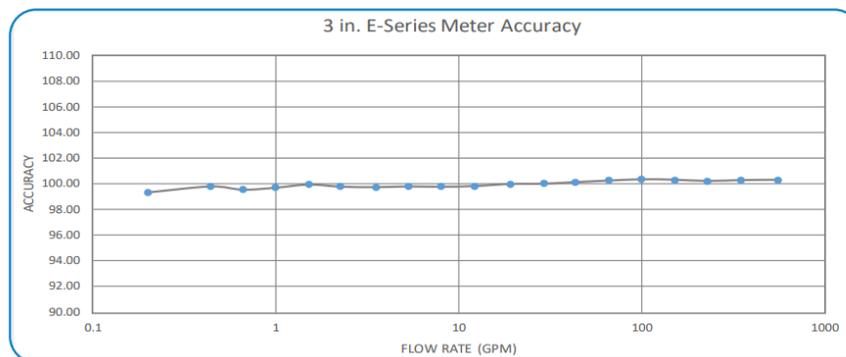
RECOMMENDATION:

Staff recommends the Board grant a variance to District Code 3.40.020 to allow installation of a three inch E-Series Ultrasonic water meter rather than a three inch compound water meter.

Attachment: Excerpts of Manufacturer's Specifications 3" E-Series vs. Recordall Compound

Excerpts of Badger 3" E-Series Ultrasonic Meter Manufacturer Specifications

E-Series Ultrasonic Meter Size	3 in.	4 in.
Normal Test Flow Limits	0.75...560 gpm	1.5...1100 gpm
Minimum Test Flow Limits	0.37 gpm	0.75 gpm
Safe Maximum Operating Condition (SMOC)	560 gpm	1100 gpm
Typical Pressure Loss	2.6 psi @ 350 gpm	2.1 psi @ 630 gpm
Operating Performance	In the normal temperature range of 45...105° F (7...41° C), new meter consumption measurement is accurate to: <ul style="list-style-type: none"> • 100% ±1.5% over the normal test flow limits • 100% ±3.0% for the minimum test flow limits 	
Storage Temperature	-40...140° F (-40...60° C)	
Maximum Ambient Storage (Storage for One Hour)	150° F (66° C)	
Measured Fluid Temperature Range	34...140° F (1...60° C)	
Humidity	0...100% condensing; meter is capable of operating in fully submerged environments	
Maximum Working Pressure of Meter Housing	175 psi (12 bar)	
Maximum Operating Pressure of Pressure Sensor	150 psi (10 bar)	
Pressure Sensor Accuracy	±2% of full scale pressure, up to 150 psi (10 bar)	
Register Type	Straight reading, permanently sealed electronic LCD; digits are 0.28 in. (7 mm) high	
Register Display	<ul style="list-style-type: none"> • Consumption (up to nine digits) • Rate of flow • Alarms • Pressure • Temperature • Firmware version • Unit of measure factory programmed for gallons, cubic feet and cubic meters 	
Totalization Display Resolution	<ul style="list-style-type: none"> • Gallons: 0.1 • Cubic feet: 0.01 • Cubic meters: 0.001 	
Scaled/Unscaled Output*	Solid-state relay with 4-20mA output; open drain MOSFET with encoder output	
Max. Voltage	30V DC	
Current	100 mA	
Pulse Width	50 ms (programmable 30...100 ms)	
Analog 4-20 mA Output*	Two-wire/passive	
Input Voltage Range	9...50V DC supply	
Current	4...20 mA	
Max. Load Resistance (Ohms)	50 Ohms + 50 Ohms (supply voltage - 9V)	
Battery	3.6-volt lithium thionyl chloride; battery is fully encapsulated within the register housing and is not replaceable; 10-year battery life	



Excerpts of Badger 3" Recordall Compound Series Manufacturer Specifications

Compound Series Model	2 in. (50 mm)	3 in. (80 mm)	4 in. (100 mm)	6 in. (150 mm)
Meter Flanges, Class 150	2 in. elliptical or round	3 in. round	4 in. round	6 in. round
	(50 mm)	(80 mm)	(100 mm)	(150 mm)
Typical Operating Range	0.5...200 gpm	0.5...450 gpm	0.75...1000 gpm	0.75...2000 gpm
(100% ± 1.5%)	(0.1...45 m ³ /h)	(0.1...102 m ³ /h)	(0.17...227 m ³ /h)	(0.17...454.4 m ³ /h)
Low Flow Registration (95% minimum)	0.25 gpm (0.06 m ³ /h)	0.25 gpm (0.06 m ³ /h)	0.375 gpm (0.09 m ³ /h)	0.375 gpm (0.09 m ³ /h)
Maximum Continuous Flow	170 gpm (38.3 m ³ /h)	400 gpm (90.3 m ³ /h)	800 gpm (181.6 m ³ /h)	1500 gpm (340.5 m ³ /h)
Pressure Loss at Maximum Continuous Flow	5.4 psi at 170 gpm	6.0 psi at 400 gpm	11.0 psi at 800 gpm	9.3 psi at 1500 gpm
	(0.38 bar at 38.3 m ³ /h)	(0.41 bar at 90.3 m ³ /h)	(0.75 bar at 181.6 m ³ /h)	(0.64 bar at 340.5 m ³ /h)
Crossover Flow Rate, Typical	12 gpm (2.73 m ³ /h)	12 gpm (2.73 m ³ /h)	20 gpm (4.54 m ³ /h)	30 gpm (6.81 m ³ /h)
Pressure Loss at Crossover	3.5 psi (0.24 bar)	4.0 psi (0.28 bar)	4.0 psi (0.28 bar)	5.0 psi (0.35 bar)
Minimum Crossover Accuracy	97%	97%	97%	95%
Maximum Operating Pressure	150 psi (10 bar)			
Maximum Operating Temperature	105° F (41° C)			
Test Plug	1-1/2 in.		2 in.	

3 in. COMPOUND SERIES METER

