

RESOLUTION NO. R2025-57

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, APPROVING A MULTI-YEAR AGREEMENT WITH HUB INTERNATIONAL TO SERVE AS THE CITY'S EMPLOYEE BENEFITS CONSULTANT AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT

WHEREAS, the City of Burnet is committed to providing a comprehensive benefits package to all benefit-eligible employees; and

WHEREAS, the City has retained HUB International as a benefits consultant since May 2022 after proposals were received and reviewed; and

WHEREAS, HUB International provides professional benefit brokerage services related to the evaluation and placement of the City's group health, dental, vision, disability, life, and supplemental insurance coverages; and

WHEREAS, HUB International has the unique expertise and experience necessary to provide the benefit related services needed by the City; and

WHEREAS, the City desires to contract with HUB International to provide actuarial, health, and welfare consulting services for the Employee Benefits program for a multi-year period beginning October 1, 2025, and ending September 30, 2028;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF BURNET, TEXAS, AS FOLLOWS:

Section One. Findings. The recitals set out above are hereby approved and incorporated herein for all purposes.

Section Two. Approval. The multi-year agreement between the City of Burnet and HUB International offers actuarial, health, and welfare consulting services from October 1, 2025, through September 30, 2028, with an annual renewal option. This agreement provides that should the City Council not appropriate funds in a future budget within the period designated, the City may dissolve the agreement without penalty. HUB International agrees to these terms, service standards, and no increase in their annual fee for the duration of this agreement as further shown in the service agreement included in Exhibit "A". The Scope of Services, as referenced in the Agreement, and which HUB must uphold, is included in Exhibit "B".

Section Three. Authorization. The City Manager is hereby authorized and directed to execute all necessary documents to implement the approved employee benefits plan and take any such further actions as may be reasonably necessary to facilitate the purpose of this resolution.

Section Four. Open Meetings. It is hereby officially found and determined that the meeting at which this resolution was passed was open to the public and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

Section Five. Effective Date. That this resolution shall take effect immediately upon its passage, and approval as prescribed by law.


PASSED AND APPROVED on this the 8th day of July 2025.

CITY OF BURNET, TEXAS



Gary Wideman, Mayor

ATTEST:



Maria Gonzales, City Secretary

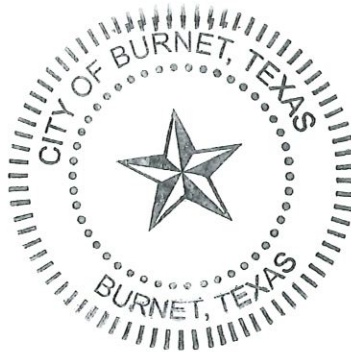


EXHIBIT A
Agreement Between City of Burnet and HUB International
For Benefits Consulting Services

THIS AGREEMENT, entered into the first day of October 1, 2025, by and between the City of Burnet {herein called 'The CITY'} and HUB International {herein called 'HUB'} to provide health and welfare consulting services for the Employee Benefits Program of the Company.

WITNESSETH:

WHEREAS, The CITY has obtained proposals for professional insurance brokerage services relating to the placement of The City's group health, dental, disability and life insurance programs; and

WHEREAS, the Broker has presented a proposal to provide such services to The CITY that The CITY finds reasonable and acceptable;

WHEREAS, The CITY is in need of assistance in the evaluation of the employee health and welfare benefits; and

WHEREAS, HUB has the unique expertise and experience necessary to provide the services; and

WHEREAS, The CITY desires to contract with HUB to provide actuarial, health and welfare consulting services for the Employee Benefits program;

NOW, THEREFORE, in consideration of the foregoing and other valuable consideration, the sufficiency and receipt of which are hereby acknowledged, The City and Broker agree as follows:

- I. **SCOPE OF SERVICES** Broker agrees to provide the services outlined below in Exhibit B. Certain services may be provided directly by the carrier, in which case the Broker will provide oversight.
- II. **INSURANCE** At all times during the course of this Agreement, Broker shall keep in full force and effect professional liability insurance coverage in an amount not less than \$1,000,000 per occurrence. Broker shall, upon request of The CITY, direct its insurance carrier to provide a certificate of insurance to The CITY indicating such coverage is in effect. Broker's insurance coverage must provide that it shall not be terminated or decreased below the minimum required coverage amounts without earlier than 30 days after CITY receives notice of the intended reduction or termination in coverage.

- III. INDEPENDENT CONTRACTOR RELATIONSHIP - HUB is an independent contractor and not an employee or servant of The CITY. Nothing in this Agreement is intended to or shall be construed in any manner as creating or establishing the relationship of employer/employee between the parties. HUB shall at all times remain an independent contractor with respect to the service to be performed under this Agreement. The CITY shall be exempt from payment of unemployment compensation, FICA, retirement, life and/or medical insurance and workers' compensation insurance, as HUB is an independent contractor.
- IV. SCOPE OF SERVICES - HUB shall provide professional services, in compliance with all applicable federal, state, and local laws and regulations relating to the services outlined under "Exhibit A".
- V. COMPENSATION - Beginning October 1, 2025, the City of Burnet agrees to pay HUB a fee of \$3,208.33 per month (\$38,500 annually). The City of Burnet may authorize the payment of commissions by the insurance carriers and HUB would offset the proposed fee by amounts collected and provide complete transparency to the City of Burnet. The CITY acknowledges that in addition to the stated consulting fee from time-to-time HUB may also receive contingent compensation, profit sharing payments, bonuses, or other profit volume or incentive-based non-standard commissions from any such insurance carrier or intermediary.
- VI. TIME OF PERFORMANCE - The term of this Agreement is from October 1, 2025, through September 30, 2028, with an annual renewal option following the initial term by mutual consent of both parties. Either party may terminate this Agreement at any time upon giving sixty (60) days written notice of its intention to do so. The City of Burnet and HUB agree that the payment of compensation under this agreement is subject to the annual budget appropriation of the City of Burnet City Council. If the City's city council does not appropriate funds to make any payment for a fiscal year after the City's fiscal year in which the contract becomes effective and there are no proceeds available for payment from the sale of bonds or other debt instruments, then the Contract automatically terminates at the beginning of the first day of the successive fiscal year. (Section 5, Article XI, Texas Constitution). It is understood and agreed that the City shall have the right to terminate the agreement at the end of any City fiscal year if the governing body of the City does not appropriate funds sufficient to continue the contract, as determined by the City's budget for the fiscal year in question.
- VII. EMPLOYEES- HUB employees, if any, who perform services for the CITY under this Agreement shall also be bound by the provisions of this Agreement.
- VIII. ASSIGNMENT - This Agreement may not be assigned without the prior written consent of the City.

- IX. NOTICES - Communication and details concerning this Agreement shall be directed to the following contract representatives:

City of Burnet
David Vaughn
City Manager
P.O. Box 1369

Burnet, Texas
78611

HUB International
Rodney Dryden
Senior Vice President
124 Old Town Blvd. North,
Ste 100
Argyle, Texas 76271

- X. GENERAL COMPLIANCE - HUB agrees to comply with all applicable federal, state, and local laws and regulations relating to the services provided under this Agreement.
- XI. HOLD HARMLESS - HUB shall hold harmless, defend and indemnify the CITY from any and all claims, actions, suits, charges, and judgments whatsoever that arise out of HUB's performance or non-performance of the services or subject matter called for in this Agreement.
- XII. WAIVER OF CONTRACTUAL RIGHT - The failure of either party to enforce any provision of this agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this agreement.
- XIII. CONSTRUCTION AND VENUE - This Agreement shall be governed by and construed in accordance with the laws of the state of Texas. The parties hereto hereby irrevocably consent to the exclusive jurisdiction and venue of the courts of the state of Texas, county of Burnet, for the purposes of all legal proceedings arising out of or relating to this Agreement or the actions that are contemplated hereby.
- XIV. ENTIRE AGREEMENT - This agreement contains the entire agreement of the parties, with respect to the subject matter herein, and there are no other agreements whether oral or written. This agreement supersedes any prior written or oral agreements between the parties.
- XV. AMENDMENTS - The CITY or HUB may amend this Agreement, at any time, provided that such amendments make specific reference to the Agreement, and are executed in writing, signed by a duly authorized representative of both organizations and approved by the CITY's governing body, if necessary.
- XVI. SEVERABILITY - If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written,

construed, and enforced as so limited.

XVII. WARRANTY OF CAPACITY - Each individual and entity executing this Agreement hereby represents and warrants that he, she or it has the capacity set forth on the signature pages hereof with full power and authority to bind the party on whose behalf he, she or it is executing this Agreement to the terms hereof.

XVIII. INCORPORATION OF EXHIBITS - All exhibits attached to this Agreement are incorporated by reference and expressly made part of this Agreement as if copied verbatim.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

City of Burnet

Hub International

Signature

Signature

David Vaughn
Print

Rodney Dryden
Print

City Manager
Title

Senior Vice President
Title

EXHIBIT B

SCOPE OF SERVICES

A. ANALYSIS AND REPORTING

1. Analyze existing coverage and identify or develop cost -saving alternative benefit strategies and plans.
2. Assist in the development of long-range goals and strategies, including making projections of potential savings.
3. Provide actuarial analysis and recommendations based on utilization and performance reports, statistical and/or financial reports, and plan specific data.
4. Assist the CITY in monitoring and analyzing experience trends and providing timely alerts on changing patterns and appropriate recommendations.
5. Provide, maintain, and update comparison reports of other similar sized public and private companies' benefit plan offerings and costs to determine their competitiveness with the CITY's programs.
6. Provide financial and/or performance reviews of self-funded and fully insured plans and programs.
7. Be available to provide various types of reports as needed, such as costs analysis for benefit changes, and other statistical, financial, forecasting, trend, labor negotiations or experience reports.
8. Assist in preparing overall employee insurance fund budget and projections.
9. Prepare and present reports on trends, new products, and audits, as requested.
10. Regularly monitor and evaluate performance measures and guarantees of providers.
11. Provide monthly claim updates and perform quarterly reviews of such.
12. Maintain full and accurate records with respect to all matters and services provided on behalf of the CITY's benefit plans and programs. Provide CITY staff or officials all spreadsheets, assumptions, and calculations upon completion of any project performed on behalf of the CITY's benefit plans and programs.
13. Assist with data collection, informational requests for GASB 45 valuations and provide strategic recommendations to mitigate liability.
14. Provide impact analysis, plan options, and strategic recommendations with regard to PPACA.

B. LIAISON AND PROBLEM INTERVENTION

1. Act as liaison between the CITY and insurance providers.
2. Provide day-to-day consultation on plan interpretation and problem resolution.
3. Provide timely customer service and assistance to staff, employees and retirees with issues involving provider billing, claims, vendor service

issues/problems, advocacy for services, disputes, interpretation of contracts and services, changes, and general troubleshooting.

4. Attendance as needed at meetings with CITY staff, employees, and/or retirees to facilitate and assist in the management of the CITY's employee benefit plans.
5. Act as an advocate in appeal, arbitration or court process between the CITY and the providers on unresolved issues if needed; provide advice when needed to enforce employee, retiree, or their dependents' rights.
6. Assist the CITY in proactive mitigation of negative impacts or disruption of services to employees and retirees from benefit and/or provider network changes.

C. COMPLIANCE

1. Assist with ongoing plan administration and ensure that programs are in compliance with State and Federal legislation.
2. Provide on-site training to the CITY staff, as needed, regarding regulatory updates, and/or Best Practice seminars for the effective administration of benefit plans.
3. Review and disseminate information to staff on new or revised State and Federal legislation that impacts benefit programs.
4. Assist the CITY staff with annual audit to ensure compliance with all mandated reporting and
5. posting/notice requirements for benefit plans.
6. Develop and/or assist in developing communication materials and tools for conducting dependent verification audits.
7. Assist with single non-profit trust for premium tax purposes (as applicable).

D. ANNUAL RENEWAL PROCESS AND EVALUATION

1. Establish a strategy for benefits, both annually and three to five years in the future. Consider trends, prospective legislations, new delivery systems and geographic health-care practices to make long- term projections.
2. Bid the CITY health insurance program and employee and retiree benefits on an "as needed" basis. Review proposals and prepare an analysis of each with recommendations.
3. Review and make cost-saving recommendations regarding the modification of plan design, benefit levels, premiums, communications and quality of current employee and retiree benefit plans.
4. Recommend appropriate plans to ensure that quality and cost-effective benefits are provided by the plans.
5. Provide annual estimates of renewal rates and cost trends and assist the CITY staff in preparation of budget figures.
6. Conduct thorough and applicable market research in preparation for contract renewals.
7. Assist in negotiating pricing with administration vendors and insurance

carriers on renewals and service modification requests.

8. Represent the CITY in all negotiations with providers on various topics, including, but not limited to, premiums, benefit levels and plan design, performance measures and guarantees, contractual terms and conditions, insurance booklets, premium and copay rates, and quality assurance standards.
9. Make recommendations for items of negotiation with providers, including, but not limited to,
10. benefit levels and plan design, premiums, quality of service, performance measures and guarantees, and return on investment, where applicable.
11. Prepare specifications and compile data, obtain quotes and proposals, negotiate rates, and analyze and compare proposals.
12. Review rate proposals to ensure underlying assumptions are appropriate and accurate to the CITY.
13. Provide communication development and support for the annual enrollment period, new benefit offerings and/or changes to the existing benefit offerings.
14. Attend, assist with, and coordinate the annual Benefits Fair and Open Enrollment meetings.

E. OTHER SERVICE REQUIREMENTS

1. Assist in the development of an employee wellness program to improve employee health and reduce employee and retiree health-care costs, both in the short-term and in the long-term.
2. Recommend and help develop enhancements and improvements for communications specific to the needs of the CITY's employees and retirees, including, but not limited to, brochures, pamphlets, matrices, comparison charts, summaries, electronic communications, forms, handbooks, and employee orientation, to include required compliance notices.
3. Provide timely research and responses to technical questions posed by CITY staff.
4. Provide regular and timely communications needed for the effective administration of benefit plans.
5. Provide guidance and recommendations on items such as, but not limited to, trends in benefit plans, methods for improving cost containment, financial arrangements, and administration.
6. Provide access to published benefit-related survey information.
7. Develop additional benefit communications specific to the needs of the CITY's employees and retirees.
8. Attend and assist with meetings with the Board, staff, and employees.
9. Recommend broker-sponsored seminars, benefit events and educational forums that would be beneficial to the CITY.
10. Develop and/or assist in developing and evaluating employee/retiree needs and satisfaction surveys.

11. Work collaboratively with other consultants and CITY staff.
12. Manage plan transitions as necessary between insurance providers.
13. Review and evaluate current administrative processes related to enrollment and billing. Recommend and assist with implementation of administrative process enhancements.
14. Prepare and administer employee benefit survey as needed.