

**MINUTES OF THE
9-1-1 BOARD OF MANAGERS'
REGULAR MEETING**

July 20, 2011

LOCATION: 9-1-1 Board Room
150 Hilbig Road, Conroe, Texas

ATTENDING: Paul Virgadamo, Vice President
Ann Carr, Treasurer
Ruben Garza, Secretary
James Simon, Member
Larry Foerster, Legal Counsel
Jeanne Frey, Interim Executive Director
Russell Steffee, Systems Operations Manager
Regina Payne, GIS/Database Supervisor
Terri Gill, Executive Assistant

ABSENT: Jody Binnion, President
John Young, Ex-Officio Member

GUESTS: Frank Marshall, Montgomery County Hospital District
Lt. Joseph Sclider, Montgomery County Sheriff's Office
Rhon Green, AT&T
Dianna Porche, AT&T

Mr. Paul Virgadamo, Vice President, called the meeting to order at 9:00 a.m., noting Chief Jody Binnion would not be able to attend.

PUBLIC COMMENTS

No one requested to address the Board of Managers.

APPROVE A PROCEDURE BY WHICH A NEW DISTRICT EXECUTIVE DIRECTOR CAN BE SELECTED

Mr. Virgadamo noted item one of the agenda, discuss and take action to approve a procedure by which a new District Executive Director can be selected.

Chief of Staff Ann Carr recommended the use of an executive search firm, have all the resumes forwarded to Mr. Foerster and when they narrow the candidates to three to five, we will have two board members review and interview the candidates and make a recommendation to the Board.

Mr. Simon asked if that would be her motion. Chief of Staff Carr replied affirmatively. Mr. James Simon seconded the motion. The motion carried with all in favor.

Ms. Jeanne Frey, Interim Executive Director asked if the District would post the position with TML (Texas Municipal League), NENA and APCO websites or would that be up to the executive search team? Chief of Staff Carr responded that would be up to the executive search team.

Mr. Virgadamo asked if the Board needs to pick one or look at several firms and then decide. Chief of Staff Carr stated it would be prudent to look at more than one. KR Moore is used by the County. Mr. Virgadamo stated the city uses Waters. Chief of Staff Carr suggested the Board request bids. Mr. Virgadamo, "A request for proposal?" Chief of Staff Carr replied affirmatively and noted they would need to prepare the proposal. Mr. Virgadamo suggested that be prepared and on the next agenda. Chief of Staff Carr and Mr. Virgadamo will work on the proposal.

Mr. Ruben Garza asked if people might still submit their resumes to Mr. Foerster. Mr. Virgadamo replied affirmatively.

INTERLOCAL AGREEMENT WITH THE MONTGOMERY COUNTY HOSPITAL DISTRICT

Mr. Virgadamo noted item two of the agenda, discuss and take action, if necessary, concerning the status of the interlocal agreement with the Montgomery County Hospital District.

Mr. Larry Foerster directed attention to a copy of an email he sent yesterday. We are meeting today at 4:00 p.m. after the open house, Greg Hudson, Kelly Curry, Frank Marshall, Jeanne, Russ and I, to see if we can iron out a final draft of the interlocal agreement. The changes you see here are changes made to Greg Hudson's draft. There are two issues that need to be addressed. One is the non-recurring costs in Exhibit A; these non-recurring costs have been adjusted from around \$30,000 to around \$5,000.

Mr. Foerster briefly reviewed items in paragraphs eleven and thirteen, regarding access to the new facility, the District will provide a list of persons who will require access to the hospital district's dispatch center for purposes of scheduled, unscheduled or emergency repairs, maintenance and so forth.

Mr. Foerster noted in paragraph twenty the hospital district requested there be five call-taker positions in the back-up center. Mr. Marshall clarified the hospital district would like five work areas, two call-taker positions for 9-1-1 calls and three work areas.

Mr. Ruben Garza asked if the board had agreed at a previous meeting to go with the current contract until such time that it expired. Mr. Foerster stated he did not recall that. Ms. Terri Gill referred the board to page two of the May 11 minutes. Mr. Garza observed that he made the motion to discuss and negotiate an agreement, that is when the discussion occurred and we agreed to go with the current contract. Mr. Foerster added he did not recall after the meeting on May 11th if there was any other action taken, but I do remember as the minutes reflect on May 11th, as it says here, 'Mr. Garza made a motion to negotiate the interlocal agreement with the hospital district, Mr. Virgadamo seconded. Mr. Foerster asked if the motion includes the draft submitted by the committee...' which is the one we had worked on and presented to the board.

Mr. Foerster stated when this whole thing transpired Gordon was concerned there was no official notification or briefing by the hospital district to this board. In either April or May, there was a decision made to redo the contract, we let Gordon draft the agreement. I went through it, made some changes, and he presented it to the policy sub-committee in April, and they tweaked it. That interlocal agreement was presented to the board at the May 11th meeting. It was presented to the hospital district, and their response was to send a new draft back to us. This staff sat down and we went through the hospital district's draft comparing it to our draft and worked to a point where you have a copy before you. That was based on what I understood was the fact that we were going to enter into a new contract since they were moving over to the new facility. By doing that, we are releasing them of their five year contract here, the rental of \$40,000 a year.

Mr. Garza made the motion that we stay with the agreement that we have now, the interlocal agreement we have now, unless we want to discuss it later. Mr. Virgadamo asked if we were able to take any action today or was it just discussion. Mr. Foerster responded it says discuss and take action if necessary concerning the status of the interlocal agreement with the Montgomery County Hospital District. The language would allow for a motion to keep the existing interlocal agreement. The problem with keeping the existing interlocal agreement, it doesn't address the

facts, the fact is they are moving over there to a new facility. They have designed and built a new dispatch center. We are meeting with Greg Hudson and Kelly and Frank today, we can take whatever instructions this board wants back to them.

Chief of Staff Carr stated we are looking at \$200,000 lost revenue. We all knew that it was their intent to move. Mr. Marshall noted there was an email in November of 2009 between Allen Johnson and Gordon, where they were having dialogue about our move, where it was speculated to occur about spring of 2011. Chief of Staff Carr stated we need to go with the new interlocal agreement. I would like us to ask the district for some amount of money to help us get across this \$200,000 of lost revenue. I believe we should have had an opt out clause in our contract. Mr. Marshall agreed, adding that he is not at liberty to negotiate, but if he could offer something that we could continue the discussion on, if we could work that into some form of rent, go back and tie it to the facts, that we are using this as a back-up center. Maybe we should pay a small rent for the back-up center to be here and that will extend beyond the five years of lost revenue and help make up some of that difference and it would be true to the facts. Chief of Staff Carr stated that would be acceptable. Mr. Virgadamo asked if that would be added to the contract. Mr. Foerster replied affirmatively.

Mr. Foerster stated the language in the current contract, paragraph sixteen, ‘hospital district agrees to use the primary communications center for its EMS, fire dispatch operations for a term of ten years and further agrees the agreement shall be deemed automatically renewed on October 1 of each year thereafter for successive one year periods hereto shall give written notice of the intent to modify, terminate or withdraw this agreement at least 120 days before the end of the term.’ Mr. Marshall stated it does allow for termination. Mr. Foerster stated it allows for termination before the end of the term. The term is ten years. It’s a little bit confusing. When you look at paragraph one, it talks about the space starting October 1, 2006, ‘contingent upon appropriations being budgeted and made available by the hospital district’s governing board, this agreement shall continue in force and effect until terminated thereto, such termination effective upon the terminating party providing 120 days advance written notice to the other party.’ So one talks about October 1, 2006, with the effect that the contract can be terminated with 120 days notice; the other paragraph, paragraph sixteen refers to a term of ten years, upon which you can give 120 days notice at the end of that term or any successive one year term.’ We can talk about that some more this afternoon.

Mr. Virgadamo noted we have a motion and a second to defer. The members were polled and the motion carried with no objections.

2010 AUDIT CONDUCTED BY VANWASSEHNOVA AND ASSOCIATES

Mr. Virgadamo noted item three of the agenda, discuss and take action to accept the 2010 Audit conducted by VanWashehnova and Associates.

Mr. Robert VanWashehnova explained the audit was for the period ending September 30, 2010, generally the audit is done by Christmas time or thereabout, but this year we were waiting for the resolution of the worker’s comp issue that we incorporated into these numbers. Mr. VanWashehnova conducted a brief review of the audit report, noting the district is in an excellent financial position. “We are happy with the procedures and the way things are done financially here. It gives us a good feeling that we can put our name on this when it is all said and done.”

Mr. Virgadamo asked if there would be any discussion, being none, he asked for a motion to accept the audit. Mr. Garza made the motion to accept the 2010 Audit. Mr. Simon seconded the motion. The motion carried with all in favor.

2011/2012 BUDGET

Mr. Virgadamo noted item four of the agenda, discuss and take action on recommendation by the financial sub-committee to approve the 2011/2012 budget.

Chief of Staff Carr noted she and Ruben Garza serve as the financial sub-committee. I reviewed the budget with Jeanne and Terri, there were some items in the budget that I instructed them to remove, mainly COLA and merit, but also Gordon's salary. When we hire a new director we will add funds as needed.

Mr. Virgadamo asked what the capital expenditures for records management include. Ms. Gill responded this would be a replacement scanner, replacing the CPE, the hardware, as well as a software upgrade, which will take us from being a stand-alone system to being a network-wide system, where users will have a repository instead of printing everything to be scanned and recycled. Chief of Staff Carr noted the equipment we are using is very aged. Ms. Frey agreed.

Mr. Virgadamo asked about the \$270,000 capital expenditures for the facility. Ms. Frey explained this includes electrical work and flooring to accommodate the second floor reconfiguration and the Sheriff's new furniture. Mr. Virgadamo asked about the energy audit, are we taking any action on that? Ms. Frey replied these items are part of the audit, however, to get the building up to code would have required an expenditure of one million dollars. Mr. Virgadamo responded we will not have a balanced budget with these capital expenditures; we will have to go to our cash reserves. What is our available cash? Ms. Gill replied the June 2011 financial report lists total available funds as \$4.4 million, less the operating reserve; the total cash is \$5.4 million.

Mr. Virgadamo asked if we are prepared to approve the budget. Ms. Frey reminded Chief of Staff Carr of the one salary increase. Chief of Staff Carr explained there is one person, hired last year, with a salary below the salary range. She was asking that we bring this person up to the minimum, the person has proven to be a good employee, knows her business, and we gave her a ten percent increase, which was not much because she was brought in low. Mr. Virgadamo clarified that is in the budget. Ms. Frey affirmed. Mr. Virgadamo confirmed the budget still has to be approved by the county and cities. Chief of Staff Carr affirmed.

Chief of Staff Carr made the motion to accept the budget. Mr. Simon seconded the motion. The motion carried with all in favor.

TEXAS COUNTIES AND DISTRICTS RETIREMENT SYSTEM (TCDRS) PLAN YEAR 2012

Mr. Virgadamo noted item five of the agenda, discuss and take action on the TCDRS plan year 2012. Mr. Virgadamo asked if there is a plan change. Ms. Gill explained there is not a plan change, there is a rate change and if the board does not approve a COLA for the retirees, as you did last year, the 2012 rate will increase from 14.01% we are paying currently to 14.95% to maintain funding. Mr. Virgadamo asked if that is based on actuarials. Chief of Staff Carr affirmed it is.

Chief of Staff Carr made the motion to approve the new amount of 14.95% contribution to the retirement. Mr. Garza seconded the motion. The motion carried with all in favor.

CLOSED EXECUTIVE SESSION

Mr. Virgadamo adjourned the open meeting to the closed executive session at 9:50 a.m., pursuant to Chapter 551.074.

RECOVENE OPEN SESSION

Mr. Virgadamo reconvened the regular meeting at 10:00 a.m.

Mr. Virgadamo noted item seven of the agenda, consider and take action if necessary on personnel matters, item a, approval of temporary salary increase for the interim executive director.

Chief of Staff Carr made the motion to give the interim executive director a 5% increase while she serves as interim

executive director. Mr. Simon seconded the motion. The motion carried with all in favor.

Ms. Gill asked what the effective date would be? Chief of Staff Carr stated the raise will be effective on July 1st, or the first pay period following June 23rd. Ms. Frey expressed her gratitude.

CONSENT AGENDA

Mr. Virgadamo noted item eight, nine and ten of the consent agenda, approval of meeting minutes for May 11, June 16 and June 23, 2011, approval of monthly financial statements for the periods ending April 30, May 31 and June 30, 2011, and approval of the quarterly financial statement for the period ending June 30, 2011. Mr. Simon made the motion to approve these items in their entirety. Chief of Staff Carr seconded the motion. The motion carried with all in favor.

Mr. Virgadamo noted item eleven of the consent agenda, other matters requiring attention but not immediate action, item a, 9-1-1 Network Update.

Ms. Frey explained Russell and Roberto are moving forward with the hospital district move. They have completed The Woodlands and Conroe Police Department. The Sheriff's Office will follow the hospital district installation.

A discussion ensued regarding the confusion over the eighth position at the hospital district, also believed to be the sixteenth position at the Sheriff's Office. A workstation will be taken from the Sheriff's Office to complete the eight required positions at the hospital district. A position will be given to the Sheriff's Office from the four positions budgeted in 2011/2012.

Mr. Virgadamo noted item eleven of the consent agenda, other matters requiring attention but not immediate action, item b, other 9-1-1 Items. There were no items requiring discussion.

Mr. Garza made the motion to adjourn. Mr. Simon seconded the motion. The motion carried with all in favor.

The meeting adjourned at 10:05 a.m.

Attest:

Ruben Garza
Secretary

Jody Binnion
President