

**MINUTES OF THE
MONTGOMERY COUNTY EMERGENCY COMMUNICATION DISTRICT
BOARD OF MANAGERS**

PUBLIC REVIEW HEARING AND REGULAR MEETING

January 9, 2013

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

BOARD ATTENDING

PRESENT: Paul Virgadamo, President
Vicky Rudy, Vice President
James Simon, Secretary
Tommy Gage, Member

ABSENT: Robert Hudson, Member
John Young, Ex-Officio Member

IN ATTENDANCE: Larry Foerster, Legal Counsel
Robert VanWassehnova, VanWassehnova & Associates
Chip VanSteenberg, Executive Director
Jeanne Frey, Administrative Manager
Russell Steffee, Systems Operations Manager
Regina Payne, Database Coordinator
Andrea Wilson, Public Education Coordinator
Terri Gill, Executive Assistant
Lt. Allison Allen, Montgomery County Sheriff's Office
Rick Erickson, Woodlands Fire Department
Chief Brian Edwards, Montgomery Fire Department
Dianna Porche, AT&T

Mr. Paul Virgadamo, President, called the meeting to order at 12:00 p.m., noting a quorum was present.

PUBLIC COMMENTS

There were no public comments.

EXECUTIVE DIRECTOR'S REPORT ON THE STATE OF THE DISTRICT

Mr. Virgadamo noted item one of the agenda, hear executive director's report of the state of the district.

Mr. Chip VanSteenberg noted a unique provision of the law allows for 9-1-1 districts to hold a hearing once every three years, with notice to the public, whether the district should continue and whether it should continue collecting the emergency service fee. Should the board decide not to continue the district, service to the community would be provided through the Houston-Galveston Area Council (H-GAC). The public review provides an opportunity to present a state of the district report.

Since fiscal year 2000 revenues have climbed from \$2.7 million to just under \$4 million. The district has one main

revenue source which is the 9-1-1 service fees. In 2000, we were collecting \$9.11 per person per year. Revenue has not kept pace with inflation and today the district is collecting \$9.20 per person per year. The revenue stream has changed over time; in 2000 77% of the district's revenue came from landlines, in 2012 that number was 40%. In 2000, there was no revenue from prepaid wireless or VoIP, which today accounts for 16% of the district's revenue.

Call numbers were down for 2012. The district has installed a new 9-1-1 system, and feels the new system uses a more accurate method for call counting. The wild fires also drove up the numbers in 2011. The two primary PSAPs, the Montgomery County Sheriff's Office and the Conroe Police Department, answered 186,233 calls during the fiscal year that ended September 30, 2012. Most of the 40,842 calls to the two secondary PSAPs, the Woodlands Fire Department and the Montgomery County Hospital District, were transferred from one of the primary PSAPs.

Mr. VanSteenberg asked if there were any questions. Mr. Larry Foerster commented on the news article regarding his recent presentation to the Concerned Citizens of East Montgomery County, and asked his impression of the questions asked and their knowledge of the functionality of 9-1-1. Mr. VanSteenberg replied that at all of his presentations, the information is well received, it is information they did not know. People have questions about cell phones and the accuracy of the location information, VoIP phones and similar concerns. They provide good feedback.

PUBLIC HEARING ON THE CONTINUATION OF THE 9-1-1 DISTRICT AND THE EMERGENCY SERVICE FEE

Mr. Virgadamo noted item two of the agenda, public hearing on the continuation of the 9-1-1 district and the emergency service fee.

Mr. Virgadamo recessed the regular meeting to a public hearing at 12:05 p.m.

There were no public comments.

Mr. Virgadamo reconvened the regular meeting at 12:06 p.m.

CONTINUATION OF THE 9-1-1 DISTRICT AND THE EMERGENCY SERVICE FEE

Mr. Virgadamo noted item three of the agenda, consider and take action on the continuation of the 9-1-1 district and the emergency service fee.

Mr. VanSteenberg noted an order on the continuation of the district was included with the hearing materials and a vote is required.

Mr. James Simon made the motion to approve the continuation of the 9-1-1 district and the emergency service fee. Sheriff Tommy Gage seconded the motion. The motion carried with all in favor.

ANNUAL AUDIT FY12 CONDUCTED BY VANWASSEHNOVA & ASSOCIATES

Mr. Virgadamo noted item four of the agenda, consider and take action, if necessary, on annual audit FY12 conducted by VanWassehnova and Associates.

Mr. Robert VanWassehnova distributed copies of the annual audit. Mr. VanWassehnova explained the audit was for the period ending September 30th. The statement of financial position shows the district's cash and accounts receivables, for the last three years, has been going up. The district has almost no debt, with net assets of \$7,698,967. The district's revenues are holding steady, with revenues of \$4,454,951 for FY12. The district has a solid financial position.

Mr. Simon made the motion to accept the annual audit FY12 conducted by VanWassehnova & Associates. Sheriff

Tommy Gage seconded the motion. The motion carried with all in favor.

FINAL APPROVAL OF THE ANNUAL BUDGET FOR FY2013

Mr. Virgadamo noted item five of the agenda, consider and take action on final approval of the annual budget for FY2013.

Mr. VanSteenberg explained the law requires the district send a draft out to the cities for approval; they have an opportunity to comment on it and to vote. Multiple cities and the county voted to approve the FY13 budget, no comments were received. Staff recommends the board approve the budget as it was drafted.

Ms. Vicky Rudy made the motion to grant final approval of the annual budget for FY2013. Mr. Simon seconded the motion. The motion carried with all in favor.

COMPENSATION MARKET STUDY BY WATERS CONSULTING GROUP

Mr. Virgadamo noted item six of the agenda, consider and take action on a compensation market study by Waters Consulting Group.

Mr. VanSteenberg explained the district had contracted with Waters Consulting Group to look at two items, first to look at the salaries the district pays as compared to the market, and second to look at the system, the pay grades and structure. They found the salaries are mostly in line with the market. They had some suggestions to improve the salary structure. Revisions to the compensation and classification policy are in progress. Staff recommends the board approve the report and defer item seven, revised compensation and classification policy.

Ms. Rudy made the motion to accept the compensation study by the Waters Consulting Group. Mr. Simon seconded the motion. The motion carried with all in favor.

REVISED COMPENSATION AND CLASSIFICATION POLICY

Mr. Virgadamo noted item seven of the agenda, consider and take action on a revised compensation and classification policy would be deferred.

RESOLUTION ADOPTING CHANGES TO THE INVESTMENT POLICY AND INVESTMENT STRATEGIES FOR FISCAL YEAR 2013

Mr. Virgadamo noted item eight of the agenda, consider and take action on a resolution adopting changes to the investment policy and investment strategies for fiscal year 2013.

Mr. VanSteenberg explained the board had deferred this item in July, to change the policy to include an investment committee, which has been added. In the interim, Mr. VanSteenberg attended Public Funds Investment Act training, and learned of several legislative revisions to the act. These changes have been implemented into the policy. One of the most important changes is on page three under delegation of duties, to include the investment committee, which consists of the president, vice president and/or their designee. The reason for structuring it in that way is that anyone named in the policy will have to take the training. Ms. Rudy has had the training and Mr. Virgadamo might designate the finance director for the City of Conroe, who has had the training. Another option is to establish the committee as a sounding board, not actually making the decisions, but the authorized investment officer comes to the committee and reports. Ms. Rudy stated she would prefer the sounding board option. Mr. Virgadamo concurred. Mr. Foerster noted the board would be authorizing Mr. VanSteenberg as the investment officer; he would be required to take the training. As a matter of policy he would still confer with the investment committee and does not require they take the training. Mr. VanSteenberg stated the City of Denton sees it the same way.

Mr. VanSteenberg noted the policy is required to specify at which agencies the investment training may be procured from, three are included.

The benchmark is being changed from the six-month to the one-year treasury and will also change the weighted average maturity from six-months to eighteen-months. For the investment strategy, the maximum stated maturity will be changed from two-years to three-years.

Authorized investments will include, not only obligations of the State of Texas, but other states or cities as long as they are rated at least "A". The policy wording has changed regarding what type of certificates of deposit may be purchased to comply with changes in the law.

Mr. Virgadamo inquired whether the district requires a firm to make these investments for the district. Mr. VanSteenberg explained that currently everything is in a pool. The resolution, once approved, will do several things. First, it will state the board has reviewed the policy and are adopting the changes, which are specified. Item five of the resolution would authorize the district to use two firms to buy securities, Coastal Securities or First Southwest Company. Ms. Rudy asked how these firms were selected. Mr. VanSteenberg replied he sent out a questionnaire, the companies then provided their funds history, financial strength and credit reports. They were selected by their qualifications. The state law requires the board, by resolution, name the broker-dealer they will do business with.

Ms. Rudy made the motion to adopt the investment policy and investment strategies for fiscal year 2013 with the changes to the investment committee. Mr. Simon seconded the motion. The motion carried with all in favor.

REVISED VEHICLE USAGE POLICY

Mr. Virgadamo noted item nine of the agenda, consider and take action approving a revised vehicle usage policy.

Mr. VanSteenberg requested the board defer this item to the next regularly scheduled meeting. The item was deferred.

EXECUTIVE DIRECTOR'S REPORT ON 9-1-1 CALL ANSWERING TIMES

Mr. Virgadamo noted item ten of the agenda, consider and take action on the executive director's report on 9-1-1 call answering times.

Mr. VanSteenberg explained there are ways to measure how they do answering the phone. There are two standards adopted by NENA, the National Emergency Number Association, to judge PSAP performance. One is the "all-call" standard, which says 95% of all calls should be answered within twenty seconds. Each ring cycle is a six second cycle, ring for three seconds, and silence for three seconds. Eighteen seconds would be the end of the third ring cycle and on the fourth ring when it picked up.

Prior to October 1st, the district was not counting seconds, it was counting rings. Under the old method, the system was counting three rings and they were being penalized for two seconds, they should have had two extra seconds to answer the phone. This change shifted all the numbers to the north of the standard, with an average of 98%. The performance was good prior to the change, but the change made a marked improvement.

The second standard measures how they do during the busiest hour of the day. This standard says they must answer 90% of the calls in the busiest hour within ten seconds. They cannot staff for the busiest hour because they cannot predict when it will occur. Prior to October, the district was measuring with rings; in this case it was two rings, which is twelve seconds, giving a two second bonus. Once this was changed the number shifted a bit south. The short-term trend shows where they are going, the long-term trend is the one measured against the long-term standard and the Sheriff's Office is performing above the standard, as is the Conroe Police Department. Based on these standards,

both PSAPs are doing a remarkable job keeping up with the traffic.

Another item the district measures against, due to feedback, related to excessive ring times. What is an excessive ring time? There is no established standard. Using forty seconds as a guide, how many calls in a week ring more than forty seconds? The Sheriff's Office is averaging seven calls a week, about one per day. The Conroe Police Department has lower call volume, but will also have times when they cannot get to the phones.

Mr. Virgadamo inquired whether this information is shared with the dispatchers. Mr. VanSteenberg replied affirmatively, the information is sent to the PSAPs.

The staff had talked about what they could do to help out, to improve the numbers, even putting money in the budget. Both PSAPs are great to work with. There may be some ways the district wants to try to reach out, make contact with agencies of similar size, compare notes and explore best practices they might incorporate. This is something the district will continue to work on with the PSAPs, but do not feel the need to spend any more time or resources on.

No action was needed.

CHANGING THE DATE OF THE MARCH 2013 BOARD MEETING

Mr. Virgadamo noted item eleven of the agenda, consider and take action changing the date of the March 2013 board meeting.

Mr. VanSteenberg noted the March 20th meeting coincides with the NENA event, 9-1-1 Goes to Washington, which combines educational opportunities with an opportunity to visit the Texas delegation on the hill and talk to them about 9-1-1 issues. The FCC plays a major role in 9-1-1, federal legislation. Mr. VanSteenberg plans to attend and Mr. Virgadamo is considering attending also, and he extended the invitation to any other board member who might be interested in attending. The conference is designed for policy makers, board members and executive directors. The conference is March 17 – 20, staff is requesting the board meeting be changed to March 27th.

Mr. Simon made the motion to reschedule the March 2013 meeting to March 27th. Sheriff Gage seconded the motion. The motion carried with all in favor.

OTHER MATTERS RELATED TO THE OPERATION OF THE 9-1-1 SYSTEM

Mr. Virgadamo noted item twelve of the agenda, consider and discuss other matters related to the operation of the 9-1-1 system.

Mr. VanSteenberg stated he had sent an email about a personnel change, he does not have anyone in the GIS Coordinator's position, and will probably keep it that way for a while, working with a consultant who will save the district money and help achieve some goals the staff has not yet reached with our GIS system. He is requesting that the district still maintain the position, but not fill it at this time.

The district has a new Public Education Coordinator, Andrea Wilson. She has extensive experience in education and administration and has hit the ground running, meeting with the school districts and talking curriculum. She led a Tiger Cub tour through the facility the other day. Hopefully the Board saw, in the executive director's report, the story about Gabby Pena, who called 9-1-1 when her mom passed out. Ms. Wilson arranged a nice ceremony.

The district celebrates its 25th anniversary of the first 9-1-1 call on the 19th. The staff will make a special commemoration, a press release has gone out and they will honor the call-takers as well.

The district's software system will go through an upgrade in a month or so to take it to version 3.2 of the 9-1-1

system. This is a minor step that will not cost any money. The next step will be to go to 4.0, which will require replacing some equipment. When the district migrates, the machines will be about 3.5 years old, and the normal replacement schedule would have put them at 4, 4.5 years, they might be just a bit ahead of that, but this will get them into the latest version with the new equipment.

Texting to 9-1-1 is coming pretty fast and furious. The FCC has reached an agreement with the four major carriers. The FCC has been under pressure to mandate something. They will not issue a mandate as nobody knows how to do it, there are a lot of different options for what is currently a low priority way to transmit data. They did get the four major wireless carriers to agree to provide texting to 9-1-1 to their customers, AT&T, Sprint, Verizon and T-Mobile, by May 15th of next year. Everyone is scrambling to figure it out. Harris County is developing a texting solution through a registration portal. Users have to be registered. They will specifically market to the deaf and hard-of-hearing communities. If they are in Harris or Fort Bend counties they will be able to text to 9-1-1. Verizon is starting to offer their customers the ability to text to 9-1-1. They are rolling it out slowly, but it is already in certain parts of Texas. At some point they will make it available to their customers in this area, at that time the district will have to either accept text messages or opt out until ready to accept text messages. Nobody wants to be in a position to opt out; it will be confusing to the customers.

The district has an auction going on to get rid of some of the older equipment; the staff is using Swico, the online auctioneer.

The district has new personnel at the PSAPs, Lt. Allison Allen with the Sheriff's Office and Lt. Jon Buchholtz at the Conroe Police Department. Shawn Trainor is moving out of his position at the hospital district; they are looking for a new supervisor there. At the PSAP level, they are saying good-bye to some old friends and welcoming some new ones.

CONSENT AGENDA

Mr. VanSteenberg noted items twelve and thirteen were combined in the executive director's report.

Mr. Virgadamo noted items fourteen, fifteen and sixteen of the consent agenda; stating these may be taken separately or as a whole.

Ms. Rudy made the motion to approve items fourteen, fifteen and sixteen of the consent agenda. Mr. Simon seconded the motion. The motion carried with all in favor.

Mr. Virgadamo requested a motion to adjourn. Mr. Simon made the motion to adjourn. Ms. Rudy seconded the motion. The motion carried with all in favor.

The meeting adjourned at 12:50 p.m.

Attest:

James Simon
Secretary

Paul Virgadamo
President



Montgomery County Emergency Communication District

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Doc# 13-0027

POSTED

01/04/2013 3:41PM

Talisa Caldwell

MARK TURNBULL, COUNTY CLERK

MONTGOMERY COUNTY, TEXAS

NOTICE OF REGULAR MEETING

JANUARY 9, 2013

Notice is hereby given to all interested members of the public, of a meeting of the Board of Managers of the above styled District, at **12:00 p.m., Wednesday, January 9, 2013**, at the **MCECD 9-1-1 Boardroom, 150 Hilbig Road, Conroe, Texas**. The purpose of the meeting is as follows:

Open Meeting.

Public Comments. Please sign in and limit comments to three (3) minutes.

Public Review Hearing

1. Hear Executive Director's Report on the State of the District.
2. Public Hearing on the continuation of the 9-1-1 district and the emergency service fee.
3. Consider and take action on the Continuation of the 9-1-1 District and the Emergency Service Fee.

Regular Meeting

4. Consider and take action, if necessary, on Annual Audit FY12 conducted by VanWassehnova and Associates.
5. Consider and take action on final approval of the Annual Budget for FY2013.
6. Consider and take action on a compensation market study by Waters Consulting Group.
7. Consider and take action on a revised Compensation and Classification Policy.
8. Consider and take action on a resolution adopting changes to the Investment Policy and Investment Strategies for Fiscal Year 2013.
9. Consider and take action approving a revised Vehicle Usage Policy.
10. Consider and take action on the Executive Director's report on 9-1-1 call answering times.
11. Consider and take action on changing the date of the March 2013 board meeting.
12. Consider and discuss other matters related to the operation of the 9-1-1 system.

Consent Agenda

13. Executive Director's report on items of community interest for which no action will be taken.
14. Approval of meeting minutes for September 12, 2012.
15. Approval of monthly financial statements for the periods ending September 30, October 31, and November 30, 2012.
16. Approval of quarterly financial statement for the period ending September 30, 2012.
17. Adjourn meeting.


 Larry E. VanSteenberg, Executive Director

Parking is available in front of the Law Enforcement Center. Please go to the Information Booth in the Center's main lobby and inform the attendant you are here for the 9-1-1 Board Meeting. You will be met at the access gate near the flagpoles. You may also call (936) 523-5911 from the gate located on Hilbig Road. The gate will be opened via remote.

The Montgomery County Emergency Communication District reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code, Section 551.071 (Consultation with Attorney); 551.072 (Deliberations about Real Property); 551.073 (Deliberations about Gifts and Donations); 551.074 (Personnel Matters); 551.076 (Deliberations about Security Devices); and 551.087 (Economic Development).