

**MINUTES OF THE FEBRUARY 11, 2019 MEETING OF THE**  
**BRAZORIA COUNTY EMERGENCY SERVICES DISTRICT NO. 3**

A meeting was duly called of the **BRAZORIA COUNTY EMERGENCY SERVICES DISTRICT NO. 3**, which was held on **February 11, 2019**, at the District's Manvel EMS Station, 6931 Masters Road, Manvel, Texas 77578

The meeting was called to order at 6:30 P.M. by **DARRELL VALUSEK**, District President. Those commissioners present were **DARRELL VALUSEK, FRANK HAGDORN, and ROY BEKEN**. Commissioners not present included **MIKE JONES** and **MATT GLAVES**. Also present were District Executive Director Dave Ferguson, District Director of Administration Brian Owens, Assistant Director of Finance Beth Strope, District legal counsel John Peeler of Coveler & Peeler, PC, chiefs, directors, and members of the District's fire and emergency medical service providers, and members of the public.

The Board then opened the floor for public comment under item 2 of the agenda, Steve Bynum, Chief of Iowa Colony Volunteer Fire Department expressed concern about a perceived lack of transparency from the District staff regarding the changes in the District administrative office hours. Chief Bynum also expressed his concerns regarding the apparent absence of a process for how the providers would be made aware that provider bills were being paid on time.

The Board next addressed item 3, to receive reports from District providers. Chief Burleson provided an update for Manvel VFD: In January there were 31 calls, they have 17 volunteers and had recently purchased a pack tracker that allowed them to see firefighter movement and receive notification if a firefighter experiences an emergency during a call. Chief Stepchinsky provided a written report to the Board and a verbal update for Rosharon VFD: 169 total calls in 2018, 18 calls year-to-date, 14 members and 2 junior members. Rosharon VFD plans to send members to school in April and training at Texas A&M in the summer.

The Board then addressed item 4, to review and approve the consent agenda. Mr. **BEKEN** made a motion, seconded by Mr. **HAGDORN**, to approve the consent agenda consisting of minutes of meetings held on November 12, 2018, December 3, 2018, December 10, 2018, January 3, 2019, January 14, 2019, January 22, 2019 and February

1, 2019, and to approve the financial and bookkeeping matters as submitted. The motion was approved by a vote of 3 to 0.

The Board then addressed item 5, the Non-Consent Agenda, including items removed from the Consent Agenda. No items were submitted or removed.

The Board then addressed agenda item 6, approval of sales of properties held in trust by Brazoria County Tax Office. No action was taken as no property files were received.

The Board then addressed agenda item 7, to review proposals and approve a District loan for a future real estate purchase for fire and/or EMS facilities. The board had previously authorized a solicitation of proposals and received 2 responses within the period of time specified in the solicitation. Mr. Ferguson explained that the first proposal was from 1<sup>st</sup> State Bank for a loan amount of \$775,000 with 2 options for interest rates, option A: 4.4240% fixed for 5 years with an ending balloon payment and option B: 4.6740% fixed for 10 years. There was no prepayment penalty defined for either option with the first payment due at 12 months after closing for both options. Mr. Ferguson continued to explain that the second proposal was from Trustmark National Bank. Their proposal offered either semi-annual or annual payment options for a 5-year loan at 3.5000% fixed rate with a balloon payment at term. Mr. Ferguson advised the commissioners that the construction project being considered for the property was likely more than five years from initiation and recommended the approval of the First State Bank proposal as it secured the proposed interest rate of 4.6740% for a period of ten years. A motion was made by Mr. **BEKEN** and seconded by Mr. **HAGDORN** to accept the financing proposal from First State Bank. The motion was approved by a vote of 3 to 0.

The Board then addressed agenda item 8, to review and take action to modify District administrative procedures. Mr. Ferguson submitted a memorandum regarding the Board's request to the staff for clarification of what could be done internally to address their desire for an annual review of contracted fire service provider financial statements. Mr. Ferguson explained that, after several discussions and research, he determined that it is not practical or ethical for the District to conduct audits suitable for external consumption for the Providers. He further explained that it was practical for the District to conduct internal financial reviews of the contracted providers for the consumption of the

Board. These reviews could help to alleviate concerns about the ongoing financial well-being of contracted providers. The recommended changes would include waiving 2018 audits with an understanding that Providers would disclose records for an internal review annually. If an issue were to arise during the review, the Provider could be subject to an independent audit. A motion was made by Mr. **BEKEN** and seconded by Mr. **HAGDORN** adopt the contents of Executive Director's memorandum as the District position on internal reviews moving forward. The motion was approved by a vote of 3 to 0.

The Board then addressed agenda item 9, to review and take action regarding required financial audits of the Providers. Mr. Ferguson discussed waving the audit requirement for the seven contracted non-profit fire service providers as reviewed during the previous agenda item. A motion was made by Mr. **BEKEN** and seconded by Mr. **HAGDORN** to waive the 2018 audit requirement for the seven contracted non-profit fire service providers . The motion was approved by a vote of 3 to 0.

The Board then addressed agenda item 10, to review and take action regarding the review of District depository designations. Mr. Ferguson stated that the Depository Pledge Agreements were outdated since the transition from Myrtle Cruz, Inc. Mr. Ferguson has asked Mr. Peeler to draft the documents to be ready for review by the Board at the March meeting. Ms. Strobe expressed concerns about banking relationships with our current banking institutions and proposed that a Request for Proposals be developed to explore the banking options available for the District. **Mr. BEKEN** made a motion to instruct the staff to develop a RFP for review by the Board which was seconded by Mr. **HAGDORN**. The motion was approved by a vote of 3 to 0.

The Board then addressed agenda item 11, to review and take action on matters regarding radio communications within the District. Mr. Ferguson explained that to begin the process of combining dispatch and communication services within the District, infrastructure to enhance the current ability to communicate on 700 MHz frequencies and UHF band frequencies will need to be purchased and installed. The site for installation will be the District's Manvel EMS station as there is fiber optic internet service available to that station. The quote presented to the Board is for the purchase of hardware and installation services to obtain dispatch from the Harris County Emergency Corps on either the 700 MHz band or UHF band. A motion was made to approve the quote as presented

by Mr. **HAGDORN** and seconded by Mr. **BEKEN**. The motion was approved by a vote of 3 to 0.

The Board then addressed agenda items 12, 13 and 14, Closed Session. The Board entered into Closed Session to consult with legal counsel and to discuss items related to real estate and personnel matters at 6:57 P.M. and returned to Open Session at 7:36 P.M.

The Board then addressed agenda item 15 to review and take action regarding the acquisition of real estate. A motion was made by Mr. **BEKEN** and seconded by Mr. **HAGDORN** to approve the first amendment to the real estate contract as presented. The motion was approved by a vote of 3 to 0.

The Board then addressed agenda item 16, to review and revise emergency services Provider funding for additional operating funds. No action was taken.

The Board then addressed agenda item 17, to review and take action on emergency requests from providers for funds for equipment repairs. No action was taken.

There being no further business brought before the Board, nor any further public comment upon Motion made, the meeting adjourned at 7:37 P.M.

  
Secretary of the Board