

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

REGULAR MEETING

June 2, 2016

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

BOARD ATTENDING

PRESENT: Paul Virgadamo, President
Vicky Rudy, Vice President
Robert Hudson, Treasurer
James Simon, Member
John Young, Ex-Officio Member

ABSENT: Ryan Gable, Secretary

IN ATTENDANCE: Larry Foerster, Legal Counsel
Chip VanSteenberg, Executive Director
Jeanne Frey, Operations Manager
Roberto Gutierrez, Systems Manager
Robert Brewer, Systems Tech
Terri Gill, Executive Assistant
Andrea Wilson, Public Education Coordinator
Jon Watson, BrooksCardiel PLLC
Miles Neal, Darden Fowler & Creighton
Deputy Chief Jerry Bittner, The Woodlands Fire Department
Rick Erickson, The Woodlands Fire Department
Matt Walkup, Montgomery County Hospital District
Captain Peggy Frankhouser, Montgomery County Sheriff's Office

Mr. Paul Virgadamo, President, called the meeting to order at 12:00 p.m., and noted Ms. Vicky Rudy was due momentarily and Constable Ryan Gable was unable to attend.

Public Comments

No one requested to address the Board.

Annual Audit Fiscal Year 2015

Mr. Virgadamo noted item one of the agenda, consider and take action, if necessary, on Annual Audit Fiscal Year 2015 conducted by BrooksCardiel PLLC.

Mr. Virgadamo recused himself from this item.

Mr. Chip VanSteenberg, Executive Director, introduced Mr. Jon Watson with BrooksCardiel, the firm that conducted the district's annual audit.

Mr. Jon Watson stated the annual audit consists of five different components. The first part is the auditor's opinion, whether the financial statements are in accordance with GAP. The next section is the management discussion and analysis, comparing last year's results to this year's results. Next are the basic financial statements and notes to those financial statements, and last the required supplementary information that consists of the budget versus actual, as well as required information pertaining to the pension plan, and other supplementary information.

Mr. Watson directed attention to the PowerPoint presentation, explaining there are four different types of auditor's report, the best is unmodified, the worst is adverse. The District received a clean opinion, or an unmodified report.

Mr. Watson continued reviewing the financial report. Mr. Watson asked if there were questions. None were tendered.

Mr. VanSteenberg, noted the district will expand its relationship with Robert VanWassehnova and Associates, in compliance with audit recommendations on internal controls. Mr. Watson explained further, the first issue is the financial statements, the district does not have an expert in governmental reporting standards on staff, which is not uncommon in organizations of this size. The second issue pertained to closing accounts and insuring balances are accurate for the audit. The third issue pertains to reconciling to the system, both to the banks and to the general ledger. The fourth and final issue relates to checks held and pledged collateral. The fifth issue was training for the investment officer.

Mr. VanSteenberg added that the reconciliation issue is one that arose with the Asyst32 software, what was an automatic process with the previous software is a two-step, manual process with Asyst32. Regarding the issue with the checks, the last two years we have had large capital projects that we have been pushing to completion with the vendors by the end of the fiscal year. Last year we transferred the money into the bank, and had no pledged collateral. This year we did not transfer the money, but had cut the checks prior to the end of the fiscal year. There are no large capital projects this year. Finally, issue five, the training requirement, has been rectified.

Mr. Virgadamo restated his recusal for this item.

Chief Robert Hudson made the motion to accept and approve the annual audit fiscal year 2015. Mr. James Simon seconded the motion. The motion carried with all in favor.

The Woodlands Fire Department PSAP Improvement Project for the purchase of Command Central Inform

Mr. Virgadamo noted item two of the agenda, consider and take action on a request from The Woodlands Fire Department for their PSAP Improvement Project for the purchase of Command Central Inform, an information and communication System.

Mr. VanSteenberg noted the district has funds set aside in the budget for projects at each PSAP that are related to 9-1-1. The amount this year that each PSAP is eligible for is \$85,000.

Deputy Chief Bittner stated their request is unique, in that it is a technology based program. This technology leverages the investment the departments have already made in various systems and merges it together so command staff and dispatchers can more easily access the incident and available resources leading to improved decision-making.

Mr. Virgadamo inquired if they are requesting the full \$85,000? Mr. VanSteenberg clarified that due to the matching they are requesting \$80,800 towards the project. Ms. Rudy inquired as to the recurring costs? Deputy Chief Bittner replied that the fire department will cover recurring costs.

Deputy Chief Bittner added that once established, the fire department intends to open this up to their public safety partners.

Mr. Simon made the motion to approve the PSAP improvement project request by The Woodlands Fire Department for the purchase of Command Central Inform. Chief Hudson seconded the motion. The motion carried with all in favor.

Deputy Chief Bittner thanked the board of managers for their partnership, adding this is a valuable asset for all of the

PSAPs.

Nationwide Retirement Solutions (NRS) Governmental 457(b) Plan Loan Procedures

Mr. Virgadamo noted item three of the agenda, consider and take action approving the Nationwide Retirement Solutions (NRS) Governmental 457(b) Plan Loan Procedures.

Mr. Chip VanSteenberg stated the district offers a pre-tax retirement savings program called a 457 plan. The program is voluntary and the only funds deposited in the plan come from the employee. Mr. Virgadamo clarified there is no match from 9-1-1? Mr. VanSteenberg concurred. NRS manages the plan on behalf of the district and they now offer a program that allows employees to borrow against the value of their accounts. The maximum amount that may be borrowed is 50% of the account balance.

Mr. Larry Foerster stated he had reviewed the plan documents.

Mr. James Simon made the motion to approve governmental 457(b) plan loan procedures with Nationwide Retirement Solutions. Ms. Vicky Rudy seconded the motion. The motion carried with all in favor.

Nationwide Retirement Solutions (NRS) Roth Contribution Amendment

Mr. Virgadamo noted item four of the agenda, consider and take action approving the Nationwide Retirement Solutions (NRS) Roth Contribution Amendment to the Deferred Compensation Plan.

Mr. VanSteenberg explained NRS manages the district's 457 Deferred Compensation Plan, a voluntary retirement program. The program is funded 100% by employee contributions. NRS now offers an option to set up a Roth account under the program. With a Roth program, the contributions come from income that has already been taxed. The earnings will accumulate tax free and the employee will not owe any taxes when he/she withdraws the money.

Ms. Rudy made the motion to approve the Roth contribution amendment with Nationwide Retirement Solutions. Mr. Simon seconded the motion. The motion carried with all in favor.

Executive Director's Report

Mr. Virgadamo noted item five of the agenda, Executive Director's report on items of community interest for which no action will be taken.

Mr. Chip VanSteenberg stated July 5th is the date set for the launch of Smart911 and SmartFacility to the public. We have had several soft-launch meetings in the community. This is also the date we will begin to use the Smart911 app and begin phasing out CodeRed.

Kari's Law now has a process to apply for a waiver. The law goes into effect September 2016. The waiver may be accessed at texas911.org. Federal legislation for Kari's Law has passed the house and awaits action in the senate, and applies only to new systems, whereas the Texas law applies to all systems.

The Junior First Responder Camp has been pushed back, due to recent activity (weather), to late July.

Mr. VanSteenberg stated the generator has been a concern. It is sixteen years old, and is included in the capital plan to be replaced next year. It failed during the storms and flooding last weekend. The generator had two problems. First, it did not automatically transfer when street power was lost. It came on but did not auto-transfer. This meant the 9-1-1 call-takers were working on battery power much longer than we thought the UPS would hold. Second, the generator would not stay on because the voltage regulator was faulty. The staff started the generator manually several times but it would not stay running. We eventually lost all power to the building. When that happened, Host A of the 9-1-1 equipment shut down but Host B did not take control as designed. The entire system was down until Host B was rebooted. The outage lasted about 26 minutes, during which Conroe PD, Woodlands Fire and the Hospital District flipped their make busy circuits rerouting 9-1-1 calls through ten-digit lines answered on desk phones. This option was available to MCSO, however, they could not take advantage of it because the building did not have power. MCSO set-up operations in the

EOC, and once Host B was rebooted, they resumed operations. There was a period of time where some 9-1-1 calls may not have been answered; we cannot be sure because the system was down and not logging. Everyone did a tremendous job based on the conditions. The generator was fixed the next day; it was a minor repair on a part that should have been replaced earlier. We are checking into whether we want maintain relationship with that company. The generator is working now. The staff plans to test it to ensure it will hold the load.

Ms. Rudy asked if the district has a practice of testing the generator monthly? Mr. VanSteenberg replied the generator is powered up every week. But we are not currently testing under load, however, this is something we will begin to do, regular load tests.

No action was taken.

Consent Agenda

Mr. Virgadamo noted items six, seven, and eight of the consent agenda, noting the items may be taken separately or as a whole.

Ms. Rudy made the motion to approve the consent agenda as a whole. Mr. Simon seconded the motion. The motion carried.

The meeting adjourned at 12:34 p.m.

*These minutes were approved at regularly scheduled board meeting on SEPTEMBER 28, 2016.
If needed, an official, signed copy may be obtained at the MCECD office.*