

**MINUTES OF MEETING OF THE BOARD OF COMMISSIONERS**

**September 14, 2022**

**THE STATE OF TEXAS** §  
**COUNTY OF MONTGOMERY** §  
**MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 4** §

The Board of Commissioners (the "Board" or the "Commissioners") of Montgomery County Emergency Services District No. 4 (the "District") met in regular session, open to the public, at Needham Fire Rescue, Co. ("NFR") Station No. 61, 9430 State Highway 242 East, Conroe, Texas 77385, the regular meeting place of the District, on Wednesday, September 14, 2022, at 11:30 a.m.; whereupon, the roll was called of the members of the Board, to-wit:

Brian Arceneaux	President
Roxann McDaniel	Vice President
Mark Abbey	Secretary
Raymond Veit	Treasurer
Karen Keels	Assistant Secretary/Treasurer

All members of the Board were present, thus constituting a quorum. Also attending the meeting were the following District employees: Fire Chief Kevin Hosler; Chief Randy Doyle, Assistant Chief of Administration; Chief William Dicker, Assistant Chief of Operations; Battalion Chief Richard Sanguedolce; Mrs. Alison Doyle; Ms. Emily Daley; Ms. Kelly Sipp; Mr. Colwyn Lee; Lieutenant Terry Jones; and Mr. Don Landvogt. District consultants in attendance were Ms. Regina D. Adams, attorney, and Ms. Raechel Rodriguez (via videoconference), legal assistant, of Radcliffe Bobbitt Adams Polley PLLC (the "Attorney" or "RBAP"), attorney for the District; Mr. Brian Grossman of Grossman Design Build ("GDB"); and Mr. Paul Kuhlman of AG|CM, Inc. ("AGCM")

WHEREUPON, the meeting was called to order at 11:30 a.m. and evidence was presented that public notice of the meeting had been given in compliance with the law. The posted notices of the meeting are attached hereto.

**PUBLIC COMMENT**

There was no public comment.

**DISTRICT STAFF AWARDS, RECOGNITIONS AND/OR PROMOTIONS**

Chief Dicker swore in Lieutenant Jones.

**APPROVE MINUTES**

The Board considered approval of the August 8, 2022 special meeting minutes and August 10, 2022 regular meeting minutes, which were previously distributed to the Board. Upon motion by Commissioner McDaniel, seconded by Commissioner Abbey, after full discussion and

the question being put to the Board, the Board voted unanimously to approve the August 8, 2022 special meeting minutes. Upon motion by Commissioner Abbey, seconded by Commissioner Veit, after full discussion and the question being put to the Board, the Board voted unanimously to approve the August 10, 2022 regular meeting minutes.

**MINUTES AND FINANCIAL STATEMENTS OF NFR BOARD OF DIRECTORS MEETING**

The Board reviewed the minutes and financial statements of prior NFR Board of Directors meetings.

Ms. Adams entered the meeting at 11:35 a.m.

**REVIEW AND ACCEPT NFR BUDGET FOR FISCAL YEAR ENDING ("FYE") SEPTEMBER 30, 2023 ("NFR 2023 BUDGET")**

Mrs. Doyle presented to and reviewed with the Board the NFR 2023 Budget. Upon motion by Commissioner McDaniel, seconded by Commissioner Keels, after full discussion and the question being put to the Board, the Board voted unanimously to accept the NFR 2023 Budget, as presented.

**REVIEW AND ADOPT ORDER ADOPTING BUDGET FOR FYE SEPTEMBER 30, 2023 (THE "2023 BUDGET")**

Mrs. Doyle presented to and reviewed with the Board the proposed 2023 Budget, noting that the sales tax revenue line item was increased.

Upon motion by Commissioner Abbey, seconded by Commissioner Veit, after full discussion and the question being put to the Board the Board voted unanimously to adopt the Order Adopting the 2023 Budget.

**PUBLIC HEARING ON 2022 TAX RATE**

The President declared the public hearing open to discuss the District's proposed tax rate for 2022 at 11:47 a.m.

Ms. Adams reminded the Board that at the August 10<sup>th</sup> Board meeting, the Board voted to publish a total proposed total tax rate of \$0.0946 per \$100 assessed valuation comprised of \$0.0643 for maintenance and operations and \$0.0303 for debt service purposes. Ms. Adams reported that the Notice of Public Hearing on Tax Increase for the proposed 2022 tax rate had been published, as required by law.

There being no comments from the public, the public hearing was adjourned at 11:49 a.m.

**ADOPT ORDER SETTING RATE AND LEVYING TAX FOR 2022 (THE "TAX RATE ORDER")**

The Board then considered adoption of the Tax Rate Order. It was noted that the proposed 2022 tax rate exceeded the no-new-revenue tax rate and the voter approval rate but did not exceed the *de minimis* rate. Upon motion by Commissioner McDaniel, seconded by Commissioner Abbey, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Tax Rate Order to increase the property tax rate by the adoption of a tax rate of \$0.0946 per \$100 assessed valuation, which is effectively a 17.37 percent (17.37%) increase in the tax rate, comprised of \$0.0643 per \$100 assessed valuation for maintenance and operations purposes and \$0.0303 per \$100 assessed valuation for debt service purposes.

**TREASURER'S REPORT**

Commissioner Veit next presented to and reviewed with the Board the Treasurer's Report. Upon motion by Commissioner Abbey, seconded by Commissioner Keels, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Treasurer's Report.

**MONTHLY INVOICES AND PAYMENTS**

Mrs. Doyle then presented to and reviewed with the Board monthly invoices and pending payments for approval. Upon motion by Commissioner McDaniel, seconded by Commissioner Veit, after full discussion and the question being put to the Board, the Board voted unanimously to authorize payment of the monthly invoices, as presented.

**SALES AND USE TAX REPORT**

Mrs. Doyle reviewed the Sales and Use Tax Report with the Board. Upon motion by Commissioner Veit, seconded by Commissioner Abbey, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Sales and Use Tax Report.

**TAX ASSESSOR-COLLECTOR'S REPORT**

Ms. Adams presented to and reviewed with the Board the monthly Tax Assessor-Collector's Report. Upon motion by Commissioner McDaniel, seconded by Commissioner Abbey, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Tax Assessor-Collector's Report.

**ENGAGE AUDITOR FOR PREPARATION OF FYE SEPTEMBER 30, 2022 AUDIT ("2022 AUDIT REPORT")**

Mrs. Doyle presented to and reviewed with the Board the confirmation of McCall Gibson Swedlund Barfoot PLLC ("MGSB") engagement for preparation of the 2022 Audit Report. Mrs. Doyle stated that the cost for such services would range from \$16,000.00 - \$17,000.00. Mrs. Doyle added that MGSB's fee for the annual update and reporting compliance related to the Texas County and District Retirement System pension plan was \$1,750.00.

Upon motion by Commissioner Abbey, seconded by Commissioner Keels, after full discussion and the question being put to the Board, the Board voted unanimously to confirm engagement of MGSB for preparation of the 2022 Audit Report.

**REVIEW AND ACCEPT GENERAL, PROPERTY AND WORKERS' COMPENSATION INSURANCE RENEWAL PROPOSALS (EXPIRES SEPTEMBER 30, 2022)**

Chief Doyle presented to and reviewed with the Board insurance proposals from the Leavitt Group ("Leavitt") in the amount of \$63,674 and VFIS in the amount of \$68,269 for property and casualty coverages for the 2022 – 2023 insurance term. Chief Doyle recommended the Board accept the proposal from VFIS, the District's current insurance provider.

Upon motion by Commissioner McDaniel, seconded by Commissioner Abbey, after full discussion and the question being put to the Board, the Board voted unanimously to accept the 2022 – 2023 general/property/Board insurance proposal from VFIS for a premium of \$68,269 and accept the 2022 – 2023 workers' compensation insurance proposal from Leavitt for \$63,674.

**REVIEW AND ACCEPT EMPLOYEE MEDICAL AND DENTAL INSURANCE RENEWAL PROPOSALS (EXPIRES SEPTEMBER 30, 2022)**

Mrs. Doyle presented to and reviewed with the Board an insurance proposal for employee medical plans through Blue Cross Blue Shield of Texas ("BCBS-TX") and employee dental plans and vision plans through Humana for the 2022 – 2023 insurance term. Mrs. Doyle reviewed four (4) medical insurance plan choices, including one (1) HMO plan and three (3) PPO plans.

Upon motion by Commissioner Abbey, seconded by Commissioner McDaniel, after full discussion and the question being put to the Board, the Board voted unanimously to accept the BCBS-TX medical, dental and vision insurance plans proposal, as presented.

**REVIEW AND ACCEPT PROPOSAL FOR EMERGENCY SERVICES VEHICLE AND AUTHORIZE PURCHASE OF SAME**

Chief Hosler then presented to the Board four (4) proposals for a 2022 Ford F550 XL 4X4 ("2022 Ford") from: 1) Wildfire Truck & Equipment, Ltd. ("WTE"); 2) First in Public Safety Solutions ("FPSS") in the amount of \$228,400.00; 3) Southfork in the amount of \$199,920.75; and 4) General Truck Body in the amount of \$199,920.75. Chief Hosler recommended the Board consider the proposal from WTE noting that the vehicle and full build-out would cost in total \$235,000.00.

The Board tabled this matter at this time.

**STATUS OF STATION NO. 61 CONSTRUCTION**

Chief Doyle reviewed with the Board the status of the construction of Station No. 61 noting that District staff has been cleaning and demolition is ongoing. The Board then reviewed Pay Application ("PA") No. 1 (construction phase) in the amount of \$516,287.00, PA No. 4 (pre-construction phase) in the amount of \$31,592.25 and PA No. 5 (pre-construction phase) in the

amount of \$7,800.00. Upon motion by Commissioner Abbey, seconded by Commissioner McDaniel, after full discussion and the question being put to the Board, the Board voted unanimously to approve PA Nos. 1, 4 and 5 in the collective amount of \$555,679.25.

**REVIEW AND ACCEPT PROPOSAL FOR EMERGENCY SERVICES VEHICLE AND AUTHORIZE PURCHASE OF SAME (CONT.)**

Further discussion ensued regarding the proposals for the 2022 Ford. The Board tabled this matter until the October 12<sup>th</sup> Board meeting.

**REVIEW AND DISCUSSION FINANCING OPTIONS FOR THE PURCHASE OF EMERGENCY SERVICES VEHICLE AND AUTHORIZE DISTRICT STAFF TO TAKE ANY NECESSARY ACTIONS ON SAME**

Mrs. Doyle and Chief Hosler reviewed the estimates for financing with the Board and noted the increasing interest rates in the market.

Upon motion by Commissioner Abbey, seconded by Commissioner McDaniel, after full discussion and the question being put to the Board, the Board voted unanimously to authorize District staff to obtain proposals for financing of the 2022 Ford up to \$250,000.00.

**STATUS OF RELOCATION OF AND PAD SITE FOR DISTRICT ADMINISTRATION BUILDING**

Chief Hosler reported the construction of the pad site was complete and the District Administration Building was relocated. Chief Hosler reported that a concrete driveway would be constructed.

**PERFORM ANNUAL EMPLOYEE EVALUATION OF CHIEF KEVIN HOSLER AND DISCUSS RENEWAL OF CONTRACT FOR EMPLOYMENT OF FIRE CHIEF (EXPIRES OCTOBER 1, 2022)**

The Commissioners noted this matter would be discussed during Executive Session.

**REVIEW AND APPROVE CONSULTING AGREEMENT WITH TOUCHSTONE DISTRICT SERVICES ("TOUCHSTONE") FOR WEBSITE PROVIDER SERVICES**

The Board tabled this matter until the October 12<sup>th</sup> Board meeting.

**FIRE CHIEF'S REPORT**

Chief Hosler then reviewed the Fire Chief's Report with the Board. Chief Hosler reported that, in August, the District and NFR responded to 229 service calls, 38 of which were out of District, with an average response time of 6:46 minutes.

Chief Hosler reviewed the status of various District projects being completed by District staff. Chief Hosler noted that the District has saved approximately \$122,000.00 in the current fiscal year by completing projects in-house.

## **REVIEW AND APPROVE FIVE (5) AND TEN (10) YEAR CAPITAL IMPROVEMENT PLANS ("CIP")**

Chief Hosler reminded the Commissioners that they were previously provided the CIP for review. Chief Hosler noted that many of the projects on the five (5) year CIP were already in progress. Upon motion by Commissioner McDaniel, seconded by Commissioner Abbey, after full discussion and the question being put to the Board, the Board voted unanimously to approve the CIP.

## **REVIEW PERSONNEL MATTERS**

There were no personnel matters to review.

## **REVIEW DISTRICT REAL ESTATE MATTERS**

Ms. Adams stated this item would be discussed during Executive Session.

## **REVIEW AND APPROVE 2022 – 2023 ANNUAL AGENDA**

Ms. Adams explained that this item is reviewed annually at the end of each fiscal year, but items are added or removed depending upon the District's needs and/or requirements. Upon motion by Commissioner McDaniel, seconded by Commissioner Keels, after full discussion and the question being put to the Board, the Board voted unanimously to approve the 2022 – 2023 annual agenda.

## **EXECUTIVE SESSION**

Pursuant to the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code, as amended, specifically Section 551.072 regarding real estate matters and Section 551.074 regarding personnel matters, Commissioner Arceneaux convened the Board in Executive Session at 1:19 p.m. The persons present in Executive Session at various times were: Commissioners Arceneaux, McDaniel, Abbey, Veit and Keels; Chief Hosler; and Ms. Adams.

Ms. Adams exited Executive Session at 1:41 p.m.

Commissioner McDaniel exited Executive Session at 1:50 p.m. and reentered Executive Session at 1:56 p.m.

## **RECONVENE IN OPEN SESSION**

All meeting attendees still present re-entered the meeting at this time.

Commissioner Arceneaux then reconvened the meeting in open session at 2:03 p.m. at which time no action was taken by the Board.

## **FIRE CHIEF'S REPORT (CONT.)**

Chief Hosler informed the Board that two (2) District Firefighters were involved in separate off-duty motor vehicle accidents and were both unable to work at this time.

There being no further business to come before the Board, and upon motion by Commissioner Keels, seconded by Commissioner McDaniel, after full discussion and the question being put to the Board, the Board voted unanimously to adjourn the meeting at 2:06 p.m.

PASSED, APPROVED, AND ADOPTED this 12<sup>th</sup> day of October, 2022.

Mark Abbey, Secretary

Board of Commissioners