

## SMITH COUNTY EMERGENCY SERVICES DISTRICT TWO

7:00 P.M. \* Monday \* January 28, 2019  
14128 SH 110 South \* Whitehouse, Texas 75791

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### 1. CALL TO ORDER

President Randy Melton called the Smith County ESD #2 meeting to order at 7:00 p.m. Roll was called; five commissioners were present: Randy Melton, Charles Wilson, Paul Perryman, Leroy Biggers, and Earl Drott. He certified that a quorum was present.

### 2. PRAYER AND PLEDGE

Leroy Biggers led the meeting in prayer and President Melton led the Pledge of Allegiance to the United States and Texas flags.

### 3. RECOGNITION OF GUESTS

President Melton welcomed all guests to the meeting.

### 4. PUBLIC COMMENTS

No one signed up for public comments.

### 5. CONSENT AGENDA

Leroy Biggers made the motion to approve the (a) minutes of the November 26, 2018 regular meeting, as written; (b) November & December 2018 financial reports; 2<sup>nd</sup> by Earl Drott; motion carried 5-0.

### 6. PAYMENTS AND REIMBURSEMENTS

Earl Drott made motion to approve payment of bills: (a.) Current bills/quotes/checks over \$2,000: Card Service Center Dec 2018 \$15,206.07, Jan 2019 \$15,063.75 - District Credit Card; O'Rourke Petroleum - \$2,098.15 Bulk Oil; FR Girls of Texas - \$2,202.55 District Uniforms; Hawley Disposal - \$4,367.96 Roll-off Container-Arp Property Clean-up; Texas Mutual \$3,409.00 Final Audit ESD2 W/C; Geo P Bane \$2,703.55 Excavator Rental – Arp Property Clean-up; Checks Over \$2,000.00 - Ck #17658 Eagle Fuel \$6,147.38, Ck #17678 Eagle Fuel \$3,009.70, Ck #17734 Eagle Fuel \$4,006.30, Ck #17671 CDW Government \$3,667.60, Ck #17679 FR Girls of Texas \$3,808.55, Ck #17699 Big M Auto \$2,775.70, Ck #17785 Mobile Communications \$4,599.29, Ck #17820 Eagle Fuel \$3,020.47, Ck #17833 CDW LLC \$2,243.15, Ck#17837 Eagle Fuel \$2,917.95, Ck#17830 Big M Auto \$6,278.44 and all disbursement checks over \$2,000 in this month's check register included in the financials; 2<sup>nd</sup> by Paul Perryman; motion carried 5-0.

Contract payments made – no action necessary: (b.) Verizon \$2,609.99 Nov 2018, Dec 2018 \$2,725.43, Jan 2019 \$2,609.97 – District Wireless; Smith County Tax A/C \$77,274.00 Tax A/C Fees; Mobile Communications - Nov 2018 \$2,738.25, Dec 2018 \$2,738.25 - District Paging Services; Smith County Appraisal Dist. \$20,354.25 Appraisal Fees; Reliant Energy Dec 2018 \$4,576.43, Jan 2019 \$5,425.02 - District Electric Bills; UnitedHealthcare Dec 2018 \$8,261.00, Jan 2019 \$9,214.73 – Employee Medical Insurance; Suddenlink Dec 2018 \$3,730.26, Jan 2019 \$3,711.57 - District Internet; Nextiva Dec 2018 \$2,307.26, Jan 2019 \$2,305.99 – District Phones & Fax; Mineola Fire Dept \$3,750.00 - 2<sup>nd</sup> Fiscal Qtrly Contract Payment; Van Fire Dept \$3,750.00 – 2<sup>nd</sup> Fiscal Qtrly Contract Payment; SCESD2 Payroll – 11/23/18 \$76,186.18, 12/07/18 \$83,955.11, 12/21/18 \$78,914.46, 01/04/19 \$80,963.88, 01/18/19 \$84,035.28.

## **7. ARP FIRE STATION PROJECT**

President Melton stated he wanted to recognize the Mayor of Arp, Mr. Lowry and thank him for coming to our meeting. Chief of Operations, Terry Rozell stated Kent Harris and his associate are here to answer any questions that he is unable to and stated we have two guestimates, one is low and one is high. The first one is \$1,812,200, which is on the higher end, plus engineering fees. Chief Rozell asked the IT Director, Larry Locke to play the slide show showing the building he is recommending. He is asking the board to decide if we are ready to proceed and take action on the initial project, preplans, and preliminary budget. He turned it back over to the board members for any questions they may have. Leroy Biggers asked if we have purchased the land and President Melton stated we have purchased and cleared the land. Chief Rozell suggested we move forward with the proposed drawings. Once approved we can go out for estimates and a guaranteed price. Paul Perryman stated that interest rates are going up and so is the cost of borrowing money; Leroy Biggers made the motion to approve the preplans and estimated budget to move forward with building the new station in Arp; 2<sup>nd</sup> by Charles Wilson; motion carried 5-0.

## **8. FLINT-GRESHAM FIRE STATION PROJECT**

Chief Rozell stated #8 on the agenda is the same thing we talked about in #7, but is for Flint-Gresham. Their preliminary estimate is \$1,865,000 and depends on the plans for the parking lot. Earl Drott made the motion to approve the estimated budget to move forward with building the new station in Flint-Gresham, 2<sup>nd</sup> by Paul Perryman; motion carried 5-0.

## **9. FLINT-GRESHAM COMMUNITY CENTER BOARD TO OBTAIN THE LAND TO BUILD THE FLINT-GRESHAM FIRE STATION**

President Melton stated #9 on the agenda is to discuss the process to enter into an agreement with the Flint-Gresham Community Center Board to obtain the land to build on. Chief Rozell stated the land belongs to the Flint-Gresham Community Center and he has spoken with the president of their association; he is asking the board to approve the process of drawing up the agreement, he will bring the agreement to the board for review and approval. He needs this before he can take everything to the architect. Charles Wilson made the motion to approve the process of drawing up an agreement with the Flint-Gresham Community Center Board to obtain the land for the Flint-Gresham station; 2<sup>nd</sup> by Earl Drott; motion carried 5-0.

## **10. ARCHITECT AND ENGINEERING COST FOR FLINT GRESHAM & ARP FIRE STATIONS**

Chief Rozell stated the cost for the architects to do the working drawings and the engineering fees for both stations are \$298,662. It includes mechanical engineering, structural engineering, electrical engineering and civil engineering. The fees are less by building both stations at the same time and using the same basic plans. Their services are more than just preparing the detailed drawings; they started three months ago and they will continue through production, any negotiation, and construction. President Melton asked if the \$298,662 would be out of the current budget; Chief Rozell stated it is coming out of the \$3,976,000 cost of building both stations. He stated he needs approval of the fees to move forward with the architect to begin the process. Paul Perryman made the motion to approve the architect and engineering fees of \$298,662; 2<sup>nd</sup> by Leroy Biggers; motion carried 5-0.

## **11. APPROVE HARRIS-CRAIG ARCHITECT FIRM TO BEGIN PREPARING THE CONSTRUCTION DOCUMENTS**

Chief Rozell stated now that the board has approved the estimated cost of the buildings, architect, & engineering fees; we need to approve for the architect to begin the process of the detailed drawings. Charles Wilson made the motion to approve for the architect to begin the detailed drawings for the stations; 2<sup>nd</sup> Paul Perryman; motion carried 5-0.

## **12. APPROVE THE CONSTRUCTION MANAGER AT RISK METHOD**

Chief Rozell stated we have to choose a method of building these stations. He and Kent Harris had a discussion & decided that a construction manager at risk is the desired method to use; it is a government-approved method. Chief Rozell explained how it works; we have the drawings and we advertise to take bids from companies interested in being the construction manager at risk. After the set deadline and all proposals are in, the architect and Chief Rozell will look at the proposals from each company, assign weights to each one to narrow them down to pick one. Once the drawings are complete, the construction manager will send out for proposals from subcontractors for all phases of the building process and we will choose all of the subcontractors. The construction manager will take the subcontractor proposals that we pick and state a guaranteed max price that includes his percentage for the buildings. The construction manager is responsible for bringing the build in at that cost, unless we have a change order. Kent Harris stated usually there are 2 to 3 different classifications of a change; you might want to add or take out something during the course of the project, any increase in cost for this is our responsibility. There are things a construction manager might miss, that cost is his responsibility and the architect could make a mistake, that cost is his responsibility. There is a 2% to 3% contingency built in for concealed conditions that can happen. Leroy Biggers made the motion to approve the construction manager at risk method for building the stations; 2<sup>nd</sup> Charles Wilson; motion carried 5-0.

## **13. CONSTRUCTION MANAGER TO BE CHOSEN USING CRITERIA DEVELOPED BY ARCHITECTS AND SCESD2 STAFF**

Chief Rozell stated that the architect and SCESD2 staff would establish criteria to grade the proposals, once all construction manager interviews are finished, and they have it down to the candidates they want to consider, the board will vote on the choices presented. Kent Harris stated that it is the due legal requirement of the board: they have two decisions to make: (1.) to vote on the construction manager at risk and, (2.) pick the subsequent guaranteed max price; other details the board can delegate to the SCESD2 staff. Earl Drott made the motion to approve for the architect and SCESD2 staff to develop the criteria used to grade the proposals for choosing the construction manager; 2<sup>nd</sup> Paul Perryman; motion carried 5-0.

## **14. TAKE ACTION ON USING GOVERNMENT CAPITAL FOR SECURING FINANCING FOR THE 2 FIRE STATIONS**

Chief Rozell stated he spoke with Ed King with Government Capital; Mr. King assured that the board could mandate Government Capital to advertise in Tyler for local banks to fund the two stations. Chief Rozell stated for example if a bank in San Antonio has the lowest rate, but a local bank comes in at 1/10 of 1% higher, which is very little difference, then we can have the board vote to use the local bank. Once we have the guaranteed maximum price then we can get the financing. The board can allow us to go to Government Capital to start the process and paper work before the guaranteed max amount is available. We can start the process using the approximate cost for building the stations if the board approves to use Government Capital to fund this project. Paul Perryman made the motion to approve using Government Capital to fund the building project for the two stations; 2<sup>nd</sup> Leroy Biggers; motion carried 5-0.

## **15. JEFF AKIN'S PRESENTATION OF THE TJC FIRE PROTECTION TECHNOLOGY PROGRAM**

President Melton stated he needed to give a disclaimer, he is on the SCESD2 board, but he is a member of the advisory committee of the TJC Fire Academy. He then introduced Jeff Akin with TJC, who stated that the school has rewritten their associate degree program. They have incorporated the fire academy into it so when a student goes to the fire academy they receive a cert

from the state and will receive a 24-hour college credit. They also incorporated EMT basic where they will receive 6 hours of college credit. With the fire academy and EMT basic, a candidate will have 30 hours toward their 60-hour college degree. This will start in the fall of 2019 and they are going to offer a bachelor degree in public safety. Tyler ISD will have a fire academy dual credit 2-year program. When the senior graduates, they will have a basic fire cert and an EMT basic cert. Jeff Akin stated Chief Rozell asked him to contact the ESCI consulting firm. He made contact with Mike Montgomery and he is going to incorporate this information into the report for the SCESD2 strategic planning. He asked us to write a letter of recommendation from our board for the bachelor degree program that TJC can use to present to the accrediting agency showing them they have community support for this program. Leroy Biggers made motion for SCESD2 to write a letter of recommendation for TJC to use with their accrediting agency; 2<sup>nd</sup> Earl Drott; motion carried 4-0, with President Melton abstaining.

#### **16. REPAIR NOONDAY ENGINE-1**

Chief Rozell stated the cost to repair Noonday Engine-1 would be \$13,117.50, with a \$5,000 deductible. A new driver was backing into the station and one of the pockets was out and hit a pole. In our SOGs, we did not have anything stating you have to have a spotter to help when backing up. We now have that in our SOGs. There will be no disciplinary action because no procedure was broken. We need approval to go forward with the repairs and pay the insurance deductible. Earl Drott made the motion to have Noonday Engine-1 repaired for \$13,117.50 with SCESD2 paying the \$5,000 deductible; 2<sup>nd</sup> Charles Wilson; motion carried 5-0.

#### **17. ADOPT REVISED DISTRICT- WIDE SOG**

Chief Rozell stated the revised district-wide SOG covers the majority of issues that we run across and things we do operationally. All the district's VFD fire chiefs agreed to adopt these SOGs. The board needs to adopt and approve for the ESD2 to use the same SOGs. Paul Perryman made the motion to approve for SCESD2 to use the revised district-wide SOGs; 2<sup>nd</sup> Charles Wilson; motion carried 5-0.

#### **18. COST SHARE FOR CHAPEL HILL TFS GRANT FOR RESUCE TOOLS**

President Melton stated Chapel Hill received a grant for battery operated rescue tools. The grant is \$20,000 with a cost share of \$6,973.21. With Chapel Hill getting the new battery operated rescue tools, the district will have a backup set. Leroy Biggers made the motion to approve for SCESD2 to pay the \$6,973.21 cost share of the Chapel Hill grant; 2<sup>nd</sup> Charles Wilson; motion carried 5-0.

#### **19. PURCHASE OF A 23' TILT TRAILER**

President Melton stated we received three bids on purchasing a 23' tilt trailer; the low bid was Texas Pride for \$6,325. He also stated the need is there, it will enable us to move the forklift and other equipment in our district. Chief Rozell stated we have been using his personal trailer. Charles Wilson made the motion to approve the purchase of the 23' tilt trailer for \$6,325 from Texas Pride; 2<sup>nd</sup> Earl Drott; motion carried 5-0.

#### **20. LOAN PAY-OFF FOR 3 FIRE ENGINES**

President Melton stated it is time to pay off the loan at Citizens 1<sup>st</sup> Bank for the 3 fire engines. The pay-off is \$1,126,535.20 and this is paying it off several months early. We have the money, but need board approval. Chief Rozell stated the check is written and waiting for signatures. Paul Perryman made the motion to pay off the Citizens 1<sup>st</sup> Bank loan for \$1,126,535.20; 2<sup>nd</sup> Leroy Biggers; motion carried 5-0.

#### **21. ACCEPTING BID FOR MONEY MARKET ACCOUNT (Resolution 2019-001)**

President Melton stated Mr. Perryman sent out a RFP to six local banks to find a higher interest rate for our money market account, which is now drawing .75% interest. The local banks were Regions, Austin, American State, Southside, Citizens National and Citizens State. We received two bids from

Southside and Citizens State Bank. The bid from Citizens State Bank was the best rate at 2.333% with a balance requirement of \$20,000. We would be able to access some of the money if we need to without losing the higher interest rate. Currently we are getting .75% interest and in one year make \$7,500, with the new rate of 2.333%, if we keep the same balance in the account we will make \$23,000. With the move, we would potentially have a \$15,700 increase in interest paid to the district. Paul Perryman made the motion to approve moving our money market funds from Citizen National Bank to Citizens State Bank with an interest rate of 2.333%; 2<sup>nd</sup> Earl Drott; motion carried 5-0.

## **22. BID FOR CLASS B FOAM**

President Melton stated that we received several bids for Class B fire foam ranging from \$90 to \$135 for each five-gallon pail. The lowest bid from Lonestar Emergency Group is \$90 for a five-gallon pail; by buying two pallets at \$5,760, we have free shipping. Chief Rozell stated he is going to put at least five five-gallon pails of Class B foam at each station. Charles Wilson made the motion to approve the purchase of two pallets of Class B from Lonestar Emergency Group for \$5,760; 2<sup>nd</sup> Earl Drott; motion carried 5-0.

## **23. RESPONSE MASTER 2.0**

Ken Dickey gave full disclosure that Emergency Solutions is a company formed by him, Larry Locke, Jerry Vinson, and Keith Tate. They built the company on their own time, not on SCESD2 company time. SCESD2 works off Response Master 1.0 for daily operations built in 2013 by Larry Locke for Whitehouse VFD; he brought it to SCESD2 when hired as the Director of IT. In early 2017, other departments wanting a program similar approached him. The four individuals named formed their company and created Response Master 2.0, which is fully functional with android and iPhones. They will provide Response Master 2.0 to SCESD2 for a zero cost basis and are only asking for SCESD2 to use Emergency Solutions for billing instead of Fire Recovery this will make using Response Master 2.0 for billing and reporting seamless. There are other modules that need to be built and are asking to be allowed to build those on SCESD2 time which normally would cost \$90 per hour; it will not cost SCESD2 because it will be built into Response Master 2.0. President Melton stated that Chief Rozell, Mr. Dickey, Mr. Locke, and he have discussed this and presented it to the SCESD2 attorney. He also stated that it would benefit our district to move to Response Master 2.0 and use Emergency Solutions for our billing. We will have better record keeping and reporting. Chief Rozell is asking the board for approval to allow us to go to the attorney and have a contract drawn up and will present it to the board next month. Paul Perryman made motion to proceed with having our attorney draw up a contract between SCESD2 and Emergency Solutions for the district's reporting and billing; 2<sup>nd</sup> Leroy Biggers; motion carried 5-0.

## **24. BOAT MOTOR REPAIR FOR NOONDAY**

President Melton stated we received a max estimate of \$6,029.88 from The Nautical Mile and \$6,747.94 from The Boat Center to repair the Noonday boat motor. It will depend on what they find once they start the repair. Chief Rozell stated this is a guesstimate; it should not cost any more, but may be less. Charles Wilson made the motion for The Nautical Mile to repair the Noonday boat motor for a max estimate of \$6,029.88; 2<sup>nd</sup> Paul Perryman; motion carried 5-0.

## **25. PAST ACCOMPLISHMENTS**

Paul Perryman stated he wanted to look back and see as a district what we have accomplished in the last four years. We hired an IT person; we now have our own email system, a website, a server room, backup, a time clock, cameras, and verified communications. We have two new fire stations; Winona #3 and Red Springs #2; a maintenance shop with our own certified fleet mechanic. Paid off an eight million dollar loan and updated our fleet of trucks. We are open and honest and have had four individual independent audits with no evidence of wrongdoing or mismanagement of funds. Denna Mangold deserves all the credit for keeping us in the black. No member of the board receives any money or compensation for their time and efforts. We put in place two full time Battalion Chiefs

and six Captains; this brought order to the day crew and they have run over 7000 calls per year. Mrs. Mangold brought it to our attention in 2015/2016 budget year and we started getting points using the district credit card; we have received \$3,000 back to date and in April 2017, we began receiving interest on our operating account; we have made \$3,800 to date. In the 2017/2018 budget year, our full time employees received medical insurance; in the 2018/2019, budget year we added dental insurance and established a retirement plan. No motion necessary.

## **26. FIRE CHIEFS PRESENTING AND DISCUSSING ISSUES**

President Melton opened the floor to the Chiefs. Chief Stone of Flint-Gresham VFD stated he would like to continue the 24-7 staffing at Noonday; it is rolling good and he would like to keep it longer in order to get more data. Chief York of Dixie VFD stated he would like to see revisiting retirement for volunteers. Chief Champion of Whitehouse VFD stated he agreed with Chief Stone on continuing the 24/7 staffing. Chief Arnold of Arp VFD stated he agreed with the 24/7 staffing. Chief Peterson of Chapel Hill VFD stated he would also like to revisit the retirement for volunteers. Chief Mager of Troup VFD stated he would like to see retirement for the volunteers. Chief Walker of Bullard VFD stated he would like to see 24/7 at Bullard and he wants to speak with Chief Rozell about some minor remodeling for his station. Captain Trotty stated he was speaking on the behalf of Chief Van Winkle of Jackson Heights VFD, he also likes the 24/7 staffing. Chief Harper of Noonday VFD stated the 24/7 started out rocky but is going smoothly now. Chief Rozell stated he wants the fire chiefs presenting and discussing issues on the agenda every month. No motion necessary.

## **27. DIRECTOR OF IT REPORT**

Larry Locke stated him and Robert Coda resolved 55 support tickets in the past month. They are working on the air fiber project and server room #2 is 60% complete. They just attended a Barracuda Conference and they are 90% complete on replacing the UPS's. No motion necessary.

## **28. CHIEF OF OPERATIONS REPORT**

Chief Rozell stated Mike Crowley; our Emergency Vehicle Technician passed his last test to become a master EVT and this is a huge accomplishment. Chief Rozell also stated that Seth Meadows, the Captain at the Maintenance Shop is doing a great job. The shop is very understaffed but they are both doing a tremendous job at getting the trucks serviced and repaired. No motion necessary.

## **29. REMARKS BY PRESIDING OFFICE AND/ OR BOARD MEMBERS**

President Melton stated he put some information about SAFE-D's legislative format in the board books so all of the commissioners could read about SAFE-D's goals for Texas ESDs. He also stated he wanted to recognize our representatives; Matt Schaefer, appointed to the higher education committee and the appropriations committee. On the senate side, Brian Hughes appointed to the chair of the administrative committee. President Melton stated at this time the board will be going into a closed session, to discuss some staffing and personnel issues. No motion necessary.

## **30. STAFFING AND PERSONNEL ISSUES WITH NOONDAY VFD**

The board went into closed session to discuss staffing and personnel issues with Noonday VFD.

## **31. CLOSED SESSION**

The board convened in a closed session at 8:56 pm.

## **32. RETURN TO OPEN SESSION**

Returned to open session at 9:24 pm. No action taken on #30.

### **33. ADJOURNMENT OF MEETING**

President Melton stated the next board meeting is at Smith County ESD #2, 14128 SH 110 South, Whitehouse, TX 75791; Monday, February 25, 2019 at 7:00 p.m.; he declared the meeting adjourned at 9:30 p.m.

Respectfully submitted by: \_\_\_\_\_

Paul Perryman, Secretary/Treasurer