

MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF COMMISSIONERS OF THE
GALVESTON COUNTY EMERGENCY SERVICES DISTRICT NO. 2

A special meeting of the Board of Commissioners of Galveston County Emergency Services District No. 2 (the "District") was called for at 9:00 a.m. on June 26, 2018, at the Crystal Beach fire station, 930 Noble Carl Road, Crystal Beach, Texas 77650, pursuant to notice duly posted according to law.

The meeting was called to order at approximately 9:00 a.m., and the roll was called of the duly constituted officers and members of the Board, to wit:

Sid Bouse	President
Kate Newberry	Vice President
John Lee, Jr.	Secretary
George Strong	Treasurer
Larry Flanagan	Assistant Treasurer

All of said Board members were present, thus constituting a quorum. Also present at the meeting were: Doug Saunders, District Manager; and, Georgia Osten, District Administrative Assistant.

Upon establishing that a quorum was present, President Bouse directed the Board to Agenda Item No. 3, at which time the Board members and others in attendance said the U.S. and Texas pledges of allegiance.

Next, the Board moved along to Agenda Item No. 4 regarding the transfer of EMS operations from PEMSI to the District. The Board discussed the various steps leading up to the transfer, as well the name and D/B/A of the District EMS. Upon motion by Treasurer Strong and seconded by Vice President Newberry, and with the unanimous consent of all the members present, the Board approved the name "Galveston County ESD No. 2 Emergency Medical Service". Then, after Mr. Saunders advised the Board of the need to forward payment to the State in the amount of \$860.00 for the District's EMS licenses, Treasurer Strong made a motion

to authorize and approve said payment, which was seconded by Vice President Newberry and unanimously approved by the Board. The Board then discussed with Mr. Saunders the plan for staffing EMS personnel, addition of EMS service and equipment to the District's insurance policy, and preparation of a quality improvement assessment plan. The Board then discussed locations at which the ambulances are stationed, which need to be licensed, and the need for updating the contracts for use of said locations. With regard to the District's EMS service provider application, Joey Ancelet, Texas DSHS EMS Specialist for the Beaumont/Port Arthur area, will review the application to make sure it is complete and correct before submittal. Upon motion by Treasurer Strong, as amended by Secretary Lee, and seconded by Vice President Newberry, the Board unanimously authorized Mr. Saunders to submit the District EMS application to the State following review of same by Mr. Ancelet. It was also noted that insurance payments for EMS services performed by PEMSI will continue being paid to PEMSI until transition is complete.

The Board then moved ahead to Agenda Item No. 5, at which time the Board discussed status of preparation of the District's 2018-19 budget. It was also noted that Treasurer Strong, Assistant Treasurer Flanagan, and Mr. Saunders will be meeting with PEMSI representatives on July 11, 2018 to review and discuss the EMS budget. Treasurer Strong is also going to get with Mr. Heinz regarding copies of PEMSI billing records.

Next, the Board was directed to Agenda Item No. 6, at which time the Board discussed the needed edits to the VFDs' contracts for housing the ambulances. The Board also discussed the status of the revised contract for the Crystal Beach station, and President Bouse is going to contact Commissioner Apffel to inquire about same. Additionally, the Board discussed the status of PEMSI's bookkeeping records and tax returns, and review of same by David Sticker.

President Bouse then directed the Board to Agenda Item No. 7 regarding the District Manager's employment contract, the principal terms of which had previously been approved by the Board. Upon motion by Treasurer Strong and seconded by Vice President Newberry, the Board unanimously approved Mr. Saunders employment contract, a copy of which is attached hereto as Exhibit A.

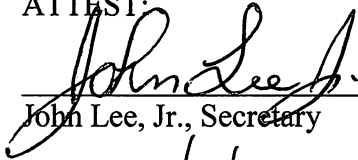
The special meeting was adjourned at approximately 10:00 a.m.



Sid Bouse, President

Date: 7/18/2018

ATTEST:



John Lee, Jr., Secretary

Date: 7/18/2018

Exhibit A

District Manager Employment Contract

This Employment Agreement ("Agreement") is made on JUNE 26th 2018, 2018 at Crystal Beach, Galveston County, Texas, between Galveston County Emergency Services District No. 2 ("GCESD No. 2" or the "District"), a political subdivision of the State of Texas having its administrative office located at 930 Noble Carl Dr., Crystal Beach, Texas 77650, and Doug Saunders ("Manager"), an individual residing at 951 E. Hwy. 90, China, Texas 77613.

Whereas, GCESD No. 2 desires to hire and employ a District Manager on the terms and conditions provided in this Agreement to manage and oversee the overall operations and administration of the District, monitor and coordinate with the District's independent contractor emergency service providers ("service providers"), and perform all other duties and responsibilities required of the District Manager, including, but not limited to, those duties specifically set forth herein;

Whereas, Manager desires to be employed by GCESD No. 2 as its District Manager on the terms and conditions provided in this Agreement, and Manager represents that he is capable and willing to perform the duties and responsibilities required of the District Manager, including, but not limited to, those duties specifically set forth herein;

Therefore, in consideration for the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which both parties expressly acknowledge, GCESD No. 2 and Manager agree as follows:

I. Employment

GCESD No. 2 hereby agrees to employ Manager as District Manager, and Manager accepts such employment and agrees to remain so employed, upon the terms and conditions stated herein.

II. Term

A. Term. Manager's employment under this Agreement shall commence on August 1, 2018 and shall continue thereafter for a period of three (3) years. However, this Agreement may be terminated early, without advance notice, for cause, death or disability, or by mutual agreement of the parties.

B. "Cause" and "Disability". For purposes of this Agreement, the definition of "cause" includes, but is not limited to, the following, as reasonably determined by GCESD No. 2's Board of Commissioners (the "Board"): (a) the indictment of Manager of a felony (or any crime involving moral turpitude); (b) the theft, conversion, embezzlement or misappropriation by Manager of funds or other assets of GCESD No. 2 or any of its service providers, or any other act of fraud or dishonesty with respect to the District (including acceptance of any bribes or kickbacks or other acts of self-dealing); (c) Manager fails to obtain or maintain any required license or certification; (d) intentional, grossly negligent, or unlawful misconduct by Employee

- (g) Manage and maintain all District records, including financial and asset records, and maintain the GCESD No. 2's asset inventory;
- (h) Coordinate and communicate with GCESD No. 2's vendors, including, but not limited to, the District's insurance carrier(s);
- (i) Report to the Board on all District administrative and operational matters and activities; and,
- (j) Make a best effort to attend all GCESD No. 2 Board meetings to advise the Board members on the state and activities of the District.

IV. Compensation

A. Salary. As compensation for all services rendered under this Agreement, GCESD No. 2 will pay Manager a salary of \$120,000.00 per year, less customary withholdings, which will be pro-rated and paid to Manager on the District's regular paydays.

B. Cost of Living Adjustment. Manager's salary will be adjusted annually to reflect the increase, if any, in the cost of living by adding to the salary an amount obtained by multiplying the salary by the percentage by which the level of the Consumer Price Index for Urbans Wage Earners and Clerical Workers (CPI-W), being the same rate used for Social Security Income purposes. Said annual cost of living increases, if any, shall go into effect on August 1st of each year hereafter. In no event will Manager's salary be decreased under the terms of this provision.

V. Other Employment Benefits

A. Personal Leave. Manager is entitled, immediately upon commencement of this Agreement, to ten (10) days per calendar year of paid personal leave, to be used for personal or family business or vacation time. The Employee may use this leave at his discretion. No more than five days of leave may be carried over to a succeeding calendar year. Any additional unused leave is forfeited. Additional days of paid personal leave may be considered by the Board after the first year of Manager's employment as part of his annual performance review, which is addressed below.

B. Sick Leave. Manager is entitled to sick leave with full pay pursuant to and in accordance with the District's sick-leave policy for full-time employees. "Sick leave" is defined as short-term absences from employment that are necessary due to illness or injury.

C. Vehicle. During the employment term under this Agreement, GCESD No. 2 will either (a) provide Manager with a District vehicle to use in order to carry out his duties as District Manager, which Manager will be authorized to use for traveling to and from his home, so long as his home is located within 45-miles of the District's boundary; or, (b) GCESD No. 2 will provide Manager an allowance of \$1,000.00 per month for the costs associated with the use of Manager's personal vehicle. This provision is subject to Manager maintain possession of a valid driver's license and a satisfactory driver safety record.

B. Copies. A facsimile, photo or other electronic copy of this Agreement (or any counterpart hereof) shall be deemed to be an original.

XI. Legal Construction

A. Invalid, Illegal or Unenforceable Provisions. In the event that any one or more of the provisions contained in this Agreement is for any reason be held to be invalid, illegal, or unenforceable in any respect, that invalidity, illegality, or unenforceability will not affect any other provisions, and the Agreement will be construed as if the invalid, illegal, or unenforceable provision had never been contained in it.


B. Headings. The headings contained in this Agreement are for convenience of reference only and shall not affect the meaning or interpretation of this Agreement.

C. Not Construed Strictly Against Drafter. This Agreement shall not be construed strictly against the drafter (and any rule of construction to that effect shall not be applied).


XII. Entire Agreement

This Agreement constitutes the sole and only agreement of the parties and supersedes any prior understandings or written or oral agreements between the parties respecting this subject matter.

Executed at Crystal Beach, Galveston County, Texas, on Aug 6, 2018.



**Sid Bouse, President of the Board of
Commissioners of Galveston County
Emergency Services District No. 2**



Doug Saunders