MINUTES
BOARD OF DIRECTORS' REGULAR MEETING

OCTOBER 13, 2011

The El Paso Central Appraisal District Board of Directors held a regular meeting on Thursday, October 13, 2011, at 5:44 p.m., in the Conference Room of the El Paso Central Appraisal District at 5801 Trowbridge, with the following members present:

Raymundo Sepulveda, Chairman
Gary Gandara, Vice-Chairman
Yvonne Sanchez, Secretary

Alfredo Borrego
Isela Castañón-Williams
Eddie Holguin, Jr.

Six members being present, there was a quorum, with Ms. Sanchez joining the meeting at 5:50 p.m.

Ms. Carmen Hegeman, EPCAD legal counsel, was in attendance for the entire meeting.

First order of business was to recite the Pledge of Allegiance to the flag of the United States of America.

AGENDA ITEM 1 – APPROVAL & SIGNING OF MINUTES FOR SEPTEMBER 8, 2011

Ms. Castañón-Williams made a motion to approve the September 8, 2011, minutes as presented. Mr. Gandara seconded the motion. Motion passed unanimously.

AGENDA ITEM 2 – PUBLIC COMMENT

No public comment was made.

AGENDA ITEM 3 – REVIEW OF FINANCIAL STATEMENT AUGUST, 2011

Ms. Rosa Goldmann, Comptroller, presented the August, 2011 Financial Statement. All financial statements are on file and a matter of record in the District's accounting office.

Mr. Gandara made a motion to approve the financial statement as presented. Ms. Castañón-Williams seconded the motion. Motion passed.

AGENDA ITEM 4 – MONTHLY BENEFITS USAGE REPORT – SEPTEMBER, 2011

Ms. Gabrielle Melendez, Human Resource Manager, presented the Health Benefit Usage Report for September, 2011. The Year-to-Date Loss Fund for September is $795,232.54, with the Year-to-Date Paid Subject to Loss Fund $645,822.13. The Specific Year-To-Date Reimbursement for September was $90,174.69 with the Aggregate Specific of $36,397.73, showing a positive balance of $203,187.37.

AGENDA ITEM 5 – DISCUSSION & POSSIBLE ACTION REGARDING WESTERN JANITORIAL SERVICES, INC. CONTRACT RENEWAL (ONE YEAR).

Ms. Kilgore advised the Board that EPCAD solicited RFP’s for janitorial services in September, 2010 and Western Janitorial was the successful bidder. Their contact had an option for a one year with a renewal. Ms. Kilgore advised the Board that Mr. Bacon of Western Janitorial said there would be no increase for the coming year. Ms. Kilgore is asking the board to renew the contract for one (1) additional year. In 2012 an RFP will be initiated for this service.
Mr. Borrego made a motion to approve the one (1) year extension. Ms. Castañon-Williams seconded the motion. Motion passed.

AGENDA ITEM 6 – DISCUSSION & POSSIBLE ACTION REGARDING DELL LEASE FOR PERSONAL COMPUTERS (PC’S)

Ms. Kilgore turned the presentation over to David Stone for agenda Items 6 and 7. Mr. Stone advised the Board that currently, the appraisal district is leasing 108 desktop PC’s from Dell which have a three-year lease. The lease expires this month and EPCAD would like to get another lease for four year lease from Dell and increase the number of PC’s from 108 to 140. When EPCAD did the original lease, some of the some of the previous PC’s which were purchased were still technologically viable, and all PC’s were not replaced. However, at this time, all PC’s require replacement. Therefore, EPCAD would like to secure a 4-year lease for a total cost of $137,272.08 which comes out to $34,318.02 per year. This figure is actually lower than what was budgeted, and ties into Item 7 on the agenda, the purchase of software. The original intention was to lease the PC’s with Windows and Office pre-loaded. In talking with the Dell, it was determined it could not be done with the Enterprise Version of the software, only with the Pro-Version of the software. EPCAD needs the Enterprise version so that the IT Department can push the software images to the machines and make the maintenance easier on EPCAD. EPCAD went out and got two quotes for replacing the software.

In addition, EPCAD has to purchase 140 licenses for Office and 200 licenses for Windows, with the reason being, that some computers in the building are not being used for work that requires the Office Suite - - such as the HVAC computer that runs the HVAC system, the security system which runs the building security. These do not need Office. EPCAD secured two quotes. The lowest quote received was from Dell, which is a threeyear contract for $93,332.40 which comes out to $31,452.74 per year. Mr. Stone said there is money in the software budget to cover this item.

Mr. Stone stated that EPCAD is presently using Windows XP operating system which is no longer supported by Microsoft. Therefore, EPCAD will upgrade to Windows 7. Currently, EPCAD has Office 2003 and Office is currently at version 2010. As a result, EPCAD is beginning to encounter compatibility issues with incoming documents.

Mr. Stone explained to the Board that the current software has been used to the fullest extent and is no longer viable. In response to Mr. Borrego’s question regarding approval of the contract, Mr. Stone explained that the contract requires Board approval as it is a multiple year contract.

Mr. Stone also explained that any differences in costs, would be taken from funds budgeted for customization of the CAMA system.

Mr. Holguin questioned the four year lease for the PC’s when the life of a PC is about two years. Mr. Stone explained that PC’s can be upgraded at least once and be technologically viable. Both he and Ms. Kilgore explained to the Board that leasing is done for cost efficiency. Mr. Stone advised that EPCAD is already several versions behind the current Windows operating system. There is no longer support for the version in place. Mr. Stone advised the Board that it would cost $10,000 to change the lease from a four (4) year lease to a three (3) year lease.

Ms. Castañon-Williams made a motion to approve items as budgeted in the 2011/2012 Adopted Budget - - 5090 account. Motion was seconded by Mr. Gandara. Motion carried.

AGENDA ITEM 7 – DISCUSSION & POSSIBLE ACTION REGARDING POSSIBLE PURCHASE OF SOFTWARE

See Item 6 for discussion.

Motion was made by Mr. Gandara to approve purchase of software and seconded by Ms. Sanchez. Motion carried.
AGENDA ITEM 8 – DISCUSSION & POSSIBLE ACTION REGARDING ENCUMBERED 2010/2011 FUNDS FOR PURCHASE OF NEW CHILLER FOR HVAC SYSTEM FOR 5801 TROWBRIDGE

Ms. Kilgore explained that three quotes were obtained for a new chiller for the HVAC system. The companies that submitted quotes for replacement were PC Automated Controls, TRANE and McQuay. Ms. Kilgore advised the Board that after a careful analysis, the most effective quote is from PC Automated Controls in the amount of $90,991 and recommends the Board award the purchase to PC Automated controls for a new 130 ton Carrier unit.

Ms. Sanchez moved to approve the purchase of the chiller for the HVAC in the amount of $90,991 from PC Automated Controls. The motion was seconded by Mr. Borrego. Mr. Holguin voted no. Motion carried.

Ms. Kilgore advised that the amount is less than the $108,720 encumbered by the Board and that difference will be returned to the entities.

AGENDA ITEM 9 – DISCUSSION & POSSIBLE ACTION REGARDING ENCUMBERED 2010/2011 FUNDS FOR ACQUISITION OF CHANGE FINDR® APPLICATION FOR PICTOMETRY® SYSTEM

Ms. Kilgore introduced Mr. Matt Thomas and Mr. Kevin Beers from Pictometry© Inc.

Mr. Beers addressed the Board and explained the Change Findr © application and provided a demonstration of the application. Change Findr © is actually a software package that includes change detection. This application identifies differences in properties from one set of aerial photographs to another, more recent set by capturing the differences in structures. This application can identify and distinguish by category of property, such as new improvements, changes to existing improvements and improvements that no longer exist.

Mr. Thomas advised the Board that this application reduces the time required to pick up these changes to the appraisal roll, by automating the process as opposed to manual inspection. This makes the appraisal process much more efficient for EPCAD.

Mr. Thomas explained that Harris, Denton, Lubbock and Galveston have this application and are very satisfied with the results in additional value that otherwise might not be accounted for due to lack of access to the property. This makes for an efficient and sound appraisal roll.

Ms. Kilgore advised the Board that just with the Pictometry © alone, EPCAD was able to provide over a million dollars in additional levy to the taxing entities. She also advised that during the 2011 appeals process, EPCAD was able to hold 93% of the values as opposed to 50% in prior years. Ms. Kilgore explained that this application would be a terrific addition for EPCAD.

The current Change Findr© cost would be applied and used for El Paso ISD, Ysleta ISD and Socorro ISD. Future costs for using Change Findr © for the other entities will be a budgeted item in future budgets.

Ms. Sanchez expressed her overall satisfaction with Pictometry©.

Ms. Kilgore explained that the Board encumbered $115,000 for this item, however, the cost is actually $107,445.55. The difference would go back to the entities.

Mr. Holguin raised a question regarding EPCAD possibly violating any trespassing issues to which Ms. Kilgore and Mr. Sepulveda responded that there would be no legal violations.

Mr. Albert Molina, EPCAD’s Appraisal Director explained to the Board that there are still approximately 292,000 parcels that need to be reviewed. He also stated that only 13 percent of the County had been subject to Pictometry © and that 13 percent review netted over $1,000,000 dollars in additional tax levies for the Upper Valley entities.

In response to an inquiry from Mr. Gandara, Ms. Kilgore advised that Socorro ISD would see the benefits of this
application in 2012.

Motion was made by Ms. Castaño-Williams to approve the purchase of the Change Findr© application from 2010/2011 encumbered funds in the amount of $107,445.55. Motion was seconded by Ms. Sanchez. Mr. Holguin voted no. Motion carried.

AGENDA ITEM 10 — DISCUSSION & POSSIBLE ACTION REGARDING — EXECUTIVE SESSION UNDER THE - AUTHORITY OF TEX.GOV’T. CODE § 551.071 & 551.074 TO DISCUSS LEGAL& PERSONNEL MATTERS

In accordance with the Open Meetings Act, TEX. GOV’T. CODE § 551.071 & 551.074, the Board of Directors went into Executive Session at 6:47 p.m. to discuss legal and personnel matters. The Board returned to open session at 6:53 p.m. No action was taken in Executive Session.

A. Dick Poe Family LTD Partnership vs EPCAD, Cause No. 2010TX808
B. Pronghorn Properties LTD vs EPCAD, Cause No. 2009TX913
C. Chui H Woo vs EPCAD, Cause No. 2011TX415
D. JB4 Properties LP vs EPCAD, Cause No. 2009TX1345
E. Peace Partners Car Wash LLC vs EPCAD, Cause No. 2010TX1049
F. Redd Road Compound LTD vs EPCAD, Cause No. 2010TX1281
G. River Oaks Properties vs EPCAD, Cause No. 2009TX986
H. Second El Paso Venture LLC vs EPCAD, Cause No. 2009TX1118
I. Shapiro El Paso County Texas LP vs EPCAD, Cause No. 2011DTX02251
J. Cedar Homes vs EPCAD, Cause No. 2008TX979

AGENDA ITEM 11 — DISCUSSION & POSSIBLE ACTION REGARDING A-J ABOVE

Mr. Borrego made a motion to settle items A-J as recommended by legal counsel. Ms. Sanchez seconded the motion. Motion passed.

AGENDA ITEM 12 — CHIEF APPRAISER REPORT

Ms. Kilgore reported that EPCAD is preparing for the 2012 year and the ARB will be in session in early November.

In response to an inquiry from Ms. Sanchez, Ms. Kilgore explained that the individual entities will not receive any formal notification that Change Findr© has been acquired, however, the benefits will be seen in the 2012 Preliminary Appraisal Roll that will be sent out in April. Ms. Kilgore stated that the Board members may want to carry this information to their entities.

There being no further business to come before the Board, the meeting was adjourned at 6:56 p.m.

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Raymundo Sepulveda, Chairman

ATTEST:

Yvonne Sanchez, Secretary