

MINUTES OF JULY 16, 2019, MEETING
HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 48

A regular meeting was duly called of Harris County Emergency Services District No. 48, which was held at the District Administration Building which is located at 21201 Morton Road, Katy, Texas 77449 on Tuesday, July 16, 2019.

CALL MEETING TO ORDER AND ESTABLISH A QUORUM.

The meeting was called to order at 7:00 p.m. by **Marshall Kramer**, President, who announced that a quorum was present. Those Commissioners present were:

Marshall Kramer	Present
Sam Henderson	Present
Bret Fossum	Present
Russell Solomon	Present
Michael Fleming	Present

Also present at the meeting were Fire Chief and Emergency Management Director, Jeff Hevey, Assistant Chief of EMS, Eric Bank, Assistant Chief of Administration, Tommy Westall, Assistant Chief of Operations, Brett Ellis, Division Chief of Logistics, Ray Sidwell, HR Office Manager, Walla Mourad, Assistant Office Manager, Jackie Tobar, and other ESD Members. Also, Rich Majeres with Ubersnosky & Majeres, PLLC, Ricardo Martinez with Martinez Architects, LLC, Jill Henze and Elaine Li with Breedlove & Co., P.C., and Ira Coveler with the law firm of Coveler & Peeler, the District's legal counsel, were also present.

WELCOME BY CHIEF JEFF HEVEY AND SWEARING-IN CEREMONY OF NEW PERSONNEL OF THE DISTRICT.

Fire Chief, Jeff Hevey, welcomes all to tonight's Swearing-In and Promotion Ceremony.

The Pledge of Allegiance led by Fire Chief, Jeff Hevey.

The Opening Prayer led by Chaplain, Mardie Menke.

Swearing-In and Promotion Ceremony:

Full-Time Fire Battalion Chief Promotion:

Justin C. Pfitzner

Full-Time Fire Captain Promotion:

Clinton D. Henderson

Part-Time Fire Captain Promotion:

David Sawyer

Full-Time Fire Lieutenant Promotion:

Maria Cardenas
Zachary D. LaBonte

Full-Time Firefighter Emergency Medical Technician-Basic:

James Schwinn

Recess to HCESD No. 48 Meeting.

TO RECEIVE PUBLIC COMMENT.

No members present at the meeting elected to make public comment.

TO REVIEW, DISCUSS, AND TAKE ACTION RELATED TO THE MONTHLY SALES TAX REPORT.

Item tabled. There was no sales tax report provided to the District for review.

TO PAY DISTRICT INVOICES AND EXPENSES AND TAKE ACTION RELATED TO THE DISTRICT'S INVESTMENT FUNDS.

Ms. Tobar presented the Board with the District bills. The Board reviewed and discussed the District bills. Mr. **Henderson** made a motion to approve the District bills related to expenses incurred by the District since the prior meeting. Mr. **Fossum** seconded the motion. The motion passed 5 to 0.

Mr. Coveler discussed with the Board the District's diversification of its investments. Following a discussion of the allocation of the District's invested funds, Mr. **Henderson** made a motion to approve reallocating \$3 million of the District's investment funds from the District's Texpool to TexCLASS. Mr. **Fossum** seconded the motion. The motion passed 5 to 0.

TO REVIEW, DISCUSS, AND TAKE ACTION REGARDING THE ADOPTION OF THE DISTRICT'S 2019 INVESTMENT POLICY.

Mr. Coveler presented the District's 2019 Investment Policy and discussed some of the changes he was recommending to the policy. Following a review and discussion of the changes, Mr. **Henderson** made a motion to approve the District's 2019 Investment Policy noting that the funds to be held in emergency reserve shall be reduced to three (3) months of reserve funds. Mr. **Solomon** seconded the motion. The motion passed 5 to 0.

Mr. **Solomon** made a motion to re-appoint Mr. **Henderson** as the District's Investment Officer. Mr. **Fossum** seconded the motion. The motion passed 4 to 0.

TO REVIEW, DISCUSS, AND TAKE ACTION ON MATTERS RELATED TO THE CONSTRUCTION OF THE FIRE STATION NO. 1 PROJECT, INCLUDING THE APPROVAL OF ANY PAY APPLICATIONS AND TAKE ACTION REGARDING THE DISTRICT'S TEMPORARY FACILITY LOCATED AT THE STATION NO. 1 SITE.

Mr. Martinez discussed the following items in his presentation:

Design Activities:

- The project has been set up on Procore.
- Christensen Building Group contract has been issued/reviewed by Mr. Coveler.

Anticipated Activities:

- Notice to proceed to be issued Monday, August 5, 2019 (Christensen to provide)

Construction Activities:

- Christensen Building Group and MA to initiate the project.
- The site to be enclosed with temporary fencing.
- Temporary Facility
 - Construction meeting held 7/3/19 and 7/16/19.
 - Construction progress is on track for early August move-in.
 - Fire Marshal inspection scheduled for 7/22/19.
 - Substantial completion 7/30/19.

Schedule:

- To be updated by Christensen.

Financials:

- Owner to provide:
 - Tax Exempt Certificates
 - Proof of Funding

Mr. Coveler shared that the final contract negotiations with Christensen Building Group, LLC had been finalized and approved and that the project was able to commence. Mr. Coveler also shared that the lender funding from Capital One Bank was in place for the District to fund the project and that those proceeds would be deposited with the District prior to the end of the month. Following a discussion, Mr. **Solomon** made a motion for Martinez Architects to issue the notice to proceed to Christensen Building Group, LLC on Monday, August 5, 2019. Mr. **Fossum** seconded the motion. The motion passed 5 to 0.

TO RECEIVE THE FINANCIAL REPORT FOR THE DISTRICT AND TAKE ANY ACTION RELATED THERETO.

Ms. Henze with Breedlove & Co., P.C. presented the District's 2018 Audit Report. The commissioners reviewed the District audit and discussed same with Ms. Henze, the District's bookkeeper and legal counsel. Following the discussion, Mr. **Henderson** made a motion to accept the District's 2018 Auditor's Report with the changes presented and discussed with the auditor. Mr. **Fleming** seconded the motion. The motion passed 5 to 0.

Mr. Majeres with Ubernosky & Majeres, PLLC presented the District's Financial Report. As of July 16, 2019, the District's combined Cash Balances (Current Assets) total \$11,243,948.00. The estimated remaining Property Tax Collections are \$222,524.00. The estimated remaining 2019 Sales Tax Collections are \$1,845,000.00. The estimated remaining 2019 EMS Billing Collections are \$957,000.00. The estimated remaining ESD 1 Agreement is \$125,000.00. The remaining 2019

Budgeted Expenses are \$8,402,208.00. The projected Cash Reserve for December 31, 2019, is \$6,288,220.00. The District's Total Debt Service Outstanding is \$17,873,212.00. The District's combined Note Balances (Liabilities and Equity) total \$13,945,009.11. The District has collected \$2,197,003.62 in Sales Tax Revenue for 2019.

Mr. **Henderson** made a motion to accept the Financial Report from the District Bookkeeper as presented. Mr. **Fleming** seconded the motion. The motion passed 5 to 0.

Please see the report from **Rich Majeres** with Ubersnosky & Majeres, PLLC for complete listings and details of all figures presented.

Mr. Coveler stated that a Construction Account to hold the District's construction loan proceeds needed to be established. Mr. **Fossum** made a motion to open a Construction Account with Allegiance Bank. Mr. **Solomon** seconded the motion. The motion passed 5 to 0.

TO REVIEW AND TAKE ACTION ON MINUTES OF PRIOR MEETINGS.

Mr. **Henderson** made a motion to accept the meeting minutes for the June 18, 2019 and July 3, 2019 meeting minutes as submitted. Mr. **Solomon** seconded the motion. The motion passed 5 to 0.

TO RECEIVE A REPORT FROM FIRE CHIEF, JEFF HEVEY, AND TAKE ANY NECESSARY ACTION RELATED TO HIS REPORT.

Fire Chief Hevey stated there was a plane crash incident on Saturday, July 13, 2019. The department did a phenomenal job on the scene. The Chief stated that the department is currently in the process of hiring a Full-Time Firefighter. Fire Chief Hevey discussed the GTT Contract Traffic Preemption agreement as well as the agreement that would be needed between the District and Harris County to install the GTT equipment into the Harris County traffic controller boxes. Tactical Athletic Performance will be coming out to visit to discuss best doctors and sport medicine treatments for our employees. Monday, August 5, 2019, there will be a community roundtable discussion, comprised of school leaders, the sheriff's office and other responding agencies and departments in the area to review active shooters scenarios at the local schools. Finally, he reported that the members of the Department had finished their Life Scan screenings and he is reviewing on what time period basis the examinations will be repeated. The Chief shared that his current belief is that the scans should be available every other calendar year.

TO RECEIVE FIRE DIVISION AND ADMINISTRATIVE REPORTS AND TAKE ANY NECESSARY ACTION RELATED TO THE REPORT.

Chief Ellis discussed the Fire Report. Suppression had a total of 338 calls for June 2019. He informed the Board that a Water Rescue class is scheduled for July and that a video promoting Volunteer Recruitment has been posted on the District's website. The Department is moving to one (1) class per year from October to April. Finalized Driver Operator Training Program. The new gear specs have been chosen by the Committee. All Full-Time Suppression has been sized, and orders have been placed with Lion.

Chief Westall discussed the Administrative Report. The purchase order with Home Theatre was canceled due to non-performance. Recliners were due to arrive no later than mid-June, but because of delays on our side, we gave them additional time to deliver until mid-July. Unable to confirm with the owner that the chairs were here. Sent a letter and e-mail canceling the order. Placed new order with Gallery Furniture and will have the chairs in ten (10) days. Meeting with TXU Energy will send information to Mr. Coveler regarding renewing the contract. Mr. Coveler will handle the Bond renewal with Wortham. Stargel and Best Buy has been scheduled for delivery to new modular buildings. Chief Sidwell discussed ADA sidewalks.

Mr. **Solomon** made a motion to grant access to Harris County to install ADA sidewalks at Station 3. Mr. **Fossum** seconded the motion. The motion passed 5 to 0.

TO RECEIVE AN EMS DIVISION REPORT FROM ASSISTANT CHIEF OF EMS ERIC BANK AND TAKE ANY NECESSARY ACTION RELATED TO THE REPORT.

Chief Bank discussed the EMS Report. EMS had a total of 677 calls for June 2019. Average response time was six (6) minutes and thirty-three (33) seconds. There were three hundred eighty-nine (389) non-transport/non-emergency calls. Life Flight was used twice this month. EMS conducted the following Mutual Aid: one (1) call to Community FD, one (1) call to Katy FD, and six (6) calls to Westlake FD. EMS is trying to stay ahead with ordering medicine.

TO REVIEW, DISCUSS, AND TAKE ACTION REGARDING ADOPTION AND AMENDMENT OF DISTRICT POLICIES AND STANDARD OPERATING GUIDELINES.

Item tabled.

TO REVIEW, DISCUSS, AND TAKE ACTION ON ANY NEEDED MAINTENANCE OR REPLACEMENTS OF THE DISTRICT'S EQUIPMENT, APPARATUS, AND FACILITIES.

The new Chevrolet Tahoe has arrived. Chief Bank will be operating the vehicle. The vehicle that was Chief Bank's will now be operated by Chief Leverance, and his vehicle will be transferred to Training for its use.

REVIEW AND TAKE ACTION ON DISTRICT PERSONNEL MATTERS.

Item tabled.

TO REVIEW, DISCUSS, AND TAKE ACTION FOR THE SALE OR DISPOSAL OF SURPLUS AND/OR SALVAGE PROPERTY PURSUANT TO TEXAS HEALTH AND SAFETY CODE §775.0735.

Item tabled.

TO DISCUSS ANY NEW ITEMS WHICH NEED TO BE ON THE AGENDA FOR THE SUBSEQUENT DISTRICT MEETINGS AND APPROVE THE PROPOSED MEETING DATES FOR THE BILL PAY MEETING TO BE HELD ON WEDNESDAY, AUGUST 7, 2019 AT 6:30 P.M., AND THE REGULAR MONTHLY MEETING TO BE HELD ON TUESDAY, AUGUST 20, 2019 AT 7:00 P.M.

The Bill Pay meeting will be held on Wednesday, August 7, 2019, at 6:30 p.m. and the regular Monthly meeting will be held on Tuesday, August 20, 2019, at 7:00 p.m.

TO MEET IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE §551.071 TO CONSULT WITH LEGAL COUNSEL REGARDING PENDING OR CONTEMPLATED LITIGATION, SETTLEMENT OFFERS OR ON MATERS WHICH REQUIRE CONFIDENTIALITY UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS AND TAX CODE §323.3022 TO DISCUSS SALES TAX MATTERS.

The District entered closed session at 10:01 p.m., to consult with legal counsel regarding matters which require confidentiality under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas.

TO MEET IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE §551.072 TO DELIBERATE REGARDING REAL ESTATE MATTERS. No need for closed session on this matter.

TO MEET IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE §551.074 TO DISCUSS PERSONNEL MATTERS.

The District entered closed session at 10:01 p.m., to discuss personnel matters.

REVIEW AND TAKE ACTION ON DISTRICT REAL ESTATE MATTERS AND PERSONNEL MATTERS DISCUSSED IN CLOSED SESSION. No need for closed session on this matter.

The Board exited closed session at 11:42 p.m.

Following closed session the Board re-entered open session and took up agenda item 7 to review, discuss, and take action on matters related to the construction of the Fire Station No. 1 project. Mr. Coveler presented the Board with the draft loan documentation from Capital One Public Financing. There was no additional discussion regarding the loan documents. Mr. **Solomon** made a motion to approve the loan with Capital One Public Financing and to authorize the President and District Secretary to execute the loan documents once they are available for final execution. Mr. **Fossum** seconded the motion. The motion passed 5 to 0

ADJOURNMENT.

Mr. **Henderson** made a motion to adjourn the meeting. Mr. **Fleming** seconded the motion. The motion passed 5 to 0. The meeting adjourned at 11:46 p.m.

The foregoing minutes were passed and approved by the Board of Commissioners on September 17, 2019.

Russell Solomon
District Secretary