

MINUTES OF AUGUST 20, 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 located at 21201 Morton Road, Katy, Texas 77449 on Tuesday, August 20, 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 Ubernosky & Majeres, PLLC, Ricardo Martinez with Martinez Architects, LLC, Ryan Fortner with Sales Revenue Inc., and Ira Coveler with the law firm of Coveler & Peeler, the District's legal counsel, were also present.

TO RECEIVE PUBLIC COMMENT.

No public comment.

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

Mr. Fortner presented the Monthly Sales Tax Report. A review of the monthly reports provided by the Comptroller of Public Accounts reflects 3,801 active taxpayer accounts coded to Harris County Emergency Services District No. 48. Average number of taxpayers filing each month: 1,916. Sales tax receipts for calendar year 2019 total \$2,997,333.00. For tax year 2019 (March-February 2020), sales tax receipts total \$2,215,215.08. Within the District's recent sales tax allocation, fifty-nine (59) businesses filed local taxes in excess of \$1,000.00. It is important to note that the taxpayers with returns over \$1,000.00 reflect 81% of the total monthly allocation, with combined filings of \$318,692.21. Harris County Emergency Services District No. 48 has received \$14,247,558.26 in sales tax receipts since October 1, 2014, effective date. The August 2019 local tax allocation to be refunded to the District totals \$414,835.84.

Please see Report from Ryan Fortner with Sales Revenue, Inc. for a complete listing and details of all figures presented.

Thereupon, Mr. **Henderson** made a motion to accept the Monthly Sales Tax Report as presented. Mr. **Solomon** seconded the motion. The motion passed 5 to 0.

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

Mr. Majeres with Ubernosky & Majeres, PLLC presented the District's Financial Report. As of August 20, 2019, the District's combined Cash Balances (Current Assets) total \$9,861,265.00. The estimated remaining Property Tax Collections are \$207,711.00. The estimated remaining 2019 Sales Tax Collections are \$1,498,720.00. The estimated remaining 2019 EMS Billing Collections are \$809,643.00. The estimated remaining ESD 1 Agreement is \$125,000.00. The estimated remaining FEMA Reimbursements is \$296,956.00. The remaining 2019 Budgeted Expenses are \$6,449,702.00. The projected Cash Reserve for December 31, 2019, is \$5,380,425.00. 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 \$2,582,497.16 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 Ubernosky & Majeres, PLLC for complete listings and details of all figures presented.

TO REVIEW AND DISCUSS THE PROPOSED DISTRICT'S 2020 BUDGET.

A meeting will be held Thursday, September 19, 2019, at 6:00 p.m. to discuss the proposed District's 2020 Budget.

TO REVIEW THE DISTRICT'S 2019 APPRAISAL VALUATIONS, 2019 EFFECTIVE TAX RATE CALCULATIONS AND 2019 TAX RATE SCENARIOS.

The Board then addressed the 2020 appraisal valuations and adoption of the 2019 tax rate. District Counsel, Ira Coveler, reviewed the District valuations with the Board. Mr. Coveler also reviewed the tax rate scenarios he previously provided to the Board and explained the detailed information provided by the Harris County Appraisal District tax reports regarding taxable property within the District. There were also discussions regarding the existing taxable property within the District as well as the new property that had been added during 2019. There was general discussion regarding these values. Mr. Coveler also explained that due to the new tax setting process resulting from Senate Bill No. 2, that if in the future the District desired to exceed its Effective Tax Rate (in the future known of as the "No New Taxes Tax Rate") by more than 3.5%, an election might be necessary to do so. Absent an election, going forward, the District would be statutorily capped at a 3.5% increase in taxes going forward after this year.

TO PROPOSE THE 2019 DISTRICT TAX RATE.

The Board then addressed proposing the 2019 District tax rate. The Board held a lengthy discussion regarding the budget and tax rate considering different scenarios. Mr. Coveler explained that the rate that was adopted could be lower, but that the rate that was proposed today would be the ceiling rate that could be adopted for the District's 2019 Tax Rate. After review and discussion, Mr. **Henderson** made a Motion seconded by Mr. **Fleming** to propose the District's 2019 Tax Rate at \$0.10000/\$100. After discussion, the Motion was approved by a vote of 5 to 0.

TO REVIEW, DISCUSS, AND TAKE ACTION TO SCHEDULING ANY NECESSARY PUBLIC HEARINGS RELATED TO THE DISTRICT'S 2019 TAX RATE.

The Board next addressed the scheduling of public hearings related to the District's 2019 tax rate. Mr. **Henderson** made a Motion seconded by Mr. **Fleming** to approve the special meetings as follows:

- The first Tax Hearing meeting will be held on September 9, 2019 at 6:00 p.m.
- The second Tax Hearing will be held on September 17, 2019 at 7:00 p.m.
- The District will adopt its tax rate on September 26, 2019 at 6:00 p.m.

Each meeting will take place at 21201 Morton Road, Katy, Texas 77449. The Motion was approved by a vote of 5 to 0.

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. **Fleming** seconded the motion. The motion passed 5 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.

Mr. Martinez discussed the following items in his presentation:

Design Activities:

- Jacobs revised detail backflow preventer vault per Van De Wiele & Vogler.
- Van De Wiele & Vogler has requested the water meter easement to be revised by the District's attorney (Abrey Rubinsky).

Anticipated Activities:

- Complete storm sewer installation.
- Survey pier locations for building pad.
- Stabilized concrete for parking.
- Coordinate with Van De Wiele & Vogler for Civil Plan approval.
- Coordinate costs to remove excess foreign soils.

Construction Activities:

- Christensen Building Group mobilized onsite.
- The site has been enclosed with temporary fencing.
- Survey of existing grades vs. design grades provided for Owner review.
- Site has been graded.
- Building pad has been installed.
- Project Meetings/Inspections
 - Construction meeting held 8/15/19.
 - Onsite inspection 8/15/19.

- Onsite inspection 8/20/19.

Schedule:

- Provided reference attached schedule by Christensen Building Group.

Financials:

- Contract amount \$6,500,000.00.

TO REVIEW AND TAKE ACTION ON MINUTES OF PRIOR MEETINGS.

Item tabled.

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

Fire Chief Hevey discussed his report. Mr. Jason Tharp has been promoted from Part-Time Public Education Coordinator to Part-Time Division Chief of Community Risk Reduction, and working under him is Mrs. Lia Hales, promoted from Volunteer Donations Liaison for CRR to Part-Time Community Relations Coordinator.

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

Chief Ellis discussed the Fire Report. Suppression had a total of 272 calls for July 2019. The Training Division has been busy with the following: Interviewed Volunteer Firefighters, hosted TCFP Inspector's Course, passed TCFP State Inspection with 100% compliance, Blue Sim Lab in service, addressed Wildland and TIFMAS training needs. New gear was ordered from Lion Red Zone. Firefighter job posting to create new eligibility list. Assigned all Volunteers to Home Stations and specific OIC.

TO RECEIVE AN ADMINISTRATIVE REPORT AND TAKE ANY NECESSARY ACTION RELATED TO THE REPORT.

Chief Westall discussed the Administrative Report. The 2019 Budget was reviewed at the workshop meeting. Temporary Station 1 infrastructure has been completed (water tap, concrete work-south parking area, any storm drain/sewer portion, etc. This year's ESD Banquet will be held February 7, 2020. Chief Westall requested to be able to move \$7 million internally from Allegiance Bank checking account into the Money Market account. Chief Westall would like Mr. Coveler to look into alternative vendors in order to cancel our Website business with Trident.

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

Chief Bank discussed the EMS Report. EMS had a total of 685 calls for July 2019. Average response time was six (6) minutes and thirty-two (32) seconds. There were three hundred seventy-three (373) non-transport/non-emergency calls. Life Flight was used twice this month. EMS conducted the following Mutual Aid: two (2) calls to CyFair FD, one (1) call to

Fort Bend County FD, one (1) call to Katy FD, and two (2) calls to Westlake FD. Will be looking to hire more EMS personnel. Currently, two (2) Full-Time Paramedics will be starting Monday, September 9, 2019. Working on Community Paramedic synapses with Memorial Herman Hospital.

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

Chief Hevey discussed the following Policies. Chief Hevey had presented the Sick Leave Pool Policy at the last meeting and asked if the Board had a chance to review the Sick Leave Pool Policy since then.

Mr. **Solomon** made a motion to accept the Sick Leave Policy as presented at the last meeting with changes. Mr. **Fossum** seconded the motion. The motion passed 5 to 0.

Policy No. 8: Personal Appearance has been updated with 2019 changes.

Mr. **Fossum** made a motion to approve Personal Appearance Policy No. 8. Mr. **Henderson** seconded the motion. The motion passed 5 to 0.

Policy No. 17: Tuition Reimbursement Guidelines has been updated with 2019 changes.

Mr. **Fossum** made a motion to approve Policy No. 17 Tuition Reimbursement with corrections. Mr. **Solomon** seconded the motion. The motion passed 5 to 0.

Mr. **Henderson** made a motion to approve and accept all the Policy updates with the required changes to be made. Mr. **Fleming** seconded the motion. The motion passed 5 to 0.

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

Chief Hevey stated the following, "Ladder 3 had parts replaced and the brake system and air dryer needs to be replaced. Hopefully it will be back in service this week Thursday. We also have an Ambulance and Booster out of service."

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, SEPTEMBER 4, 2019 AT 6:30 P.M., AND THE REGULAR MONTHLY MEETING TO BE HELD ON TUESDAY, SEPTEMBER 17, 2019 AT 7:00 P.M.

The Bill Pay meeting will be held on Tuesday, September 3, 2019, at 6:30 p.m.

The Regular ESD Meeting will be held on Tuesday, September 17, 2019, at 7:00 p.m.

The Budget workshop meeting will be held on Thursday, September 19, 2019, at 6:00 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 8:56 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 real estate matters.

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

The District entered closed session at 8:56 p.m., to discuss personnel matters.

The Board exited closed session at ___:___ p.m.

REVIEW AND TAKE ACTION ON DISTRICT REAL ESTATE MATTERS AND PERSONNEL MATTERS DISCUSSED IN CLOSED SESSION.

No action taken.

ADJOURNMENT.

Mr. **Henderson** made a motion to adjourn the meeting. Mr. **Solomon** seconded the motion. The motion passed 5 to 0. The meeting adjourned at 10:35 p.m.

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

Russell Solomon
District Secretary