

**MINUTES OF JUNE 18, 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, June 18, 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:

<b>Marshall Kramer</b>	Present
<b>Sam Henderson</b>	Present
<b>Bret Fossum</b>	Present
<b>Russell Solomon</b>	Present
<b>Michael Fleming</b>	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, 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.**

The Monthly Sales Tax Report was emailed to the Commissioners by Mr. Fortner. The Board reviewed the Sales and Use Tax Administration Report. Thereupon, Mr. **Henderson** made a motion to approve the Monthly Sales Tax Report as received. Mr. **Solomon** seconded the motion. The motion passed 5 to 0.

Please see the report from **Ryan Fortner** with Sales Revenue, Inc. for complete listings and details of all figures presented.

**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.

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

Item tabled.

**TO REVIEW AND DISCUSS APPRAISAL VALUES OF THE DISTRICT AND AUTHORIZE COUNSEL TO PREPARE AND PUBLISH EFFECTIVE TAX RATE NOTICE.**

Mr. **Henderson** made a motion to approve counsel to prepare and publish tax rates when readily available. 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.**

Mr. Martinez discussed the following items in his presentation:

Design Activities:

- Permitting has been picked up by Christensen Building Group.
- The project has been set up on Procore the software that allows the construction team members to follow the progress of the construction.
- Christensen Building Group contract has been issued to Mr. Coveler for review.
- The owner preferred subcontractor and vendor list has been provided to Christensen Building Group.

Anticipated Activities:

- Notice to proceed to be issued at the end of July with mobilization anticipated for August 2019.

Construction Activities:

- A pre-construction meeting was held on June 6, 2019, with the Building Committee and Christensen Building Group.
- Temporary Facility
  - Construction meeting was held on June 5, 2019.
  - Construction progress is on track for early August move in.
  - Boxx Modular scheduled to deliver units on or near July 1, 2019.

Schedule:

- To be updated

Financials:

- No action

Chief Sidwell informed the Board that Harris-Fort Bend Counties Municipal Utility District No. 3 has required additional items to obtain the water connections. There is work that is required now in order to make the sewer and storm drain connections for the temporary facilities.

This work had been part of the scope of work expected to be performed by Christensen Building Group, LLC, but is going to be performed by Law Construction. Mr. Martinez will be requesting Christensen Building Group, LLC for a reduction of their scope of work. There is a change order needed to the Law Construction Contract in the amount of \$20,942 for the additional sewer and storm drain work to be performed.

Mr. **Solomon** made a motion to approve payment to Law Construction for the additional amount of \$20,942 for the work needed for the Station 1 sewer and storm drain. Mr. **Fleming** seconded the motion. The motion passed 5 to 0.

**TO REVIEW, DISCUSS, AND TAKE ACTION REGARDING SELECTING A LENDER TO PROVIDE FINANCING FOR THE DISTRICT'S NEW FIRE STATION NO. 1 FACILITY.**

Mr. Coveler presented information about the loan solicitation that had been made and presented lending proposals from three (3) different lenders that he had obtained through a loan solicitation. Proposals were also received from Frost Bank and Trustmark Bank. The Board discussed that the Trustmark loan at 2.89% was the lowest interest rate, but the term was only 10 years and the rate would adjust after 10 years or the balloon would need to be satisfied from the District's existing proceeds. The Board discussed that the fixed rate certainty of the Community Leasing Partners proposal as well as a fixed term of 15 years was highly desirable. Following a comprehensive review of the proposals by the Board, Mr. **Henderson** made a motion to approve Community Leasing Partners proposal with an interest rate of (1) 2.97%, (2) a 15-year loan term, (3) the origination fee to be paid to Community Leasing Partners for the loan as well as \$5,000 for the cost of the lender's counsel. Mr. **Fleming** seconded the motion. The motion passed 5 to 0.

**TO REVIEW, DISCUSS, AND TAKE ACTION REGARDING THE DISTRICT'S TEMPORARY FACILITY LOCATED AT THE STATION NO. 1 SITE, INCLUDING MATTERS RELATED TO LAW CONSTRUCTION AND BOXX MODULAR.**

The status of the temporary facilities being installed at the new Station 1 site was discussed along with the status of the Law Construction project. The Board discussed when the lease should be terminated with Star 2015 Development LP (doing business as "Jacob White"). Following that discussion, Mr. **Henderson** made a motion to authorize District counsel to send a letter of termination to Star 2015 Development LP related to the month-to-month lease for the current temporary location of Station 1 on Cobia Drive. Mr. **Solomon** seconded the motion. The motion passed 5 to 0. Mr. Coveler was advised to hold the letter until receiving instruction from Chief Hevey to send the letter of termination.

**TO RECEIVE THE FINANCIAL REPORT FOR THE DISTRICT PREPARED BY THE DEPARTMENT ADMINISTRATIVE STAFF IN CONJUNCTION WITH MR. RICH MAJERES, AND TAKE ANY ACTION RELATED THERETO.**

Mr. Majeres with Ubernosky & Majeres, PLLC presented the District's Financial Report. As of June 18, 2019, the District's combined Cash Balances (Current Assets) total \$11,657,370. The estimated remaining Property Tax Collections are \$244,635. The estimated remaining 2019 Sales Tax Collections are \$2,196,000. The estimated remaining 2019 EMS Billing Collections

are \$1,302,039. The estimated remaining ESD 1 Agreement is \$125,000. The remaining 2019 Budgeted Expenses are \$9,469,549. The projected Cash Reserve for December 31, 2019 is \$6,352,451. The District's Total Debt Service Outstanding is \$17,873,212. The District's combined Note Balances (Liabilities and Equity) total \$13,945,009.11. The District has collected \$1,801,460.17 in Sales Tax Revenue for 2019.

Mr. **Henderson** made a motion to accept the Financial Report from the District Bookkeeper as presented. Mr. **Solomon** 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 TAKE ACTION ON MINUTES OF PRIOR MEETINGS.**

Mr. **Henderson** made a motion to accept the meeting minutes for the meetings held on

March 19, 2019	March 28, 2019	March 30, 2019
April 3, 2019	April 16, 2019	
May 1, 2019	May 23, 2019	
June 5, 2019		

Mr. **Fossum** seconded the motion. The motion passed 5 to 0.

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

Chief Hevey presented his report. Chief Hevey discussed he had promoted Mr. David Sawyer from Part-Time Firefighter to Part-Time Captain, Ms. Maria Cardenas from Firefighter to Lieutenant, and Mr. Justin Pfitzner from Captain to Battalion Chief. He stated that eventually, the Department will need to hire two (2) additional firefighters. Additionally, the Department is working on developing one (1) joint dispatch channel based upon Westlake's Comm 25 channel.

**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 313 calls for May 2019. There was 1 Mutual Aid request to Sugarland for a water event on May 7, 2019. The District's Cadet Class 18-02 graduated on May 18, 2019 and the Cadet Class will resume on October 1, 2019. The District completed its acquisition of the Blue Card Mobile Sim for fire ground training. Chief Ellis stated that he was in the processes of building reports for the ESO software. The Department will hold Captain interviews on June 28, 2019. Finally, the Department reported that the staff is working on an apparatus replacement schedule for the fleet.

Chief Westall discussed the Administrative Report. Chief Westall stated that the Hartnett broker has projected a 16% increase on medical insurance this year. He also shared that a notice had been received from iSolved that they need the health insurance information by July 1. There

will not be any late penalty if the District does not change health insurance from Blue Cross Blue Shield, but there might be a penalty if the District were to switch to United Health Care. Mr. Coveler advised this could be placed on the July bill pay agenda and that Chief Westall should request a waiver of the penalty related to the medical insurance designation.

Chief Westall presented a proposal from Allegiance Bank to maintain two (2) custodial letter of credit agreements to comply with the District's depository pledge requirements. The Letters of Credit shall have off-setting expiration dates so that there was always at least one (1) in effect at all times. There would be one for \$5,000,000 that would renew automatically on October 18h of each successive year and the second letter of credit for \$3,000,000 would go into effect as of June 25, 2019.

Chief Westall made a request to the Board to allow him to transfer funds from Compass bank to Allegiance bank in the amount of \$225,000.

Mr. **Henderson** made a motion to approve the transfer in the amount of \$225,000 from Compass bank to Allegiance bank. Mr. **Solomon** seconded the motion. The motion passed 5 to 0.

Mr. **Henderson** made a motion to accept the letters of credit as security for the District's funds deposited at Allegiance Bank. Mr. **Solomon** seconded the motion. The motion passed 5 to 0.

**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 660 calls for May 2019. Average response time was six (6) minutes and sixteen (16) seconds. There were three hundred twelve (312) non-transport/non-emergency calls. Life Flight was used once this month. EMS conducted the following Mutual Aid calls: one (1) call to Cy Fair FD, ten (10) calls to Fort Bend County, three (3) calls to Katy FD, and fifteen (15) calls to Westlake FD.

**TO REVIEW, DISCUSS, AND TAKE ACTION TO SELECT A VENDOR TO PROVIDE MANAGED PRINT SERVICES FOR THE DISTRICT.**

Chief Sidwell discussed managed print services for the District and provided proposals from Stargel Office Solutions and Xerox Business Services. The Board inquired if the expenditure was within the District's budget. Mr. **Fossum** made a motion to approve Stargel Office Solutions, forty-eight (48) month lease with all maintenance included for a total cost of \$45,677.76, which Chief Sidwell confirmed was within the budgeted amount. Mr. **Solomon** seconded the motion. The motion passed 5 to 0.

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

Lexipol was paid in early January for their services to manage Standard Operating Guidelines and starting in July Chief Hevey will be sending a couple of policies for review.

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

Chief Hevey shared that Tower 4 came back from the repair shop and that hose testing was being completed.

**REVIEW AND TAKE ACTION ON DISTRICT PERSONNEL MATTERS.**

Item tabled until after closed session.

**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, JULY 3, 2019 AT 6:30 P.M., AND THE REGULAR MONTHLY MEETING TO BE HELD ON TUESDAY, JULY 16, 2019 AT 7:00 P.M.**

The Bill Pay meeting will be held on Wednesday, July 3, 2019, at 6:30 p.m., and the regular Monthly meeting will be held on Tuesday, July 16, 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 MATTERS 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 Board did not exercise the option to meet in Closed Session to discuss sales tax matters.

**TO MEET IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE §551.072 TO DELIBERATE REGARDING REAL ESTATE MATTERS.**

The Board did not exercise the option to meet in Closed Session to deliberate real estate matters.

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

The Board entered Closed Session to discuss personnel matters at 9:23 p.m., and returned to Open Session at 9:45 p.m.

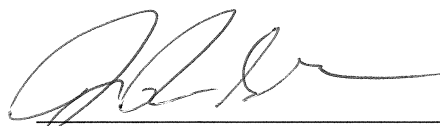
**TO REVIEW AND TAKE ACTION ON DISTRICT PERSONNEL MATTERS DISCUSSED IN CLOSED SESSION.**

Following a brief discussion in open session about Chief Hevey and the excellent work he is doing for the District, Mr. **Henderson** made a motion to extend Chief Hevey's employment contract for an additional three (3) years upon the terms discussed in closed session. Mr. **Solomon** seconded the Motion. The Motion passed 5 to 0. Mr. Coveler was instructed to prepare a revised contract for Chief Hevey's review.

**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 9:46 p.m.

The foregoing minutes were passed and approved by the Board of Commissioners on July 16, 2019.



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**Russell Solomon**  
District Secretary