

**MINUTES OF THE JANUARY 19, 2015 MEETING OF THE
HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 46**

A Meeting was duly called of the **HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 46**, which was held on January 19, 2015, at the Offices of offices of the District at District/Atascocita Volunteer Fire Department Administrative Building, 18425 Timber Forest Drive, Humble, Texas 77346.

The Meeting was called to order at 7:00 P.M. by **TOM TRUVER**, President. Those Commissioners present were **TOM TRUVER, JOHN COYLE, MIKE WRIGHT, and BUDDY RICE**. Also present were **INTERIM CHIEF MIKE MULLIGAN, ASSISTANT CHIEF-EMS SEAN CONLEY, HOWARD KATZ**, of **COVELER & KATZ, P.C.**, the District's Counsel, **BILL RUSSELL**, of **MYRTLE CRUZ, INC.**, the District's bookkeeper, **MARY ANNE SOKOL**, the District's office manager, and administrative, suppression and EMS officers of Atascocita Volunteer Fire Department (the "Department"), and members of the Department and the public. Also present was Ricardo Martinez of Joiner Partnership, the District's architect.

The Board reviewed the Minutes of the December 15, 2014 regular meeting. Ms. Sokol noted that on page 5 the Department capital of \$1,499.23 was regarding a lease payment for lifts. After review, Motion was made by Mr. **RICE**, seconded by Mr. **COYLE** to approve the Minutes with the noted correction. After discussion, the Motion to approve the Minutes was approved by a vote of 4 to 0.

The Board then addressed Financial Matters. The District received a report from **BILL RUSSELL**, of **MYRTLE CRUZ, INC.**, the District's bookkeeper. He reported:

(a) 12/31: He noted that following the prior meeting the operating account balance was \$190,390.78. He noted that for the prior month taxes were received in the amount of \$1,232,013.20 and penalty and interest of \$77.81, and interest of \$1,436.03. He also reported the receipt of emergency services insurance reimbursement for the Department emergency services of \$-0- (EMS) and \$ -0- (fire suppression). He also reported the receipt of sales tax revenue of \$-0-. He also reported that total funds available in the District operating account prior to

payment of current bills was \$1,415,332.86, with the District time deposit/invested funds at \$600,000.00 (HCB pledge), and District demand deposits at \$4,312,396.85 (incl. loan proceeds for Station 1 project), plus \$236,105.42 (Icon Bank), the TexPool account at \$30,628.07, and deposit/invested funds at Compass Bank at \$1,416,415.95 (sales tax), plus a reserve account of \$415,050.54, representing insurance billing delivered from the Department for Department emergency services, plus \$82,500.39 in the TexPool demand deposit account (EMS), plus Central Bank demand deposits of \$227,547.62 and MM accts of \$240,000.00 plus interest at 6 banks (Sales Tax), and the payroll account prior to payment of current payroll at \$500.00.

(b) 1/19: He noted that following the prior meeting and December 31, the operating account balance was \$1,379,241.42. He noted that taxes were received in the amount of \$866,255.36 and penalty and interest of \$175.95, and interest of \$ -0-. He also reported the receipt of emergency services insurance reimbursement for the Department emergency services of \$177,271.44 (EMS) and \$ -0- (fire suppression). He also reported the receipt of sales tax revenue of \$154,934.73. He also reported the receipt of misc. revenue of \$55,800.00 for sales proceeds of old E-19. He also reported that total funds available in the District operating account prior to payment of current bills was \$2,281,658.88, with the District time deposit/invested funds at \$600,000.00 (HCB pledge), and District demand deposits at \$4,312,396.85 (incl. loan proceeds for Station 1 project), plus \$236,105.42 (Icon Bank), the TexPool account at \$30,628.07, and deposit/invested funds at Compass Bank at \$1,571,350.68 (sales tax), plus a reserve account of \$592,321.98, representing insurance billing delivered from the Department for Department emergency services, plus \$82,500.39 in the TexPool demand deposit account (EMS), plus Central Bank demand deposits of \$227,547.62 and MM accts of \$240,000.00 plus interest at 6 banks (Sales Tax), and the payroll account prior to payment of current payroll at \$500.00. Thereupon after review, Motion was made by Mr. **COYLE**, seconded by Mr. **WRIGHT** to approve the Financial Report. After discussion, the Motion was approved by a vote of 4 to 0.

As part of the Financial Report, the Board then addressed District investments. Mr. **RUSSELL** presented an investment report and investment

schedule compiled with the District treasurer. He said that the following was recommended: no action at this time. After review, Motion was made by Mr. **COYLE**, seconded by Mr. **WRIGHT** to approve and authorize the investment schedule as outlined by Mr. Russell. After discussion, the Motion was approved by a vote of 4 to 0.

The Board also reviewed the various bank accounts, CD's and pooled investments and determined (1) there was ample available cash to pay bills and (2) the District investments were in conformity with the District's Investment Policy.

The Board then addressed the payment of District operating bills. After review, Motion was made by Mr. **COYLE**, seconded by Mr. **WRIGHT** to approve the payment of bills as follows:

1.	Myrtle Cruz, Inc. (Bookkeeping)	\$	1,095.03
2.	Coveler & Katz (Legal)	\$	6,728.22
3.	Joiner Architects (Station 1)	\$	26,145.43
4.	Alberta Balderas (Sales Tax Cons.)	\$	1,500.00
5.	<u>The Houston Chronicle</u> (Tax Notices)	\$	622.76

After discussion, the Motion was approved by a vote of 4 to 0.

The Board then addressed the engagement of Coveler & Katz, P.C. to serve as District legal counsel. The Board members expressed appreciation to Counsel for the good job being done. Counsel said there was no adjustment in the rates. After review, Motion was made by Mr. **WRIGHT**, seconded by Mr. **COYLE**, to approve the engagement of Coveler & Katz, P.C. to serve as District legal counsel. Counsel expressed his appreciation and thanked the Board. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then addressed the engagement of Myrtle Cruz, Inc. to serve a District bookkeeper. The Board members expressed appreciation to Mr. Russell for the good job being done. After review, Motion was made by Mr. **WRIGHT**, seconded by Mr. **COYLE**, to approve the engagement of Myrtle Cruz, Inc. to serve as District bookkeeper. Mr. **RUSSELL** thanked the Board and said he may have rate adjustments to present at a future meeting. After discussion, the Motion was approved by a vote of 4 to 0.

The Board addressed and held on budget revisions for the District 2015 budget.

The Board then addressed adoption of the District 2015 Investment Policy. The Board reviewed the Policy with Mr. Russell, who outlined the proposed Investment Policy: always maintain liquidity equal to two months average operating costs (\$700,000.00); always maintain liquidity equal to two months average operating costs that will mature 60 days hence; maintain a maximum maturity of 6 months on all investments; maintain a maximum maturity of 6 months on all investments for specific capital projects; retain CEDARS as an investment vehicle; and retain Letters of Credit as permitted collateral for excess deposits. Thereupon, after review, Motion was made by Mr. **WRIGHT**, seconded by Mr. **COYLE** to approve the proposed 2015 Investment Policy as presented. After discussion, the Motion was approved by a vote of 4 to 0.

The Board reviewed long range planning. Interim Chief Mike Mulligan said there was no current report.

The Board then addressed the Station 1 re-build and approval of a GMP. Mr. Martinez said they were just awaiting the asbestos report prior to the Station 1 tear down.

The Board then addressed contingency plans for Station 1 for when the station is demolished. Counsel reported that a Ground Lease Agreement with Atascocita UMC, was not being pursued due to costs and logistics concerns.

The Board addressed locating an alternate site for the temporary relocation for the Station 1 apparatus during the Station 1 rebuild. Mr. **COYLE** and the Department presented an option involving a lease and consolidation with Stations 2 and 3. Thereupon, after review, Motion was made by Mr. **COYLE**, seconded by Mr. **WRIGHT** to approve the proposed contingency option involving a lease and consolidation with Stations 2 and 3. After discussion, the Motion was approved by a vote of 4 to 0.

The Board addressed the prior approval to build a storage building at the Timber Forest admin building site. Ricardo Martinez of Joiner Partnership, the District's architect reported on a need for an easement to access utilities to the storage building. After review, Motion was made by Mr. **COYLE**, seconded by Mr. **WRIGHT** to approve pursuing an easement to access utilities to the storage building. After discussion, the Motion was approved by a vote of 4 to 0.

The Board received a sales tax report from its consultant, Alberta Balderas.

Ms. Sokol reported on the quarterly reallocation for the fourth quarter 2014. She said that there was \$7,552.79 of unused operations funding to be returned to the District. After review, Motion was made by Mr. **WRIGHT**, seconded by Mr. **COYLE** to approve the quarterly reallocation report. After discussion, the Motion was approved by a vote of 4 to 0.

The Board received a report from the Department.

Interim Chief Mulligan reported on Department operations. He discussed that the wider use of knox-type boxes for emergency access to buildings. Interim Chief Mulligan reported that all Station 1 equipment and tools were relocated to Station 3 for the Station 1 re-build period. He reported that two apparatus are staffed during the daytime. He reported that Department firefighter Rodriguez saved a MVA victim while the firefighter was off-duty in his own vehicle. Interim Chief Mulligan also reported on PR events, BSA activities with the Department and participation at a recent Wal-Mart family night.

Assistant Chief-EMS Sean Conley reported on EMS. He said that the Department EMS collection for the prior month was \$177,271.44, after an 11% collection fee, and for 2014 YTD was \$1,923,976.08, after an 11% collection fee. He also reported on the Department monthly CPR classes for the community and that YTD 462 residents have taken the class. Assistant Chief-EMS Conley reported there were 311 EMS calls for the prior month, with 19 mutual aid responses and 11 mutual aid requests. He also reported the Department had 4 MPV and 6 rehab deployments. He said the peak Ambulance responded to 57 calls, and Squad 39 made ____ responses. There was discussion about the continuing rise in mutual aid responses provided by the Department. Mr. **COYLE** and Assistant Chief-EMS Conley said it was a concern.

Interim Chief Mulligan reported on the Department fire responses and EMS-related and suppression/rescue calls. He introduced new Assistant Chief Steve Pepper. Interim Chief Mulligan said that calls were increasing but the Department was handling the call volume with a combination of volunteers, part-time paid personnel, and stipend volunteer firefighters. Interim Chief Mulligan

said for the prior month the calls were 184: Fire (99); EMS Assist (83); mutual aid (2).

After review, Motion was made by Mr. **COYLE**, seconded by Mr. **RICE** to receive the Department monthly report. After discussion, the Motion was approved by a vote of 4 to 0.

Ms. Sokol said there were no revisions to the Department 2014 budget or quarterly re-allocations.

The Board then addressed the payment of Department Operations and Capital funding.

For Department Operations, Mary Anne Sokol, the District's office manager, reported that the payments requested were \$164,770.00 for payroll, and \$202,138.00 for operating. After review, Motion was made by Mr. **COYLE**, seconded by Mr. **WRIGHT** to approve the payment of Department Operations. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then addressed the payment of Department Capital. For Department Capital, Ms. Sokol said the payment requested was \$74,440.05 (Stryker; Station 2 payment). After review, Motion was made by Mr. **COYLE**, seconded by Mr. **WRIGHT** to approve the payment of Department Capital. After discussion, the Motion was approved by a vote of 4 to 0.

There was discussion about pursuing the full pay-off of Station 2 with the title being transferred to the District.

The Board received a report related to the fire chief vacancy. Counsel reported the search committee RFP responses were received and he distributed the responses to the committee.

The Board then addressed approval of the sale of surplus/salvage apparatus and equipment. Counsel noted that Assistant Chief Matt Adelman said old equipment at Station 1 can be sold: stove, microwave, dishwasher. After review, Motion was made by Mr. **RICE**, seconded by Mr. **WRIGHT** to approve the sale of the old station equipment to the Department and re-sold, all funds to be paid to the District. After discussion, the Motion was approved by a vote of 4 to 0.

The Department reported on the Internet Protocol Station Alerting System. The Department requested approval to prepare an RFP for a system that was

compatible with the Department's dispatching equipment and protocols. After review, Motion was made by Mr. **WRIGHT**, seconded by Mr. **COYLE** to approve the request. After discussion, the Motion was approved by a vote of 4 to 0.

At 8:50 P.M., the Board entered Executive Session to discuss personnel matters.

The Board re-entered open session at 9:09 P.M.

The Board set January 26, 2015 at 7:00 p.m. at the admin building for a special meeting to discuss and act on the fire chief search committee RFP responses.

There being no further business brought before the Board, upon Motion made the meeting adjourned at 9:11 P.M.

Secretary of the Board