

**MINUTES OF THE JUNE 21, 2021 MEETING OF
HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 46**

A Meeting was duly called of **HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 46**, which was held on June 21, 2021, at the Offices of the District at the Atascocita Fire Department Headquarters Building located at 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**, **RON CLARKE**, **BUDDY RICE**, and **JOHN BOLLUM**. Commissioner **JOHN COYLE** joined the meeting via teleconference. Chief of Department Mike Mulligan, Assistant Chief of EMS Sean Conley, Director of ITC & Operations Support Mike Wassell, Director of Human Resources and Finance Mary Anne Sokol, District Counsel, Mr. Ira Coveler of Coveler & Peeler, P.C., Ricardo Martinez of Martinez Architects, Alberta Balderas of ESD Tax Management Services, Joseph Ellis of McCall Gibson Swedlund & Barfoot, PLLC, and members of the Department were also at the meeting. Mr. Keith Sagray of Atascocita Fire Fighters Association, Local 5316, Jessica Nelson, President and Executive Director and Jan Potts, Vice President of Community Relations of Paws for Heroes were in attendance as well.

The Board opened the floor to receive public comment though none was offered.

The Board next addressed the 2020 District Audit. Mr. Joseph Ellis of McCall Gibson Swedlund Barfoot PLLC, the District's auditor, presented the report. Following the presentation Mr. **CLARKE** inquired of Mr. Ellis about the District's reserve. He stated "We like to have four (4) months' reserves. Are you taking a position on how many months of reserve is enough?" Mr. Ellis then discussed the setting of a reserve and stated that as 25% reserve was an absolute minimum. He shared that a normal reserve ranged between 25% to 50% of the total annual budget of a District. However, Mr. Ellis notes that the District's fund balance had increased \$1,262,000, which indicated good health for the District's financial standing. Mr. **CLARKE** also asked about the District's mutual aid ratio wherein 1 in 5 calls are related to mutual aid. Mr. **CLARKE** inquired if the ESD is covering all the area needed within the District. Mr. Coveler stated that it was not appropriate for Mr. Ellis to opine on such matters and that his responsibility and scope is to report and analyze the financial health of the District. After review, Mr. **CLARKE** made a Motion, seconded by Mr. **COYLE** to approve the 2020 District Audit as presented. After discussion, the Motion was approved by a vote of 5 to 0.

The Board tabled item 4, regarding a review of the meeting minutes of prior meeting(s).

The District next received a financial report from Mary Anne Sokol, Director of Human Resources and Finance, for the period ended May 31, 2021. Ms. Sokol relayed the District's operating account held \$10,924,692.63. Thereupon after review, Mr. **BOLLUM** made a Motion, seconded by Mr. **CLARKE**, to accept the financial report as presented. After discussion, the Motion was approved by a vote of 5 to 0. Please see the District's treasurer's Report for a more detailed presentation of the financial condition of the District.

The Board then reviewed the District sales tax report prepared by Ms. Alberta Balderas. Sales tax revenue in the amount of \$358,430.95 was received during the month of June. Ms. Balderas stated, "Sales tax has been impressive," noting an increase of \$117,038.14 over that collected in May of 2020. Ms. Balderas also referenced the twelve (12) highest taxpayers for June of 2021 resulting in \$197,746.93 collected, \$1,125 recovered and \$2,323 collected from on-line businesses. Ms. Balderas reported two (2) taxpayers that did not remit payment for which she is researching. After review, Motion was made by Mr. **RICE** seconded by Mr. **COYLE** to approve the report as presented. The Motion passed 5 to 0.

The Department staff present and Mr. Keith Sagray with the Atascocita Fire Fighters Association, Local 5316 then presented a check in the amount of \$3,218.00 to Paws for Heroes, a local Atascocita non-profit organization. Jessica Nelson and Jan Potts explained that Paws for Heroes rescues shelter dogs that have been carefully evaluated, selected and professionally trained for the purpose of providing emotional support and companionship to bring comfort and companionship to our military members, both active duty and veterans

The Board next addressed District bills and commissioner submittals. After review, Mr. **COYLE** made a Motion, seconded by Mr. **BOLLOM** to ratify and approve the payment of the District's bills and compensation to Mr. **RICE** in the amount of \$900.00 for his attendance of six (6) District meetings. The Motion was approved by a vote of 5 to 0. Please see the District's treasurer's Report for a more detailed presentation of the bills and invoices submitted for payment.

The Board then addressed matters related to COVID 19. Mr. **RICE** asked, "How long must we wear face masks?" Asst. Chief Conley replied, "The CDC is still recommending healthcare and hospitals continue to wear the face masks." No action taken.

The Board next reviewed the Station 29 reconstruction project. Ricardo Martinez presented an update on the progress of the Project. Mr. Martinez's report noted the erection and supply of the metal building could be done through a company called Robert S. Henry Co., for a cost of \$845,737. A discussion was had amongst the Board and Department with Mr. Martinez for a plan to accelerate the Station 29 project for construction. Mr. Martinez also presented a request for funding related to the installation of a fence by Blackwater Fencing LLC at the Station 29 site for a total cost of \$85,239. After review and discussion, a Motion was made by Mr. **CLARKE** seconded by Mr. **COYLE** to approve the backwater fence in the amount of \$85,239. The Motion was approved by a vote of 5 to 0.

The Board took no action on matters related to the construction and occupation of the District's maintenance facility.

The Board then discussed the Master Lease Agreement with U.S. Bank Equipment Finance related to the financing of two (2) new pumpers. Mr. Coveler presented the financing documentation and shared with the Board that the first payment has been moved into 2022. After review and discussion, a Motion was made by Mr. **RICE** seconded by Mr. **BOLLOM** to accept the master lease agreement documentation and to authorize Mr. Truver and Mr. Rice to execute the Agreement as presented. The Motion was approved by a vote of 5 to 0.

Chief Mulligan and Mr. Wassell also presented to the Board regarding the need and use of a CAFS system on one (1) of the new pumper trucks being ordered. Chief Mulligan and Mr. Wassell explained that the District received 5 points on the ISO assessment for having CAFS on Engine 49, the 2006 Pierce Truck being removed from front line duty. Chief Mulligan inquired with the Board if the Department should get a formal quote for a change order to add CAFS to one (1) of the new pumpers. Mr. Wassell reported that the estimated cost of CAFS is around \$50,000, however Mr. Wassell had not yet obtained a formal quote until pending input from the Board as to how to best proceed. The Board determined that it did not want to investigate the cost of adding CAFS.

The Board next received reports from the Department, previously emailed out by Chief Mulligan. Mr. **COYLE** presented questions about the report related to the 2022 budget. Chief Mulligan reviewed the report stating twenty-one (21) items are currently overbudget, but that most of those over-budget categories were due to timing issues. Chief Mulligan also shared that the District's income was also overbudget and it is believed that the District will have a budget surplus this year on normal budgeted items. Chief Mulligan also shared that VFIS is performing a study of the Department's insurance coverage. After review, a Motion was made by Mr. **RICE** seconded by Mr. **CLARKE** to approve the Department reports as received. The Motion was approved by a vote of 5 to 0.

Mr. Coveler next explained the tax rate adoption planning. The Board took no action on the District 2022 budget and 2021 District tax rate as the preliminary appraisals had not been received from the Tax Assessor-Collector's office.

The Board then addressed the tax rate calculations for 2021. A Motion was made by Mr. **BOLLOM** to designate the Harris County Tax Assessor-Collector's Office to prepare the District's No New Revenue Tax Rate and related tax calculations for 2021. Mr. **RICE** seconded the Motion. After discussion, the Motion was approved by a vote of 5 to 0.

The Board next addressed publication of tax rate setting notices. After review, a Motion was made by Mr. **BOLLOM**, seconded by Mr. **RICE** to authorize District counsel to publish the necessary 2021 Tax Rate setting notices. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed thirty (30) day advance requests submitted by the Department. Chief Mulligan shared that there was a meeting held with the President of Northeast Hospital Foundation and there were discussions relate dot the foundation possibly purchasing an ambulance for the District. Chief Mulligan also reported that a new highwater truck would take six (6) to nine (9) months to obtain. No action taken.

The Board took no action on the sale or disposal of surplus and/or salvage property pursuant to Texas Health and Safety Code §775.251 as no items were presented for consideration. However, the Board instructed Mr. Wassell to retain the 2006 Pierce Engine as a reserve pumper for the District with CAFS and to not dispose of the asset as previously considered.

The Board next addressed repairs for equipment, apparatus and facilities in service to the District. No repairs were reported.

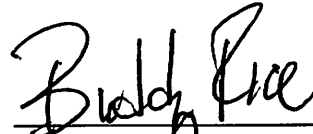
The Board then confirmed the date for the next regular meeting will be July 19, 2021. All commissioners in attendance found the date accommodating to their schedules.

The Board then reviewed items to be placed on the July meeting agenda. No specific items were requested.

The Board did not exercise the option to enter Closed Session.

The Board took no action on real estate or personnel issues.

There being no further business brought before the Board, the meeting was adjourned at 8:20 P.M.



Buddy Rice
Secretary of the Board