

**MINUTES OF THE JANUARY 25, 2022 MEETING OF
HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 10**

A meeting was duly called of Harris County Emergency Services District No. 10, held at the District Administration Building located at 14415 Old Humble Road, Humble, Texas 77396, on Tuesday January 25, 2022.

CALL MEETING TO ORDER AND ESTABLISH A QUORUM.

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

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|-----------------------|---------|
| Mike Tucker | Present |
| Paul Lessor | Present |
| Richard Givens | Present |
| Robyn Hoekstra | Present |
| Rebecca Todd | Present |

Also present at the meeting were Chief Bryan Harris, Assistant Chief Al Sterkx, District Chief Matthew Jensen, Facilities Manager Heather Schwalbach, Human Resources Manager Megan Puri, Fleet Manager Richard Hancock, District Accountant, Rich Majeres, and District Counsel, Mr. Ira A. Coveler.

TO RECEIVE PUBLIC COMMENT.

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

REVIEW AND TAKE ACTION ON MATTERS RELATING TO CALLING AN ELECTION TO BE HELD ON MAY 7, 2022.

The Board then reviewed and took action on calling a public election to be held on May 7, 2022 to elect three (3) commissioners to the District Board under Health & Safety Code, §775.0345. The Board appointed and approved the following items: an agent for the election; an early voting clerk and deputy early voting clerk; designating election precincts and polling places; designating an early voting polling place; the form for the notice of election; the contract needed with Hart InterCivic, Inc., for election services related to conducting the election, the contract with KNOWiNK for services related to conducting the election; as well as considered any additional related actions related to the election. After review, Ms. **TODD** made a Motion, seconded by Mr. **LESSOR** to approve the Order for the May 7, 2022 election. After discussion, the Motion was approved by a vote of 5 to 0.

TO APPROVE THE MINUTES OF PRIOR MEETING(S).

The Board tabled the review of the Minutes from the November 11, 2021 meeting. It was reminded that no Minutes would be presented for the month of December as the meeting was cancelled.

TO RECEIVE A REPORT FROM THE DISTRICT'S SALES TAX CONSULTANT.

The Board next received the Sales Tax Report presented by Heather Schwalbach regarding matters related to the District's Sales Tax revenue. Ms. Schwalbach relayed an increase of 14.7% from that the previous year with significant allocations from the same top ten taxpayers. No action taken.

TO RECEIVE A REPORT FROM THE DISTRICT'S BOOKKEEPER AND TAKE ANY ACTION RELATED THERETO.

The Board then received a Financial Report, presented by District Accountant Rich Majeres. The cash reserve as of 12/31/2021 is \$9,092,494. Ten and on half months are currently in reserve. The total debt service outstanding is \$13,164,160. Mr. Majeres expressed the need to improve the method of payroll presentation. He also stated the anticipated submission of records to the District Auditor by the end of March. After discussion, Ms. **HOEKSTRA** made a Motion, seconded by Ms. **TODD** to accept the financial report as presented. After discussion, the Motion was approved by a vote of 5 to 0. Please see the attached financial report for additional information about the financial status of the District.

TO REVIEW AND TAKE ACTION ON FINANCIAL MATTERS OF THE DISTRICT INCLUDING THE DISTRICT'S INVESTMENT AND PAYING DISTRICT BILLS.

The Board addressed District bills paid:

- Prior to December 2021 meeting (including Chase Credit Card payment of \$15,512.76): \$63,081.91
- December meeting; \$82,827.69
- Prior to January 2022 meeting: \$80,747.35
- To be paid January 2022 meeting: \$797,401.23

Ms. **HOEKSTRA** made a Motion, seconded by Mr. **LESSOR** to approve the payment of the District's submittals and bills. 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 bills and invoices submitted for payment.

The Board next addressed the outstanding balance of the District's loan with Trustmark Bank. After review, a Motion was made by Ms. **HOEKSTRA** seconded by Mr. **GIVENS** to pay the remaining loan balance in February. After discussion, the Motion was approved by a vote of 5 to 0.

TO CONDUCT ANNUAL REVIEW OF THE DISTRICT'S INVESTMENT POLICY AND TAKE ANY NECESSARY ACTION.

Mr. Coveler explained that the policy was the same as the prior year. After review, a Motion was made by Ms. **HOEKSTRA**, seconded by Ms. **TODD** to approve the Resolution

Regarding 2022 Review of the Adopted Investment Policy. After discussion, the Motion was approved by a vote of 5 to 0.

TO REVIEW, DISCUSS AND TAKE ACTION REGARDING REVIEW OF THE TERMS OF THE EVERGREEN AUDIT ENGAGEMENT WITH McCALL GIBSON SWEDLUND BARFOOT PLLC.

The Board then addressed the terms of the evergreen audit engagement with McCall Gibson Swedlund Barfoot PLLC. After review, a Motion was made by Mr. **GIVENS**, seconded by Ms. **HOEKSTRA** to approve the terms of the audit engagement as presented. After discussion, Commissioner **TRUVER** called for a vote. After discussion, the Motion was approved by a vote of 5 to 0.

TO REVIEW, DISCUSS, AND TAKE ACTION REGARDING MATTERS RELATED TO THE RENOVATION OF STATION 26 AND STATION 46, INCLUDING THE CONSIDERATION OF ANY CHANGE ORDERS PRESENTED AT THE MEETING.

Facilities Manager Heather Schwalbach updated the Board about the renovation progress of Station 46. She stated a balance of \$140,000 remained from the loan to be disbursed by August 2022. Ms. Schwalbach advised the need of \$70,000 to complete the amendment to the project contract, including approximately \$7,000 for the shed. She shared the need for a meeting to be held to discuss landscaping matters, expressly the matter of the water hammer. Attendees should include Chad Joiner, DBR engineer, plumber, Chief Harris, Mr. Coveler and Gamma Construction.

After review, Ms. **HOEKSTRA** made a Motion, seconded by Ms. **TODD** to approve additional funds for the project contract amendment. After discussion, the Motion was approved by a vote of 5 to 0.

TO REVIEW, DISCUSS, AND TAKE ACTION REGARDING PAY APPLICATIONS RECEIVED FROM LAW CONSTRUCTION AND APPROVED BY JOINER ARCHITECTS.

Ms. Schwalbach presented Pay Application No. 11 and Pay Application No. 12 as approved by Joiner Architects. After review, Mr. **GIVENS** made a Motion, seconded by Ms. **TODD** to approve Pay Application No. 11 in the amount of \$42,275 to LaW Construction as presented. After discussion, the Motion was approved by a vote of 5 to 0.

Ms. **HOEKSTRA THEN** made a Motion, seconded by Mr. **LESSOR** to approve Pay Application No. 12 in the amount of \$103,164.30 to LaW Construction as presented. After discussion, the Motion was approved by a vote of 5 to 0.

TO RECEIVE REPORTS FROM EASTEX FIRE DEPARTMENT AND DISTRICT STAFF.

- a. Status of the department and Operations report.

Chief Harris reported all Opticom systems to be up and running. He stated saws had been stolen off the E16 while parked at Denny's. Chief Harris also shared how eighty (80) mile per hour winds had damaged three doors on the B36 truck resulting in \$13,000 worth of damage. In

the end, however, a profit of \$10,000 was equated. After review, Ms. **HOEKSTRA** made a Motion, seconded by Ms. **TODD** to approve the Operations report as presented. After discussion, the Motion was approved by vote of 5 to 0.

- b. Fleet, equipment and stations report.

No action taken.

- c. Administrative report.

No action taken.

TO REVIEW, DISCUSS, AND TAKE ACTION REGARDING ANY MATTERS RELATED TO THE DISTRICT'S 2022 BUDGET.

The Board reviewed the District's 2022 Budget. A Motion was then made by Ms. **HOEKSTRA**, seconded by Ms. **TODD** to include \$12,035 in sales tax under 0700 Section as no debit days had been reflected. After discussion, the Motion was approved by a vote of 5 to 0.

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

Chief Harris presented three (2) quotes:

1. Adjust fleet vehicle for service bed: \$9,810.00
2. Addition of a center council: \$855.00

After review, Mr. **LESSOR** made a Motion, seconded by Ms. **HOEKSTRA** to approve the expenditure of the two quoted prices, not to exceed \$11,000. After discussion, the Motion was approved by a vote of 5 to 0.

TO REVIEW, DISCUSS, AND TAKE ACTION REGARDING ENTERING INTO A FUEL SERVICES AGREEMENT WITH JAGUAR FUELING SERVICES, LLC FOR BULK FUEL SERVICES FOR THE DEPARTMENT.

Ms. Schwalbach addressed fuel services agreements for the ESD. She explained that Jaguar Fueling Services, LLC get the head price for gas then provide fuel monitoring to the District without a signed contract. The only requirements would be the completion of a credit application and submittal of a W-9. Ms. Schwalbach stated the Wexful card did offer more gas station options. After review, a Motion was made by Mr. **GIVENS**, seconded by Ms. **HOEKSTRA** to add Jaguar Fueling Services, LLC for bulk fuel services though to continue services with Sun Coast until further notice. After discussion, the Motion was approved by a vote of 5 to 0.

TO REVIEW, DISCUSS, AND TAKE ACTION ON APPROVAL OF EXPENSES RELATED TO UPCOMING TRAINING CLASSES FOR THE DISTRICT COMMISSIONERS, DEPARTMENT OFFICERS, ADMINISTRATIVE STAFF, AND DEPARTMENT PERSONNEL.

No requests were presented to the Board for consideration. No action taken.

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

The Board took no action on the adoption, amendment or explanation of District Policies, procedures or standard operating guidelines.

TO REVIEW, DISCUSS, AND TAKE ACTION ON SUBMITTALS RECEIVED FROM THE DISTRICT COMMISSIONERS SEEKING COMPENSATION AS PERMITTED BY TEXAS HEALTH & SAFETY CODE §775.038 (A-1).

The Board then addressed the payment of Commissioner fees in accordance with District policy. Commissioner Givens claimed \$150.00. Commissioner Todd claimed \$150.00. Commissioner Hoekstra claimed \$450.00. Commissioner Tucker claimed \$750.00. Commissioner Lessor claimed \$150.00. After review, a Motion was made by Ms. HOEKSTRA, seconded by Ms. TODD to approve payments for Commissioners GIVENS, TODD, HOEKSTRA, TUCKER, and LESSOR. After discussion, the Motion was approved by a vote of 5 to 0.

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.

The Board took no action on surplus and/or salvage property.

TO REVIEW, DISCUSS AND TAKE ACTION ON ANY DISTRICT MATTERS WHICH NEED TO BE INCLUDED ON THE NEXT AGENDA FOR THE MEETING SCHEDULED FOR FEBRUARY 22, 2022.

No specific items were requested for inclusion on the February meeting agenda.

TO MEET IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE §551.071 TO CONSULT WITH LEGAL COUNSEL.

The Board did not exercise the option to enter Closed Session to consult with District legal counsel.

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 enter Closed Session to discuss real estate matters.

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

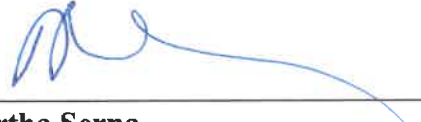
The Board did not exercise the option to enter Closed Session to discuss personnel matters.

TO REVIEW, DISCUSS, AND TAKE ACTION ON ANY PERSONNEL OR REAL ESTATE MATTERS.

The Board did not exercise the option to enter Closed Session therefore no action was taken in relation to employment related claims, real estate matters or personnel matters.

ADJOURNMENT

There being no further business brought before the Board, Mr. **LESSOR** made a Motion, seconded by Ms. **TODD** to adjourn the meeting. The meeting adjourned at 8:56 P.M.



Martha Serna
Assistant Secretary Treasurer