

Meeting Minutes -Montgomery County Emergency Services District No. 6

The Montgomery County Emergency Services District No. 6 Board of Commissioners held its regular meeting at the Porter Fire Department Station 121 on March 24, 2020.

The meeting was called to order by Larry Trout, District Board President.

Commissioners present: Larry Trout, Therlyn Cook, Donnie Click, John Kelley, and David Miller.

Also attending: District Fire Chief Carter Johnson, Assistant Chief Cleave Pamphile, District Administrative Assistant Jessica Black, District Legal Counsel John Peeler of Coveler & Peeler, PC, and District Bookkeeper Mark Miller of Municipal Accounts & Consulting, LP.

Commissioners not present: none

Public attendees: none

- The Board convened and the meeting was called to order by Mr. Trout at 1:18 PM.
- The Board conducted roll call with a quorum present.
- The Board opened the floor for public comment though none was offered.
- The Board then addressed item 3 of the agenda, minutes of prior meetings. The minutes were reviewed for the February 27, 2020 regular meeting. Motion by Mr. Miller and second by Mr. Click to approve the minutes noting the correction of “he” to “she” in Item 4 as presented. **After discussion the motion was approved 5 to 0.**
- The Board then addressed item 4 of the agenda: financial report, investments, and bills. Mark Miller presented a report on the financial status of the District for review and action, and he provided a verbal summary of the monthly report and bills for payment. Chief Johnson noted the pending FEMA reimbursement then relayed information regarding the collection of sales tax for the District. Chief Johnson stated the most recent sales tax report reflected 15% higher than the same time last year and reviewed the highest sales tax payers in recent months. Though the sales tax may be impressive at this time, Chief Johnson believes a decline will be prevalent in the upcoming months due to COVID-19. Motion by Mr. Kelley and second by Mr. Cook to accept the report and approve the investments and bills as presented, including the additional checks page added. **After discussion the motion was approved 5 to 0.**
- The Board took no action on item 5, amendments/revisions to District budget(s).
- The Board then addressed item 6, granting exemptions for 2020. Motion was made by Mr. Miller and second by Mr. Click to keep the exemptions the same as those for 2019: Homestead, \$-0-; Over 65, \$40,000; and Disability, \$-0-. **After discussion the motion was approved 5 to 0.**
- Board next addressed item 7, To review and act on items related to construction, improvements, repairs, renovations, and equipment purchases for District facilities, including selection/engagement of contractor(s), architectural, testing or other services. Chief Johnson began the discussion by presenting the question as to whether the new Station project should be postponed or possibly canceled due to the financial impact of COVID-19. Mr. Trout expressed his concern over the retail and oil and gas impact from COVID-19 and other issues. Mr. Kelley stated the need for information on the price increase with delay of 30 – 60 days and the potential sales tax impact. Chief Johnson suggested the Department has some ability to make operational adjustments during 2020 to reduce operational expenses. Chief Johnson reported that he expected Montgomery County to soon order a shelter-in-place in the same manner as Dallas and Harris Counties. He suggested additional information be received from Colliers regarding the effects of delaying the start of construction. Mr. Miller asked when would the District start paying costs for the construction? Mr. Peeler stated the clearing would begin immediately upon the District issuing the notice to proceed, and that those costs

would be incurred immediately upon the work ending. Mr. Miller and Mr. Trout both asked how a shelter-in-place would affect the ESD, with Mr. Miller questioning further the affects of no one working on the project. Mr. Peeler explained that costs would still be incurred for any steel, and other construction materials which may have been ordered by the contractor prior to the shutdown occurring.

Chief Johnson then presented problems regarding the additional driveway which included increased costs due to pouring and other costs, which, depending on the placement of the driveway, could affect the size of the remaining parcel of land. Chief Johnson stated that two options would be presented with differing costs. (Mike Collier of Colliers and Justin Myers of Martinez Architects were introduced into the discussion at this time via video conference.)

Mr. Miller felt it would be a hazard to drive through the Station to get to the back rather than in front of the station. Chief Johnson then asked Mr. Collier and Mr. Myers to explain the ramifications of delays, shutdowns and other issues.

Mr. Colliers stated that the price would remain unchanged for 60 days from the date of the GMP but assured the Board that Colliers would do everything possible to hold the project for the ESD including delaying the signing of sub-contracts for a couple of weeks, communicating with material suppliers and perhaps phase in the project slowly in an effort to monitor the financial situation. Chief Johnson asked if it would be possible to delay the order of steel, to which Mr. Colliers replied that could be done. Chief Johnson then asked how soon the clearing could commence and when would the first draw be expected. Mr. Colliers noted the first draw to take place April 30th. Chief Johnson queried the result, as in penalties, should the ESD decide to cancel the project in May. Mr. Colliers shared that only those costs incurred would be the responsibility of the ESD.

Mr. Peeler then presented the idea of a five-year loan for approximately 50% discussion. Mr. Collier began to explain the process for ordering of the steel. He said a great deal of review and engineering goes into the steel ordering; shop drawings while clearing takes place; could stop after shop drawings; before the order is placed for steel. Mr. Colliers stated that the District would be looking at \$350,000 up to the point of shop drawings, dirt and clearing though the price may increase depending on the amount of concrete used and utilities installed.

Mr. Peeler explained the difference between a bond and a lien as well as issues related to the timing of putting construction loans in place prior to the commencement of construction operations.

Martinez Architects exited the teleconference at this time, 2:12 p.m.

A discussion was held as to how ESDs fund construction projects with and without loans. This led into a discussion on current reserves vs. sales tax expectations. Chief Johnson believes the current funds would allow the District to purchase a building. Mr. Cook expressed his dislike of the delay a loan might cause and not convinced that a loan would be cost-beneficial for the ESD.

The Board continued its discussion of possible loan delays and the potential cost increase if delayed past April 19th. It was agreed that the Station is needed now as well as the future. Mr. Kelley believed that a delay would cause the District to lose good weather for construction. Mr. Miller interjected that if the ESD can't afford the project then more than likely the loan would not be feasible either suggesting the possible acceptance that, like other businesses, a cut-back might be considered.

The Board unanimously requested Colliers give them until April 14th to consider the options at hand for the future of the Station project. The District will meet at noon on April 14th to address the construction issues.

Chief Johnson returned to the driveway proposal stating the Fire Department would be agreeable to either plan.

- The Board then addressed item 8 of the agenda, disposition of surplus and/or salvage property. Chief Johnson stated the organization of items was still in process though not yet placed online for auction.
- The Board took no action on item 9 of the agenda, acquisition of capital equipment and vehicles and financing for same.
- The Board next addressed agenda item 10 regarding real estate matters. Chief Johnson reported the expansion of Sorters Road and stated that Porter SUD needs 10' easement that would go under our sign. Still determining if sign can be kept in place or would be required to relocate. Chief Johnson recommended to move the sign at the cost of the Porter SUD. The Board wants to charge the SUD for the easement. Mr. Peeler reminded the District that a need from the SUD may present itself in the future to which Mr. Miller asked if the SUD was using bond funds to finance the project. Mr. Peeler stated that he has no information on that. Chief Johnson expressed his belief that the sign should be moved in an effort to avoid problems in the future. The Board agreed on the Sorters Road easement at the cost of relocating the District sign. Chief Johnson will negotiate the matter on behalf of the District. No formal action taken.
- The Board addressed items 11 and 12 of the agenda in conjunction, to receive a report from the Fire Department and matters related to COVID-19. Chief Johnson reported that the Department is working on procedures for responding to medical calls that might include COVID-19 exposure, continuity of operations by the Fire Department, responses to COVID-19 confirmed cases and those awaiting test results. He said the Department is not toned initially on respiratory issue calls; we are working on dispatch protocols "PPE alert"; reviewed responses assisting EMS on COVID-10 type calls. Chief Johnson continued with the quarantine plan explaining that personnel exposed to COVID-19 in the line of duty will be housed in RV's provided by the Department; additional hookups are being installed to allow for the RV parking. Motion by Mr. Miller and second by Mr. Cook to authorize Chief Johnson to allocate funds, not to exceed \$25,000, for the budget of COVID-19 related costs. **After discussion the motion was approved 5 to 0.** Mr. Miller relayed that ESD 7's East Montgomery County Fire Department and Montgomery County Sheriff's Office have ceased EMS calls due to COVID-19 and expressed his thought that ESD 6 should not authorize the additional expenses due to quarantine over fourteen days. Motion by Mr. Click and second by Mr. Miller to authorize two commissioners to approve emergency expenditures up to \$50,000 per incident during the State of Disaster in the District. **After discussion the motion was approved 5 to 0.**
- The Board next addressed item 11, agreements with neighboring jurisdictions regarding the provision of emergency services. Chief Johnson stated the Mutual Aid agreement with the City of Houston should be addressed at the City's meeting Wednesday. As a chair of the TIFMA, Chief Johnson reported that they are working on plans to assist cities, etc. due to COVID-19 and how to deal large wildfires during the same period. No action taken.
- The Board then addressed item 12, communications or dispatching. Chief Johnson relayed that T-Mobile has done nothing as the ISD is still reviewing the technical requirements.
- The Board took no action on agenda item 15, records management issues.
- The Board did not exercise the option of Closed Session under items 16, 17, and 18, consultation with legal counsel, real estate or personnel.
- The Board then addressed item 19, personnel matters. Chief Johnson complimented all employees on their performances during this time of emergency.
- There being no further business to come before the Board at this time, the meeting adjourned at 3:19 PM.