

**SPECIAL CALLED CITY COUNCIL WORKSHOP**  
**July 20, 2017**

MINUTES OF THE SPECIAL CALLED WORKSHOP OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS THAT WAS HELD **JULY 20, 2017** AT 6:00 P.M. PM IN THE COUNCIL CHAMBER, CITY HALL, 1200 SOUTH COMMERCE, OVERTON, TEXAS.

**PRESENT:**

C. R. Evans Jr., Mayor  
Jerry Clark (*arrived at 6:15 p.m.*)  
Lawrence Davis  
John Posey  
Michael Paul Williams

**ABSENT:**

Philip Cox, Mayor Pro Tem

Also in attendance were, Charles Cunningham, City Manager, Clyde Carter, Police Chief, Wendy Bates, City Comptroller, Blake Thompson, City Attorney and Rachél Gafford, City Secretary representing staff and D. David Burks representing Rusk County ESD #1

I. **CALL TO ORDER** –Mayor Evans called the meeting to order at 6:07 p.m.

*Mayor Evans skipped the invocation and pledge.*

II. **NEW BUSINESS (CONSIDER AND/OR ACTION)**

City Council to hear, discuss and consider four possible options for the City to join or not join an Emergency Services District; to include the following topics:

1. Identification of four options.
2. The pros and cons of each option in the context of financial considerations; logistics; quality of fire service to be provided; impact on Emergency Medical Services (Champion EMS); and potential obstacles during transition.
3. Steps needed to be taken to effect desired outcome.
4. Provisional schedule for City Council action during the consideration and decision-making process.

*City Manager Cunningham presented a high-level overview presentation (Attachment A) to Council which covered the various Emergency Services District options and the implications of each option. The four options related to the City pursuing membership by election to join the Rusk County or Smith County Emergency Services Districts, to create the City's own Emergency Services District or just continue as is.*

*Cunningham presented steps that would have to be taken through the ordering of an Special Election both on behalf of the City and on the part of the ESD in question. The impact analysis of each option on the tax rate and how joining one of the two ESD would possibly have minimal impact on the overall tax rate to the citizens as the City would be able to potential lower the City's tax rate to offset the impact as the City would no longer have to fully fund the Fire Department.*

*City Manager Cunningham recommended that the Council consider scheduling of several special workshops of the next few months between the Overton Volunteer Fire Department members; the perspective ESD Boards for both Rusk and Smith County and City Council to discuss and help make a decision of the direction the City Council may wish to pursue for a possible 2018 Election.*

**Mayor Evans directed City Manager Cunningham to schedule the proposed workshops as recommended.**

**III. ADJOURNMENT**

**Councilman Williams made a motion to adjourn.**

**Councilman Davis seconded the motion.**

**Mayor Evans called for a vote.**

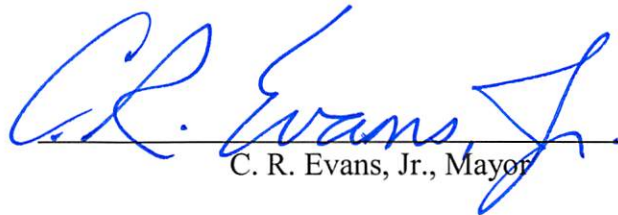
**Motion carried 4 – 0 – 0; Mayor Pro Tem Cox absent.**

With no further business, the meeting was adjourned at **6:50 P. M.**

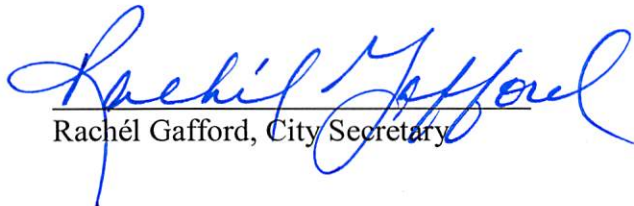
Minutes approved and submitted and/or corrected this 17<sup>th</sup> day of August, 2017.



CITY OF OVERTON

  
C. R. Evans, Jr., Mayor

Attested by:

  
Rachél Gafford, City Secretary

ATTACHMENT A

# EMERGENCY SERVICE DISTRICT (ESD) Issues to be Considered

- Options
  - Requirements
  - Comparison of Costs/Benefits
  - Emergency Management Services
  - Schedule Going Forward
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## **Options**

**In considering a path forward towards becoming affiliated either with one of two ESDs, creating a new ESD or remaining unaffiliated, the City Council should closely examine each option to determine which one best suits the interests of the City. The evaluation should include the level of service expected, the financial impact including tax rate implications; the support or lack of support of the Overton Volunteer Fire Department members and other obstacles or opportunities that each option presents.**

**Following is a list of each of the options available to the City, they are not listed in any particular order of preference:**

- 1. Join Rusk County ESD # 2**
  - 2. Join Smith County ESD # 1**
  - 3. Establish own ESD**
  - 4. Remain unaffiliated**
-

## **Requirements**

### **Elections**

In order to be eligible to join an existing ESD or create a new District on its own, the City Council must authorize an election that allows its Citizens to vote yes or no on a proposition to become a member of the defined ESD.

In addition, the citizens of the District to be joined need to vote with an affirmative majority, to allow the petitioning jurisdiction to come into the existing District.

Cannot set up a single election to vote on two or more options.

Election held in November 2018 with implementation beginning October 1, 2019.

## **Requirements (cont.)**

### **Tax District**

If approved by voters on both sides, the County will add the Taxing District to the property owner's tax bill for property newly added to the District at the rate set by that District each year.

### **Organizational Changes**

Required changes in organization will be different in each case unless the decision is for the OVFD to remain unaffiliated.

## Requirements (cont.)

### Organizational Changes (cont.)

If an existing District is joined (ESD #1 Rusk County or ESD #2 Smith County), administrative matters of the department will be assumed by the administrative support staff of the District. Administrative tasks would include payment of bills, record keeping of department personnel and activities, acquisition of supplies and services such as inspection of equipment etc. , maintenance of appropriate levels of insurance and other administrative functions.

Operationally, the staff of the District will dictate Standard Operation Procedures, coordinate training, manage communications including dispatch of responses to fire alarms and emergency service calls. In certain cases the District will provide either full-time paid fire fighters during certain hours of the day and/or paid supervisory staff that will direct and manage fire calls.

## **Requirements (cont.)**

### **Organizational Changes (cont.)**

If a new ESD is created for just the City of Overton, a Board to oversee the District would have to be elected or appointed, the ESD could contract with someone to handle the administrative affairs of the District. An arrangement would have to be made with Rusk County for the OVFD to respond to calls outside the City limits but inside the County.



## Comparison of Costs/Benefits

	<u>ESD # 2 Rusk Co.</u>	<u>ESD # 1 Smith Co.</u>	<u>ESD Overton</u>	<u>OVFD</u>
<u>Tax Rate</u>	\$0.07 / \$100	\$0.084 / \$100	\$0.10 / \$100	\$0.0458 / \$100
<u>Levy</u>	\$53,900	\$64,680	\$77,000	\$35,266
<u>Net Rate</u>	0.0242	0.0382	0.0542	0.0458
<u>Impact</u>	\$24.20/year	\$38.20/year	\$54.20/year	\$0/ Year
<u>(100K home)</u>	\$2.02/ month	\$3.18/ month	\$4.52/ month	\$0/ month

## Comparison of Costs/Benefits

### **Operating Expenses**

#### ESD # 2 Rusk Co.

Contributes  
\$20,000/ year for  
Op Expenses +  
splits run money

OVFD would  
continue to petition  
ESD#2 for funding  
operational costs.

#### ESD # 1 Smith Co.

Would assume all  
operating expenses  
including utilities,  
maintenance,  
training etc.

Would station 2 full-  
time firemen in  
Overton (40hrs. Per  
week)

#### ESD Overton

Would continue to  
pay operating  
expenses including  
util, maintenance,  
training, etc.

#### OVFD

Would continue to  
pay operating  
expenses including  
util, maintenance,  
training, etc.

OVFD would  
continue to  
petition ESD #2  
for funding  
operational costs.

## Comparison of Costs/Benefits

### **Capital Expenditures**

<u>ESD # 2 Rusk Co.</u>	<u>ESD # 1 Smith Co.</u>	<u>ESD Overton</u>	<u>OVFD</u>
OVFD would be in line to receive new trucks as provided by ESD#1 Board.	OVFD would be in line to receive new trucks as provided by ESD#2 Board.	OVFD would be responsible for acquiring vehicles in the future.	?
No formal process exists for consideration of new fire stations or renovations of existing stations.	Decisions for new stations or renovation of existing stations are recommended to the Board by a Facilities Planning Committee.	Consideration of a new fire station or renovation of existing station would be a decision of the ESD Overton Board.	?

# Emergency Management Services (EMS)

## **Emergency Management Services (EMS)**

**The City of Overton currently contracts directly with Champion EMS to provide EMS services for the Overton EMS Service Area which includes the City as well as surrounding areas such as New London, Leverett's Chapel and unincorporated areas in Rusk.**

**While not directly related to the ESD issue, any change in the affiliation of the OVFD would have an indirect impact on the contractual arrangement the City has with Champion EMS. Information provided below outlines the options that would be available to the City if one of the three alternative affiliations is chosen by the Council.**

## Emergency Management Services (EMS)

### City of Overton- Current Costs

\$36,000 Annually for EMS Service	\$11,164.58 Annually for EMS bldg. with balloon payment of \$94,763.45 on 10-14-2019.	<u>Total Annual Cost of</u> <u>\$47,164.58</u>
	<b>Tax Rate Equivalent</b>	<u><b>\$0.0653</b></u>

NOTE: One of the principal reasons for contracting with Champion EMS was the "guarantee" of availability 24 hours a day because the unit was stationed in Overton, at City provided facilities. Currently the unit is stationed at the City during the day but at midnight, it moves to Kilgore and stays there until the next morning.

## **Emergency Management Services (EMS)-cont.**

### **Rusk County Option**

If the City considers terminating its Agreement with Champion EMS, it could be added to the contract Champion has with Rusk County at no cost to the City.

Terminating the contract would also free up the EMS Building for sale which, when it sold would reduce the City's financial liability by over \$11,000 annually and reduce its debt by \$94,763. 00.

### **Smith County Option**

The same option with Rusk County could be pursued with Smith County with the only difference being that the provider would be ETMC instead of Champion EMS. ETMC does not charge the County or departments a fee. They operate totally on collections from insurance claims and special low cost individual policies.

## Planning Process

<u>Topic</u>	<u>Participants</u>	<u>Suggested Forum- Schedule</u>	
Overview of Issues	City Council, Staff	Workshop	7/20/2017
Brief Overview of Options	City Council, Staff OVFD Volunteers	Workshop	8/17/2017
Join Rusk County ESD#2	City Council, Staff Rusk Co. ESD # 2 Reps	Workshop	11/16/2017
Join Smith County ESD#1	City Council, Staff Smith Co. ESD # 1 Reps	Workshop	12/15/2017
Create own ES District Remain Unaffiliated	City Council, Staff OVFD Volunteers	Workshop	1/19/2018
Compare and Select Best Option	City Council, Staff OVFD Volunteers Citizens of Overton	Town Hall	May 2018
Order Election	City Council, Staff	Council meeting	8/16/18
Hold Election	Citizens	Vote	11/1/18