



Memorial City Plaza II
820 Gessner, Suite 1570
Houston, TX 77024-4494

January 20, 2022

The Honorable Mayor Jinks & Members of the City Council, City of Hedwig Village

The Honorable Mayor Herron & Members of the City Council, City of Hilshire Village

The Honorable Mayor Pappas & Members of the City Council, City of Hunters Creek Village

The Honorable Mayor Kobelan & Members of the City Council, City of Piney Point Village

The Honorable Mayor Vajdos & Members of the City Council, City of Spring Valley

RE: City of Bunker Hill Village ("Bunker Hill") reentry to Village Fire Department ("VFD")

Dear Mayors & Council Members,

As you all are aware, the City of Bunker Hill Village ("Bunker Hill") submitted a letter dated January 13, 2022, expressing their interest in becoming a full member of the Village Fire Department ("VFD") effective April 1, 2022. By this letter, the VFD Board of Commissioners requests that each of the member cities place an item on the agenda for your next city council meeting to discuss readmitting Bunker Hill Village as a full participating member of the Village Fire Department, effective April 1, 2022. This ensures that there will be ample time to discuss and resolve any potential issues prior to our target effective date of April 1, 2022.

In order to readmit Bunker Hill by April 1, 2022, each of the Member Cities must execute an amendment to the 1983 Interlocal Agreement which originally established the Village Fire Department. Within the same amendment, the existing Services Agreement between Bunker Hill Village and the VFD will be extinguished. The proposed amendment which would accomplish each of these goals is attached to this letter as Exhibit A. Further Discussion of the current relationship between Bunker Hill Village and the Village Fire Department, along with the implications of reentry can be found in the memorandum dated December 13, 2021 attached as Exhibit B. On behalf of the Village Fire Department thank you for your cooperation and attention to this matter.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Brandon D. Morris".

Brandon D. Morris

Randle Law Office LTD., L.L.P

Enclosures

(281) 657-2000
brandon@jgradyrandlepc.com

Exhibit – A

Village Fire Department Interlocal Cooperation Agreement Amendment #6

Exhibit – B

Memorandum Dated December 13, 2021

Re: Readmission Procedure and Implications

Village Fire Department Interlocal Cooperation Agreement Amendment #6

Pursuant to Article 16A. of the Village Fire Department Interlocal Cooperation Agreement, all contracting cities hereby approve the following amendment to Article 1 thereof:

Article 1.

“1.00. Notwithstanding any other article or provision herein, the City of Bunker Hill Village shall be considered a “Contracting City” under this Agreement immediately upon final execution of this Amendment #6. The Interlocal Agreement for Fire Protection and Emergency Services executed November 13, 2019 (“2019 Interlocal Agreement”), is hereby extinguished by agreement of all Parties thereto; provided however, that Section 4.6 of the 2019 Interlocal Agreement shall survive.

(Amend #6 - 4/1/2022)”

This Amendment may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one Amendment agreement.

HEDWIG VILLAGE:

By: _____
Tom Jinks
Mayor

Date: _____

ATTESTED:

Kelly Johnson
City Administrator/City Secretary-Treasurer

HILSHIRE VILLAGE:

By: _____
Russell Herron
Mayor

Date: _____

ATTESTED:

Susan Blevins
City Administrator/City Secretary

PINEY POINT VILLAGE:

By: _____
Mark Kobelan
Mayor

Date: _____

ATTESTED:

Karen Farris
City Secretary

SPRING VALLEY VILLAGE:

By: _____
Marcus Vajdos
Mayor

Date: _____

ATTESTED:

Roxanne Benitez
City Secretary

HUNTERS CREEK VILLAGE:

By: _____
Jim Pappas
Mayor

Date: _____

ATTESTED:

Tom Fullen
City Administrator/City Secretary

BUNKER HILL VILLAGE:

By: _____
Robert Lord
Mayor

Date: _____

ATTESTED:

Karen Glynn
City Administrator/City Secretary

VILLAGE FIRE DEPARTMENT:

By: _____

Date: _____

ATTESTED:



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MEMORANDUM

FROM: Brandon Morris

TO: Chief Foster and the Village Fire Department Board of Commissioners

RE: Bunker Hill Village Admission Procedure and Implications

DATE: December 13, 2021

In October of 2019, the Village Fire Department (“VFD”) along with each of its member Cities, and Bunker Hill Village (“Bunker Hill”) entered into an Agreement for Fire Protection and Emergency Services (“Service Agreement”). Bunker Hill acknowledged in the Services Agreement that their prior actions had constituted a unilateral withdrawal from the VFD. Accordingly, Bunker Hill is not currently a member of the Village Fire Department. This memorandum addresses the procedures for readmission of Bunker Hill as a member of VFD as well as some of the implications of admitting Bunker Hill as a member.

I. Current Relationship of VFD and Bunker Hill

The Village Fire Department was created through an Interlocal Agreement in 1983 by its member Cities (the “1983 Interlocal”). VFD currently has an active Services Agreement with Bunker Hill Village under which VFD provides fire suppression and EMS services to Bunker Hill (the “Services Agreement”). The Services Agreement has a term of 4 years from January 1, 2020 through December 31, 2023. Under the Services Agreement, Bunker Hill is a customer of the Village Fire Department with no voting rights. Pursuant to the Services Agreement, VFD provides Fire suppression and Emergency services to Bunker Hill at the same level and in the same manner as Fire and Emergency Services are provided to the member cities of the VFD. In return, Bunker Hill pays a proportionate share in an amount equal to 19% of the annual budget of the VFD.

II. Readmission Procedure

The Services Agreement specifically provides that Bunker Hill may become a full member of VFD effective January 1, 2024, provided that Bunker Hill is in good standing under the Agreement and Bunker Hill provides written notice of their intent to become a member by May 1, 2022. This is the only method of re-entry which is specifically addressed in the Services Agreement. In order for Bunker Hill to be admitted as a member of VFD earlier than January 1, 2024, written approval of all member cities is required under either the Services Agreement or the 1983 Interlocal. Since Bunker Hill is no longer a party to the 1983 Interlocal Agreement, the quickest and cleanest method of re-entry would be to



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amend the 1983 Interlocal Agreement, making Bunker Hill a member of the VFD once again and extinguishing the existing Services Agreement.

III. Implications of Readmitting Bunker Hill

If Bunker Hill were admitted as a member of the VFD, the Board of Commissioners would consist of six (6) members rather than the current five (5) members. This would mean that a quorum of the Board of Commissioners would now require four (4) Commissioners to be present, rather than the current requirement of three (3). There are a number of practical implications of allowing Bunker Hill to be readmitted as a member of the VFD. Generally speaking, Bunker Hill would resume their ability to vote on any official business of the VFD including budget approval. Other important implications are specifically outlined below:

- Under the Services Agreement, Bunker Hill is required to pay a proportionate share in an amount equal to 19% of the approved VFD budget as well as an amount equal to 19% of the total for funds and expenditures approved by VFD in excess of the adopted Annual Budget at the conclusion of each closed fiscal year. Bunker Hill pays these amounts without having any vote regarding the budget or other approved expenditures.
- During the term of the Services Agreement, Bunker Hill assumes any civil liability that may arise from all services provided to Bunker Hill by VFD under the Agreement. Upon re-entry, VFD would assume any potential civil liability for Fire and EMS services provided to Bunker Hill going forward.
- Under the Services Agreement, Bunker Hill must pay a portion of VFD's current post retirement pension liability to be held by VFD. The post retirement liability totaling \$223,668.00 is to be paid to VFD in 1/3 increments (\$74,556.00) on January 1 of each year from 2020-2022. Bunker Hill must additionally make payments for increases to the VFD employee post-retirement liability in arrears on January 1 of each calendar year under the Services Agreement. While re-entry would not relieve Bunker Hill of their proportionate share of these liabilities, these amounts currently held by VFD and any interest earned thereon would have to be immediately repaid to Bunker Hill.
- Terminating the Services Agreement does not relieve Bunker Hill of any obligation or liability of VFD which occurred prior to termination of the Agreement, including any such post retirement pension liability.



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- Under the current Services Agreement, Bunker Hill is not entitled to any return of ambulance revenues since they are a customer of VFD rather than a member. Once readmitted, Bunker Hill would be entitled to their share of the ambulance funds going forward in the same manner as any other member city.
- Under the Services Agreement, Bunker Hill does not acquire any equity or ownership interest in any equipment assets of VFD. Upon re-entry, Bunker Hill would acquire a proportionate ownership interest in these assets going forward.
- The Services Agreement provides that even if Bunker Hill is readmitted prior to January 1, 2024, Bunker Hill's representatives may not serve as the Chairman or Vice Chairman of VFD until after January 1, 2024.

IV. Conclusion

If readmitted, Bunker Hill would once again be a voting member of the VFD. Under the 1983 ILA, this would affect quorum requirements, budget approval, and the decisions of the VFD going forward. Bunker Hill would be able to appoint a Commissioner and an Alternate to serve on the VFD Board of Commissioners and Bunker Hill's Commissioner would have the right to vote on all official business of the VFD.