

**MINUTES OF THE DECEMBER 18, 2014 MEETING OF THE
HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 11**

A Meeting was duly called of the **HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 11**, which was held on December 18, 2014, at Cypress Creek EMS Education Center, 7111 Five Forks Rd., Spring, Texas 77379.

The Meeting was called to order at 9:00 a.m. by **LYNN LEBOUF**, President. Those Commissioners present were **LYNN LEBOUF, FRED GRUNDMEYER, KAREN PLUMMER, ROBERT BERLETH** and **KEVIN BROST**. Also present were **HOWARD KATZ, of COVELER & KATZ, P.C.**, the District's Counsel, **BRAD ENGLAND**, Executive Director of Cypress Creek EMS ("CCEMS"), **BILL RUSSELL**, of **MYRTLE CRUZ, INC.**, the District's bookkeeper, and Board officers of CCEMS, and members of the public. Also present was Ricardo Martinez of Joiner Partnership, Inc. and attorneys for CCEMS, Andrew McKinney and Kimberly Jessett.

The Board reviewed the Minutes of the October 16, 2014 regular meeting. After review, Motion was made by Mr. **BROST**, seconded by Mr. **GRUNDMEYER** to approve the Minutes. After discussion, the Motion was approved by a vote of 4 to 0 (Mr. Berleth abstaining due to absence).

The Board reviewed the Minutes of the November 20, 2014 regular meeting. After review, Motion was made by Ms. **PLUMMER**, seconded by Mr. **GRUNDMEYER** to approve the Minutes. After discussion, the Motion was approved by a vote of 4 to 0 (Mr. Berleth abstaining due to absence).

The Board then addressed Financial Matters. The District received a report from **BILL RUSSELL**, of **MYRTLE CRUZ, INC.**, the District's bookkeeper. He reported that the operating account balance of the District following the prior meeting was \$1,276,341.26. He also noted the receipt of tax revenue since the prior meeting in the amount of \$1,231,444.31, tax penalty and interest of \$2,484.91, and interest of \$764.84. Mr. **RUSSELL** reported that as of this meeting and prior to the payment of current bills, \$2,510,209.86 was on deposit at the Prosperity Bank operating account, plus demand deposits of \$212,677.69 (Prosperity Bank), plus \$5,209.82 at TexPool, plus CD/investment accounts plus

interest as to all said accounts/CD: \$235,307.68 at Spirit of Texas Bank, \$232,109.58 at Icon Bank, \$224,668.41 at Community Bank (previously Vista Bank), plus \$1,588,892.16 at Compass Bank. He also said that all District funds were properly insured and/or secured by pledged securities. Thereupon, after review, Motion was made by Mr. **BROST**, seconded by Ms. **PLUMMER** to approve the Financial Report as presented. After discussion, the Motion was approved by a vote of 5 to 0.

As part of the Financial Report, the Board then addressed District investments. Mr. **RUSSELL** suggested the following action: to authorize investment in a CEDARS-type investment program. He explained that in a CEDARS-type program funds exceeding the \$250,000.00 FDIC cap are invested in an FDIC bank which in turn forwards all the excess deposits to other FDIC banks in the program in amounts such that no bank has more than the FDIC cap for insurance purposes. Counsel said one requirement he recommend is that there be traditional collateral pledged in the initial depository bank for the time when all the funds are first deposited, continuing until all funds are disbursed to the other participating banks. After review, Motion was made by Mr. **BROST**, seconded by Ms. **PLUMMER** to approve District investment in CEDARS-type investment programs. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed payment of District bills. After review, Motion was made by Mr. **BROST**, seconded by Ms. **PLUMMER** to approve the payment of District bills as follows:

1.	Myrtle Cruz, Inc. (bookkeeping)	\$ 1,765.32
2.	Coveler & Katz, P.C. (legal-November):	\$ 12,581.50
3.	Joiner Partnership, Inc.	\$ 8,378.00
4.	Lyendecker Consult (New Station 513)	\$ 395.00
5.	HCAD (Q'trly Allocation)	\$ 31,805.00
6.	Hart Intercivic (May '14 election)	\$ 9,781.27
7.	Webwize (District website maint.)	\$ 1,200.00

After discussion, the Motion was approved by a vote of 5 to 0.

The Board addressed and took no action on revisions to the 2014 District budget.

The Board addressed revisions to the 2015 District budget. There was discussion about the budgeted revenue and expenses related to the E-View

program for new equipment installations and other district participation. Mr. **RUSSELL** said based on the preliminary E-View numbers the E-View amounts in the budget would work at least until the mid-year budget review.

The Board then addressed the proposed CCEMS budget and funding request for 2015. Mr. England presented a budget revised after the recent budget workshop. The Board reviewed the discussion from the Monday January 15, 2015 workshop. Mr. England said revisions were made in health insurance to allocate to CCEMS the health insurance cost for CCEMS personnel that the District does not fund. There was discussion about dispatch. Mr. **BROST** said that dispatching was important, but that District taxes should not be used to subsidize the fire departments. Mr. England said that there is no subsidy because the fire departments are billed for dispatching services. Mr. **BERLETH** said the amount charged is too low, especially when compared to other dispatching services. Mr. England said that was wrong because the fire departments are first responders on CCEMS calls and that is a benefit to the District residents. Mr. **BROST** said the rates are still way low and that rationale does not justify providing dispatch services for more distant fire departments. Mr. England said they pay what is billed. Mr. **BERLETH** said there are other agencies that receive dispatch services that do not benefit the District, such as the county fire marshal. Mr. England said he did not agree and that over-all the residents do receive benefit. Mr. **LEBOUEF** asked if the issue was the dispatching in general or the amount being charged. There was discussion. Mr. England said the rates can be revised for the next dispatching contract. Counsel said he suggested at the workshop that based on the CCEMS budget there is projected about \$220,000.00 remaining revenue after expenses for dispatching. Counsel said that the remaining funds should be credited to the personnel line item for dispatch allocated to the District funding.

The Board and Mr. England discussed other aspects of the CCEMS budget. There was a discussion about how many employees were covered by the District allocation. Mr. **BERLETH** said that based on how many paramedics Mr. England was asking for there should be 15 ambulances on the road, which is more than CCEMS has now. Mr. England said all the employees do not work at the same time and work in shifts.

As an accommodation, and without objection, Mr. **LEBOUEF** invited public comment. State Rep. Debbie Riddle addressed the Board. She said she used to run with CCEMS and said it is a first class organization and that it provides an excellent public service. Chief Fred Windisch of Ponderosa VFD addressed the Board and CCEMS fire dispatching services. He said CCEMS dispatching for the fire departments was critical to public safety. He said there was an increase in fees about two years ago but it could be looked at again for next year.

The Board then resumed discussion about the proposed CCEMS budget. The Board and Mr. England reviewed the document prepared by Frost Bank and CCEMS Quick Books report for the health care cost funding. There was discussion about the completeness of this report. Mr. **BERLETH** said he would like to see the actual bank papers and ledger. Mr. England said he has presented the bank letter as requested showing the health care cost deducts. He said CCEMS also prepared a listing of all the expenses. Mr. **BROST** and other members of the Board addressed discrepancies in the budget numbers. Mr. **BROST** said he could not reconcile the personnel line item totals or the health insurance cost allocations. There was discussion on the Board funding of the CCEMS budget. Counsel said that for health insurance, the revised budget does not show the \$50,000.00 allocated to the CCEMS column, but the District line item was reduced to \$2,450,000.00. Mr. England agreed said that was an oversight in editing. Mr. England also said that some of the personnel were not in place yet and some were in training. Mr. **BROST** said those personnel were not on the ambulance yet and should not be paid with District funding. Mr. **BERLETH** said the budget should reflect the offset in dispatch that Counsel suggested. Ms. **PLUMMER** said the Board needs to move on and that if the Board wants to readjust the numbers it should do so. Mr. **LEBOUEF** asked what the revised numbers were. Counsel said that based on the re-worked numbers for health insurance, the District portion was reduced to \$2,011,590.00; Dispatch, after applying the revenue offset, was reduced to \$1,397,000.00; ambulance wages was reduced to \$6,550,000.00. He said medical supplies was left at \$767,075.00. Mr. **RUSSELL** said that total was \$10,725,665.00, reduced from \$12,050,000.00. Mr. England said that this was the same budgeted amount as 2014 and yet the

Board wants CCEMS to add ambulances and more paramedics. After review, Motion was made by Mr. **BERLETH**, seconded by Mr. **GRUNDMEYER** to approve the CCEMS 2015 budget with District funding at \$10,725,665.00: allocated as follows: health insurance: \$2,011,590.00; dispatch: \$1,397,000.00; ambulance wages: \$6,550,000.00; medical supplies: \$767,075.00. After discussion, the Motion was approved by a vote of 4 to 1.

The Board then addressed the payment of CCEMS Operations and Capital funding as set forth in the Financial Report. Brad England, Executive Director of CCEMS, noted that Operations funding was due at this meeting in the amount of \$820,000.00. After review, Motion was made Mr. **BROST**, seconded by Mr. **BERLETH** to approve the contract payment of CCEMS Operations in the amount of \$820,000.00. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then received a report from CCEMS. Brad England, Executive Director of CCEMS, presented the report.

Mr. England, referring to the CCEMS report, noted the line graphs showing responses, response times, dispatch times, fire/ems breakdown in dispatched calls and hospital times as well as for EMS billing collections information.

Mr. England said CCEMS received its state two-year license renewal to 2016. There was discussion about the new Frazer ambulance expected in April, and use of the float truck and its method of deployment. There was discussion about CCEMS moving from the Braun to the Frazer. Mr. England said the Braun had been a stronger chassis but the Frazer has improved its sturdiness. Mr. England said that in November there were 18 mutual aid responses in District territory and CCEMS provided 14 mutual aid responses to out of District territory. He reported that CCEMS has responded to a chronologic total of 468 STEMI calls, with a 98% correct call rate. Mr. England said that 8 minutes 21 seconds was the average total response time, with 7 minutes 06 seconds the average travel time and average scene time was 23 minutes 26 seconds, and the average transport was 17 minutes 11 seconds. Mr. England said that the average dispatch time at 56 seconds was well under the 90 seconds national average. He also reported that for the prior month-end CCEMS responded to 2,896 calls, with

the prior month's ALS being 1,263 and BLS being 468. Mr. England said there were also 10 life flights.

Mr. England said the first CCEMS paramedic class under the new accreditation was under way. He also reported that Ebola training was being incorporated into the training for CCEMS personnel.

After review, Motion was made by Mr. **GRUNDMEYER**, seconded by Ms. **PLUMMER** to receive the CCEMS monthly report. After discussion, the Motion was approved by a vote of 4 to 1.

The Board received a report from Ricardo Martinez of Joiner Partnership, Inc. on the Station 513/Coventry project. He addressed the work progress and the tap fee of \$98,533.88. Mr. Martinez said the piers and concrete jobs were coming up. The Board reviewed the Pay App from Brookstone, L.P. for the Station 513/Coventry project. Mr. Martinez said the amount requested was \$60,193.89, as certified due by the architect, plus the tap fee of \$98,533.88. After review, Motion was made by Ms. **PLUMMER**, seconded by Mr. **BERLETH** to approve the Pay App. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed E-Views. Mr. **BROST** and Chief Fred Windisch said there would be additional reports in the next few months especially concerning the Spring and Klein areas.

The Board addressed the District website. Counsel said he has received reports from the website operator that the website needed to be updated and given more capability. Counsel said there seemed to be a maximum content capacity issue that needed to be addressed. Mr. **BERLETH** said he has spoken with the contractor about that. Counsel said he would ask the contractor to attend the next meeting.

The Board next addressed creation of a position of District office manager and budget manager. Counsel said he requested this item. He explained that based on the size and complex issues and in-fighting that he believed a separate part-time District employee could handle the District operations more efficiently.

Mr. **BERLETH** said he wanted to address payment of CCEMS operations once again. Counsel suggested a motion to re-open the item was required. After review, Motion was made by Mr. **BERLETH**, seconded by Mr. **BROST** to

approve to re-open payment of CCEMS operations. After discussion, the Motion was approved by a vote of 4 to 1.

Mr. **BERLETH** said he has seen reports that CCEMS has been sued by its prior billing contractor, PMBE. Mr. England said he notified the District. Counsel said that may be so, but Counsel said he learned of it first from Wayne Dolcefino. Mr. **BERLETH** also said that he wanted to review the CCEMS American Express card for personal use, including meals and trips. Mr. England said that never happened. Mr. England said that he used to have a personal American Express card but when additional cards were issued, they were all issued under one card number for points. Mr. England said that with the one card it may be part personal and part business, but if there are any personal charges that the user reimburses CCEMS. Mr. **BERLETH** said there was at least one bill for \$1,700.00 at a steak house. Mr. England said he does entertain on his job on behalf of CCEMS. Mr. **LEBOUEF** said that there does need to be a clear separation. Mr. **BROST** said there are multiple lawsuits that CCEMS is involved with, one over its refusal to disclose public records with the Texas Attorney General. Mr. **BERLETH** said there were complaints filed against CCEMS and Mr. LeBouef and Mr. Grundmeyer with the Texas Ethics Commission regarding the recent election and a grand jury in January will be looking at this. Mr. **BERLETH** said that District funds could not be used by a commissioner for any defense. Mr. **LEBOUEF** said he did not appreciate that comment.

The Board entered executive session at 12:07 a.m. pursuant to Section 551.071, to consult with legal counsel on possible litigation and related matters where the District's Counsel had a duty to advise the Board members. The Board re-entered open session at 12:53 a.m.

There being no further business brought before the Board nor any further public comment, upon Motion made the meeting adjourned at 12:53 a.m.

Secretary of the Board