

**MINUTES OF THE JANUARY 22, 2015 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 January 22, 2015, 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, and KEVIN BROST**. Also present were **HOWARD KATZ, of COVELER & KATZ, P.C.**, the District's Counsel, **BILL RUSSELL**, of **MYRTLE CRUZ, INC.**, the District's bookkeeper, and Board officers of Cypress Creek EMS ("CCEMS"), and members of the public. Also present were Ricardo Martinez of Joiner Partnership, Inc., District architect on the Station 513/Coventry project, and Kimberly Jessett, attorney for CCEMS. Also present was Debbie Gibson of McCall Gibson Swedlund & Barfoot, District auditor.

The Board reviewed the Minutes of the December 18, 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.

The Board then addressed Financial Matters. The Board received a report from **BILL RUSSELL**, of **MYRTLE CRUZ, INC.**, the District's bookkeeper.

(a) 12/31: He noted that following the prior meeting the operating account balance was \$1,624,698.77. He also noted the receipt of tax revenue since the prior meeting in the amount of \$4,117,688.65, tax penalty and interest of \$1,984.62 and interest of \$934.54. He reported that as of this meeting and prior to the payment of current bills, \$5,744,870.55 was on deposit at the Prosperity Bank operating account, plus demand deposits of \$5,210.11 at TexPool, plus CD/investment accounts: \$235,394.72 at Spirit of Texas Bank, \$232,152.95 at Icon Bank, \$224,735.19 at Community Bank, \$1,589,094.58 at Compass Bank, \$212,713.82 at Prosperity Bank. He said the report showed all District funds were properly insured and/or secured by pledged securities.

(b) 1/22: He noted that following December 31, the operating account balance was \$5,720,199.73. He noted that taxes were received in the amount of \$3,463,005.79 and penalty and interest of \$1,672.82, and interest of \$-0-. He reported that as of this meeting and prior to the payment of current bills, \$8,290,677.92 was on deposit at the Prosperity Bank operating account, \$5,210.11 at TexPool, plus CD/investment accounts including: \$235,394.72 at Spirit of Texas Bank, \$232,152.95 at Icon Bank, \$224,735.19 at Community Bank, \$1,589,094.58 at Compass Bank, \$212,713.82 at Prosperity Bank. He said the report showed all District funds were properly insured and/or secured by pledged securities.

Thereupon, after review, Motion was made by Mr. **BROST**, seconded by Mr. **GRUNDMEYER** to approve the Financial Report as presented. After discussion, the Motion was approved by a vote of 4 to 0.

As part of the Financial Report, the Board then addressed District investments. Mr. **RUSSELL** suggested the following action: no action at this time.

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)	\$ 1,771.12
2.	Coveler & Katz, P.C. (legal-December):	\$ 10,871.50
3.	Joiner Partnership, Inc. (Station 513)	\$ 2,128.00
4.	Municipal Inf. Svs (Ann. Update)	\$ 9,625.00
5.	<u>Houston Chronicle</u> (Location Notice)	\$ 275.20

After discussion, the Motion was approved by a vote of 4 to 0.

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 ESDs participation. Mr. **BROST** said the committee was reviewing the 2015 intersections and there would be a report next meeting.

The Board then addressed engagement of Coveler & Katz, P.C. to serve as District counsel. Counsel said there were no adjustments in the rates. After review, Motion was made by Mr. **BROST**, seconded by Mr. **GRUNDMEYER**, to approve the engagement of Coveler & Katz, P.C. to serve as District legal counsel. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then addressed the engagement of Myrtle Cruz, Inc. to serve a District bookkeeper. Mr. Russell said he expected to request a rate adjustment about mid-year. After review, Motion was made by Mr. **GRUNDMEYER**, seconded by Mr. **BROST**, to approve the engagement of Myrtle Cruz, Inc. to serve as District bookkeeper. After discussion, the Motion was approved by a vote of 4 to 0.

The Board addressed engagement of the auditing firm of McCall Gibson Swedlund & Barfoot as District auditor for the 2014 District audit. Debbie Gibson of that firm was present to address the proposal. She discussed the services and said the fee proposed was an estimated fee of \$10,750.00-\$11,750.00. After review, Motion was made by Ms. **PLUMMER**, seconded by Mr. **GRUNDMEYER** to approve the engagement of the auditing firm of McCall Gibson Swedlund & Barfoot as District auditor for the 2014 District audit. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then received a report from Dr. Ronald Welch of Municipal Information Services. He discussed the growth and valuation and demographics of the District at present and projected. Dr. Welch said there was an average \$6,000.00 increase in District home values over 2013. He discussed the inventory of home in the District and the growth in the commercial areas, including the new Exxon facility. Dr. Welch provided projections on growth and development over 10, 15 and 20 years. Mr. **GRUNDMEYER** asked how we can project that far out. Dr. Welch said it was not easy but the best way is to use the 10 year census and keep tract on new roads and growth patterns. He said it was an "adaptive forecast". Mr. **GRUNDMEYER** said it was a great report and good tool. After review, Motion was made by Mr. **BROST**, seconded by Ms. **PLUMMER** to accept report from Dr. Ronald Welch of Municipal Information Services. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then addressed and tabled review of the 2015 Investment Policy.

The Board tabled review of the District five-year plan.

The Board then addressed the Cypress Creek EMS line budget regarding medical supplies. Counsel said he wanted to review the purchasing process that CCEMS follows in this aspect to check on bidding procedures. Mr.

BROST said he has reviewed other similar sized EMS agencies and their medical supplies cost is much less than CCEMS.

The Board then addressed the engagement of accountant or auditor to review Cypress Creek EMS accounts funded through District payments. Counsel said he had a proposal from Rich Majeres, who has experience in doing audits of ESDs and accounting and audit work experience on non-profits and EMS agencies. The review cost estimate was up to \$3,500.00. After review, Motion was made by Ms. **PLUMMER**, seconded by Mr. **GRUNDMEYER** to approve the engagement. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then addressed the payment of CCEMS Operations and Capital funding as set forth in the Financial Report. Mr. Russell noted that Operations funding was due at this meeting in the amount of \$893,805.42. Counsel recommended that the allocation for medical supplies this month be capped at \$49,000.00. After review, Motion was made Ms. **PLUMMER**, seconded by Mr. **GRUNDMEYER** to void the check for \$893,805.42, and approve the contract payment of CCEMS Operations in the amount of \$878,882.00. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then received a report from CCEMS. Brad England, Executive Director of CCEMS, was not in attendance to present the report. Counsel said he was informed Mr. England was attending a legal proceeding for CCEMS. Mr. **BROST** said that schedules sometimes do not work, but CCEMS should have someone present to represent CCEMS and deliver its report. He said if Mr. England cannot make it someone else in authority should be present. If there are any questions today there is no one at the meeting who can answer them.

Counsel summarized the written report. He said that the report read as follows:

in December there were 14 mutual aid responses in District territory and CCEMS provided 27 mutual aid responses to out of District territory;

CCEMS has responded to a chronologic total of 468 STEMI calls;

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; the average dispatch was 56 seconds;

for the prior month-end CCEMS responded to 3,053 calls, with the prior month's ALS being 1,388 and BLS being 513, and 11 life flights.

After review, Motion was made by Ms. **PLUMMER**, seconded by Mr. **GRUNDMEYER** to receive the CCEMS monthly report. After discussion, the Motion was approved by a vote of 4 to 0.

The Board received a report from Ricardo Martinez of Joiner Partnership, Inc. District architect on the Station 513/Coventry project. He addressed the work progress and said the past month had a lot of rain. Mr. Martinez said there was a Pay App to the contractor Brookstone in the amount of \$77,281.33, as certified due by the architect. After review, Motion was made by Mr. **BROST**, seconded by Mr. **GRUNDMEYER** to approve the Pay App. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then addressed E-Views. Mr. **BROST** and Ponderosa VFD Chief Fred Windisch said there would be additional information following a meeting next month. Chief Windisch said one matter under discussion was the inclusion of LYVFD (HCESD No. 17) into the E-View project. Counsel asked what parts because LYVFD is in both the District and HCESD No. 1. Chief Windisch said it would just be the District portion, but talks were very early.

The Board addressed the District website. Counsel said he would ask the vendor to attend the February meeting.

The Board next addressed and tabled creation of a position of District office manager and budget manager. Counsel said he would prepare the job descriptions for review.

The Board received public comment. Chief Fred Windisch said he thought Dr. Welch's report was very good and informative. He said his fire department and ESD was looking at a new station and asked Dr. Welch to help with valuation and demographic projections.

Wayne Dolcefino said that all the money Cypress Creek EMS gets is public money and its payroll records and other records he has requested should be disclosed. He said the District should intervene in the lawsuit Cypress Creek EMS filed against the Texas Attorney General where Cypress Creek EMS is seeking to withhold the release of financial and payroll records that the Texas Attorney General said should be released.

The Board entered executive session at 10:25 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 11:19 a.m.

There being no further business brought before the Board nor any further public comment, upon Motion made the meeting adjourned at 11:21 a.m.

Secretary of the Board