

**MINUTES OF THE JULY 17, 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 July 17, 2014, at Cypress Creek EMS Education Center, 7111 Five Forks Rd., Spring, Texas 77379.

The Meeting was called to order at 9:03 a.m. by **LYNN LEBOUF**, President. Those Commissioners present were **LYNN LEBOUF, KAREN PLUMMER, FRED GRUNDMEYER, and ROBERT BERLETH**. 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.

The Board reviewed the Minutes of the June 26 regular meeting. After review, Motion was made by Mr. **BERLETH**, seconded by Mr. **GRUNDMEYER** to approve the Minutes. During discussion the following change was made on page 6: Mr. Berleth reported on the 5-year plan and said there was no update. After discussion, the Motion was approved by a vote of 4 to 0.

Without objection, the Board then addressed the supplemental meeting notice to review and take action on engaging special counsel with regard to Coventry development area EMS station (Station 513) and approval of Guaranteed Maximum Price and decision to proceed, including financing thereof. Counsel introduced Scott Smith, of Smith Murdaugh Little & Bonham, a law firm that handles MUDs and ESDs. Counsel said to avoid actual or the appearance of any conflict in the transaction between HCESD 7 and the District, he suggested that each have separate lawyers on this matter. Mr. Smith discussed his experience and prior work with Mr. Katz. After review, Motion was made by Ms. **PLUMMER**, seconded by Mr. **GRUNDMEYER** to approve engaging Scott Smith and Smith Murdaugh Little & Bonham as special counsel with regard to Coventry development area EMS station (Station 513). After discussion, the Motion was approved by a vote of 4 to 0.

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 \$5,352,374.00. He also noted the receipt of tax revenue since the prior meeting in the amount of \$26,023.23, tax penalty and interest of \$878.55, and interest of \$1,553.70, and E-View reimbursement of \$ -0-. Mr. **RUSSELL** reported that as of this meeting and prior to the payment of current bills, \$4,551,459.67 was on deposit at the Prosperity Bank operating account, plus demand deposits of \$212,499.48 (Prosperity Bank), plus \$5,209.53 at TexPool, plus CD/investment accounts plus interest as to all said accounts/CD: \$234,864.24 at Spirit of Texas Bank, \$231,771.74 at Icon Bank, \$224,339.08 at Community Bank (previously Vista Bank), plus \$1,609,021.94 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 Ms. **PLUMMER**, 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: none at this time. Counsel requested the Board and Mr. Russell review diversification of funds. He said there was a possible over-concentration of funds at individual banks, although not excessively. Counsel suggested looking into a CEDARS type program.

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

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| 1. | Myrtle Cruz, Inc. (bookkeeping)          | \$ 1,901.48 |
| 2. | Coveler & Katz, P.C. (legal-June):       | \$ 4,528.92 |
| 3. | Joiner Architects (Coventry project)     | \$ 853.70   |
| 4. | IRS (Payroll taxes for election workers) | \$ 1,634.96 |

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. 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 Ms. **PLUMMER**,

seconded by Mr. **GRUNDMEYER** 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 3 to 1.

The Board then addressed the payment of CCEMS Capital funding. Mr. England noted that no Capital funding was due at this meeting.

The Board then addressed the 2014 tax rate setting process and appraisal reports. Counsel said the certified values were expected mid-August.

The Board tabled addressing the 2014 tax rate and 2015 District budget.

The Board then addressed developing a five-year plan with CCEMS. Mr. **BERLETH** said there was no update until the valuations are available.

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 that in May there were 3 mutual aid responses in District territory and CCEMS provided 17 mutual aid responses to out of District territory. He reported that CCEMS has responded to a chronologic total of 451 STEMI calls, with a 98% correct call rate. Mr. England said that 7 minutes 57 seconds was the average total response time, with 6 minutes 38 seconds the average travel time and average scene time was 23 minutes 45 seconds, and the average transport was 16 minutes 17 seconds. Mr. England said that the average dispatch time at 47 seconds was well under the 90 seconds national average. He also reported that for the prior month end, CCEMS responded to 2,858 calls, with the prior month's ALS being 1,258 and BLS being 518. Mr. England said there were also 7 life flights.

Mr. England said the update on the law enforcement dispatching issue was expected soon.

Mr. England said CCEMS completed a contract with Baylor for a clinical working relationship.

Mr. England said Exxon approached CCEMS about land in the area of Exxon's new campus. He said that an office was also available from Exxon although it would not be a station, utilizing a garage for the ambulances.

Mr. **BERLETH** asked about an ambulance that seemed to have made only 5 calls during the month of June. Mr. England said he would look at that but he guessed that was an ambulance that was only being staged for calls.

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 0.

The Board then addressed the Coventry development project. The Board members and others expressed concern on the project cost of \$1.850 million. There was extensive discussion about the matter. Mr. **BERLETH** stated that there is a definite need for more stations, and at some point a new station in the Coventry area will be needed. Mr. **LEBOUEF** said that he understood that but the price tag was just high. Mr. England said he did not need a Taj Mahal. Scott Smith, special counsel for the District on this matter, said he was new to the issue but he has reviewed it and he has other clients building facilities. He said the pricing seemed in line and if there is a future need for a facility in the Coventry area, there will never be free land as here and construction costs will not be dropping. After review, Motion was made by Mr. **BERLETH**, seconded by Mr. **GRUNDMEYER** to approve the proceeding with the Coventry EMS project and approve the CMAR guaranteed maximum price for the Coventry EMS facility at \$1.850 million. After discussion, the Motion was approved by a vote of 2 to 1, Mr. Grundmeyer abstaining.

The Board then addressed financing for the Coventry EMS project. Counsel presented the proposal from Trustmark Bank. Counsel said the proposed terms were an 11 year loan for up to \$2 million, with semi-annual payments at an interest rate of 2.71% fixed for the term. The collateral would be a deed of trust lien against the real estate. After review, Motion was made by Mr. **BERLETH**, seconded by Ms. **PLUMMER** to approve the loan proposal from Trustmark Bank as described by Counsel above. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then addressed E-Views. Ponderosa Fire Chief Fred Windisch delivered a report. The Board discussed allowing another ESD to join the E-View consortium to receive transponders and other equipment to be able to operate the system. The Board discussed that the new ESD participants would have to pay its pro rata share of the infrastructure. After review, Motion was made by Mr. **BERLETH**, seconded by Ms. **PLUMMER** to approve allowing another ESD to join the E-View consortium to receive transponders and other equipment to be able to operate the system and pay its pro rata share of the infrastructure, subject to approval by Counsel after reviewing the ESD and County contracts. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then received public comment. Ponderosa Fire Chief Fred Windisch complimented CCEMS regarding the response to a recent shooting in the Spring area. He also expressed appreciation to Spring FD for its response to the tragic event. Ponderosa Fire Chief Fred Windisch and other speakers expressed support for the Board's decision to proceed with the Coventry EMS facility.

There being no further business brought before the Board nor any further public comment, upon Motion made the meeting adjourned at 10:07 a.m.

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Secretary of the Board