

MINUTES OF MEETING OF THE
BOARD OF COMMISSIONERS

May 17, 2018

THE STATE OF TEXAS §
COUNTY OF HARRIS §
HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 11 §

The Board of Commissioners (the "Board") of Harris County Emergency Services District No. 11 (the "District") met in regular session, open to the public, at 7111 Five Forks Drive, Spring, Texas 77379, a meeting place inside the boundaries of the District, on Thursday, May 17, 2018, at 9:00 a.m.; whereupon, the roll was called of the members of the Board, to-wit:

Tommy Ripley	President
Karen Plummer	Vice President
Fred Grundmeyer	Secretary
Robert Pinard	Treasurer
Kevin Brost	Asst. Treasurer

All members of the Board were present, except Commissioner Ripley, thus constituting a quorum. Also attending the meeting were: Mr. Bill Russell of Myrtle Cruz, Inc. ("MCI"), bookkeeper for the District; Mr. Ricardo Martinez of Martinez Architects ("Martinez"); Mr. Kerry Johnson of NRG Marketing Group ("NRG"), the District's website service provider; Mr. Larry Kirk of Dolcefino Consulting ("Dolcefino"); Mr. Zach Karrenbrock of Spring Happenings; and Ms. Regina D. Adams and Ms. Monica Garza, attorneys, and Ms. Carla Christensen, paralegal, of Radcliffe Bobbitt Adams Polley PLLC ("RBAP"), attorneys for the District; In addition, the following representatives of Cypress Creek Emergency Medical Services ("CCEMS") were in attendance at the meeting: Messrs. Dave Billings and Ruben Gonzales, members of the Board of Directors of CCEMS; Mr. Brad England, Executive Director of CCEMS; and Mr. Norm Uhl, Public Information Officer ("PIO") for CCEMS.

WHEREUPON, the meeting was called to order by Commissioner Plummer and evidence was presented that public notice of the meeting had been given in compliance with the law.

The posted notices of the meeting are attached hereto.

After a 30-second moment of silence for prayer and reflection, the Board conducted the Pledge of Allegiance to the United States' Flag.

This meeting was video recorded by Mr. Kirk for use by Dolcefino and by Mr. Uhl for use by CCEMS.

STATUS OF PROPOSED ADMINISTRATIVE AND OPERATIONAL POLICIES AND PROCEDURES OF THE BOARD AND TAKE ANY NECESSARY ACTIONS ON SAME

Commissioner Pinard stated that he has nothing to report on this item at this time.

APPROVAL OF THE MINUTES

The Board next considered approval of the minutes of the regular meeting of April 19, 2018. Upon motion by Commissioner Grundmeyer, seconded by Commissioner Pinard, after full discussion and the question being put to the Board, the Board voted three (3) votes in favor, and one (1) abstention, with Commissioner Brost abstaining, to approve the minutes of the regular meeting of April 19, 2018, as presented.

UPDATE ON STATUS OF TRANSITION TO NEW INTERSECTION PREEMPTION CONTROLLER AND DRAFT INTERLOCAL AGREEMENT WITH HARRIS COUNTY EMERGENCY SERVICES DISTRICT ("ESD") NOS. 7, 13, 16, 28 AND 29 AND VENDOR SERVICES CONTRACT, AND TAKE ANY NECESSARY ACTIONS ON SAME

Commissioner Plummer reminded the Board that at the previous Board meeting, former Commissioner Josh Fetner and Mr. Michael Pate of ESD No. 16, reported on their attendance at recent stakeholder meetings with all of the representatives of affected E-Views intersection preemption controller devices regarding the proposed replacement of such devices. Commissioner Plummer also reminded the Board that it had previously reviewed a summary of the costs, vendor options and necessary equipment to transition from the E-Views intersection preemption controller devices to a different intersection preemption controller device vendor that will be compatible with the County's updated device requirements and standards and authorized RBAP to review the draft service contract with GTT/Opticom, when available. Ms. Adams noted that her office has not yet received a draft of the service contract with GTT/Opticom or the draft Interlocal Agreement with ESD Nos. 7, 13, 16 28 and 29.

A discussion ensued regarding replacing former E-Views Device Committee member, Mr. Fetner. Commissioner Plummer recommended that the Board consider and take action on such matter at the next Board meeting when Commissioner Riley is in attendance.

REVIEW AND TAKE ANY NECESSARY ACTIONS ON MONTHLY OPERATIONS AND FINANCIAL REPORT FROM CCEMS, INCLUDING CONSIDERATION OF MONTHLY OPERATIONS FUNDING REQUESTS, CAPITAL FUNDING REQUESTS AND REQUEST FOR FUNDING ASSISTANCE OF PROPOSED SALARY INCREASE

Commissioner Plummer then recognized Mr. England, who presented to and reviewed with the Board the Executive Director's Report, the monthly CCEMS Operations and Financial Reports, including the operations statistics for the month of April 2018, the 2018 CCEMS budget comparison and reports from the CCEMS PIO, copies of which are attached hereto. Mr. England reported that during the month of April there were 2,126 transports, three (3) Life Flight transports, and that 29% of the calls made during the month were "no transports." Mr. England went on to report that during the month of April, CCEMS received 21 mutual aid assists and provided 14 mutual aid assists outside of CCEMS's boundaries.

Mr. England next reminded the Board that CCEMS recently re-implemented the Community Wellness and Paramedic Program (the "Wellness Program"), which allows a physician's assistant to respond directly to less urgent patients that do not require an ambulance. Mr. England went on to report that necessary vehicles and equipment have been ordered for the Wellness Program.

Mr. England then reported that the CCEMS audit for fiscal year ending ("FYE") December 31, 2017 (the "CCEMS Audit"), a copy of which is attached to the Executive Director's Report and has been provided to RBAP for the District's files, has been completed.

Mr. England next reported that CCEMS is in the process of purchasing the new Stryker chairs (30), stretchers (3) and Lucas devices (3) for the CCEMS ambulances. Mr. England went on to state that, at the April Board meeting, the Board authorized the capital funding for such purchase of the new ambulance equipment.

Mr. England reported that the CCEMS Clinical Fellowship Program (with the U.S. Army) will resume in the near future.

Upon motion by Commissioner Brost, seconded by Commissioner Grundmeyer, after full discussion and the question being put to the Board, the Board voted unanimously to approve the CCEMS Operations and Financial Report and authorize the CCEMS Operations payment in the amount of \$1,213,560.00 for the month of April.

REVIEW AND TAKE ANY NECESSARY ACTIONS ON FINANCIAL MATTERS, INCLUDING FINANCIAL REPORT FROM DISTRICT TREASURER AND BOOKKEEPER

Mr. Russell then presented to and reviewed with the Board the Bookkeeper's Report, including the revenues and expenses of the District, the budget comparison, the adopted budget for FYE December 31, 2018, the investment report and the checks being presented for payment at the meeting, copies of which are attached hereto.

Mr. Russell next reported that during the prior month, the District had received \$268,965.18 in 2017 property tax revenue, \$2,258.63 in penalties and interest and \$2,011.63 in investment interest. Mr. Russell further reported that all such revenue had been deposited into the District's Compass Bank Operating Account.

In response to a previous request from Commissioner Ripley, Mr. Russell reported that the District's election-related legal fees totaled \$111,530 in 2014, \$157,650 in 2016 and, to-date, \$210,460 in 2018. Ms. Adams stated that the primary reasons that the 2018 election-related legal fees are substantially more than in previous years are: 1) the increased in number of annual applications for ballot by mail; 2) the substantial increase in time that the election officials had to spend processing the ballots by mail; and 3) the District conducted its own election this year, whereas, in previous years, the District held joint elections with other ESDs, which allowed for cost sharing. Ms. Adams added that much of the Election billing also contains non-legal expenses and she will provide Mr. Russell with the amount of non-legal election expenses that were included in previous RBAP invoices so that such costs can be transferred to the non-legal election expense budget category.

An extensive discussion ensued regarding the District's May 5, 2018 Commissioners Election (the "Election"). In response to a question from Commissioner Plummer, Ms. Adams stated that her office will prepare a summary of voters by precinct for the Election and provide same to all Commissioners. Commissioner Pinard then stated that there was some confusion among voters about where to vote during the Election. In response to a question from Commissioner Pinard, Ms. Adams explained the potential issues with the District having only one (1) polling place during elections. Ms. Adams then reminded the Board that current laws prohibit the District from moving the District's general elections from May of even-numbered

years to the November Uniform Election date. Ms. Adams added that it has been her experience that Harris County will not conduct District elections in May of even-numbered years. In response to a question from Commissioner Grundmeyer, Ms. Adams recommended that the Board start thinking about expanding polling places and furthering improvements for future District elections. Ms. Adams noted that the use of the electronic poll pads was also beneficial to the Election officials this cycle.

In response to a question from Commissioner Brost, Ms. Adams stated that Mr. Stan Stanart, the Harris County Clerk, has not contacted her office to conduct an audit of the May 2016 election and, pursuant to a conversation with the Texas Secretary of State, he has no authority to audit the District's current or previous election records.

Upon motion by Commissioner Pinard, seconded by Commissioner Grundmeyer, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Bookkeeper's Report and authorize payment of the checks reflected therein.

CONSIDER COMMISSIONER AND FORMER COMMISSIONER REQUESTS FOR REIMBURSEMENT OF DEFENSE COSTS AND ADOPTION OF REIMBURSEMENT RESOLUTION REGARDING SUCH REQUESTS

There were no requests for reimbursement at this time.

ANNUAL REVIEW OF DISTRICT INVESTMENT POLICY AND TAKE ANY NECESSARY ACTIONS ON SAME

Ms. Adams then reviewed with the Board the Order Regarding Annual Review of Rules, Policies, and Code of Ethics for the Investment of District Funds and Review of Investments (the "Investment Policy Order"). Ms. Adams then reported that the authorized broker list, which is required pursuant to the Investment Policy Order, has been updated by MCI. Upon motion by Commissioner Brost, seconded by Commissioner Grundmeyer, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Investment Policy Order, including the updated Authorized Brokers list, a copy of which is attached hereto.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Adams then reviewed with the Board the monthly Tax Assessor/Collector Report for the month of April 2018, a copy of which is attached hereto. Ms. Adams reported that 97.34% of the District's 2017 tax levy has been collected as of April 30, 2018 with \$484,650.01 remaining to be collected.

CONSIDER AUTHORIZING PREPARATION OF RECONCILIATION AUDIT AND/OR FORENSIC AUDIT REPORT FOR FYE DECEMBER 31, 2017 (DISTRICT FUNDING VS. CCEMS EXPENDITURES)

Commissioner Plummer next reminded the Board that the District had previously engaged Roth & Eyring, CPA ("Roth & Eyring") to prepare reconciliation audits for FYE December 31, 2015 and FYE December 31, 2016, in connection with the review of CCEMS accounts funded through District payments pursuant to the Service Contract. Ms. Adams added that at the February Board meeting, the Board reviewed a proposal from

Roth & Eyring for the preparation of a reconciliation audit for FYE December 31, 2017, which would cost between \$5,500 and \$6,500, but no action was taken on such item.

Commissioner Pinard then stated that he continues to coordinate with HSSK and Counts Thomson regarding their capabilities and availability to conduct a proposed forensic audit for the District related to the CCEMS accounts funded through District payments. Commissioner Pinard went on to state that he plans to present proposals from such firms at the June Board meeting.

STATUS OF PUBLIC RELATIONS ("PR") ACTIVITIES FROM NRG AND TAKE ANY NECESSARY ACTIONS ON SAME

Commissioner Plummer next reminded the Board that the Commissioners previously accepted the proposal from NRG for the provision of PR services to the District. Commissioner Plummer also reminded the Board that the Commissioners previously appointed Commissioners Ripley and Fetner to a committee that would review and coordinate with NRG regarding any District press releases. A discussion ensued regarding appointing a new Commissioner to the committee that will review and coordinate with NRG regarding District press releases. It was the consensus of the Board to defer action on this item until the June Board meeting.

REVIEW, DISCUSS AND TAKE ACTION ON MISCELLANEOUS MEDIA MATTERS, INCLUDING UPDATE BY NRG ON STATUS OF DISTRICT'S WEBSITE

Mr. Johnson next reported on the status of the re-design of the District's website, <http://www.esd11.com>, and noted that the website is up-to-date. Mr. Johnson stated that he will coordinate with RBAP to remove the Election notices from the website that may be removed.

In response to a question from Commissioner Brost, Mr. Johnson noted that the District had previously approved a proposal from NRG in the amount of \$4,945 per month for three (3) months for re-branding and the re-design of the District's website.

In response to another question from Commissioner Brost, Ms. Adams stated that the Board approved a Non-Disclosure Agreement (the "NDA") with NRG at the February 15th Board meeting and such agreement was subsequently executed.

COMMISSIONER'S MONTHLY FACILITIES INSPECTION/TOUR REPORT

Mr. Englad reported that no facility inspections were conducted after the last meeting and no facility inspections/tours would be conducted after the May meeting.

STATUS OF DISTRICT CONSTRUCTION, REPAIR, IMPROVEMENT, OR RENOVATION PROJECTS, AND TAKE ANY NECESSARY ACTIONS ON SAME

There was no report on any District construction, repair or renovation projects at this time. Commissioner Brost inquired with Mr. Englad regarding the status of various facilities.

DISCUSS PROPOSED ESTABLISHMENT AND IMPLEMENTATION OF DISTRICT/BOARD GOALS FOR 2018 AND TAKE ANY NECESSARY ACTIONS ON SAME

No action was taken on this matter at this time.

ATTORNEY'S REPORT

UPDATE/REVIEW OF RECENT PUBLIC INFORMATION ACT ("PIA") REQUESTS AND STATUS OF RESPONSES TO SAME

Ms. Adams next reported that there had been two (2) PIA requests received since the April Board meeting, such requests being received from: 1) Mr. Wayne Dolcefino dated April 28, 2018 for all campaign finance reports filed by candidates in connection with the Election; and 2) Mr. Dolcefino dated April 30, 2018 for copies of any correspondence that the Commissioners have provided to CCEMS in connection with CCEMS' participation (if any) in the District's Election. Ms. Adams stated that copies of all then-current campaign finance reports for the Election were provided to Mr. Dolcefino. Ms. Adams went on to state that in connection with Mr. Dolcefino's April 30th request, there was no information responsive to such request.

Commissioner Brost then inquired why the exhibits to the minutes are not posted with the minutes on the website. Ms. Adams responded that if the Board believes it to be necessary to post items beyond what is already posted, it may choose to do so.

In response to a question from Commissioner Brost, Ms. Adams stated that RBAP will compile a list of the law firms that currently provide legal services to the District and Commissioners.

ELECTION AGENDA

UPDATE ON ELECTION MATTERS AND TAKE ANY NECESSARY ACTIONS ON SAME

Ms. Adams stated that she had nothing further to report on the Election but would answer any further questions anyone had on the matter.

PREEMPTION CONTROLLER DEVICES (CONTD')

In response to a question regarding the status of the damaged E-Views intersection preemption controller devices, Mr. Russell noted that the District previously filed an insurance claim for the damage to the District's E-Views devices due to Hurricane Harvey. Mr. Russell went on to report that the District received insurance claim payments in the amounts of \$81,500 and \$20,000. Mr. Russell noted that former Commissioner Fetner had been coordinating with other stakeholders and Mr. Mike Taylor to determine the ownership of the damaged controller devices in order to distribute the appropriate pro-rata shares of the insurance proceeds to the proper entities.

After some discussion, the Board requested that Mr. Glen Hastings, of VFIS, the District's insurance broker, attend the next meeting.

QUALIFICATION OF COMMISSIONERS AND ADMINISTRATION OF OATHS OF OFFICE

Ms. Adams then reported that she administered the oaths of office to Commissioners Brost and Grundmeyer at the May 15th meeting and they subsequently executed their Affidavits of Elected Officer, Oaths of Office and Official Statements of Elected Commissioner.

AUTHORIZE PAYMENT TO ELECTION OFFICIALS

Ms. Adams noted that the Board approved payment to the Election officials earlier in the meeting during the Bookkeeper's Report.

Ms. Adams then stated that she had nothing further to report at this time.

PUBLIC COMMENTS AND MISCELLANEOUS MATTERS

Commissioner Grundmeyer then expressed his frustration with the published campaign advertisement for Commissioner Brost and Mr. Matt Folsom in a recent edition of the Community Impact Newspaper. Commissioner Grundmeyer requested that Commissioner Brost provide hard evidence to substantiate the inaccurate claims made against him and the District in the campaign advertisement. Commissioner Brost responded that he will speak with Commissioner Grundmeyer outside of a Board meeting regarding such matter. A heated discussion ensued.

Commissioner Brost went on to state that when the federal government subpoenas documents or testimony from someone or an entity, it is because they are conducting an investigation. Commissioner Pinard then explained that just because a person or entity has been subpoenaed, does not mean that that such person or entity is the subject of such investigation.

There were no further comments from the public at this time.

CONFIRM NEXT REGULAR MEETING DATE AND MEETING ADJOURNMENT

Ms. Adams then reminded the Board that the next regular meeting is scheduled for Thursday, June 21, 2018, at 9:00 a.m.

All meeting attendees, with the exception of all members of the Board present, along with Ms. Adams and Ms. Christensen, exited the meeting at 10:00 a.m.

CONVENE IN EXECUTIVE SESSION

Pursuant to the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code, as amended, specifically Section 551.071(2) regarding matters of attorney-client privilege, Commissioner Plummer convened the Board in Executive Session at 10:05 a.m., to consult with the District's attorney and discuss and deliberate on certain matters concerning attorney-client privilege. The persons present in the executive session were Commissioners Plummer, Pinard, Grundmeyer and Brost and Ms. Adams and Ms. Christensen.

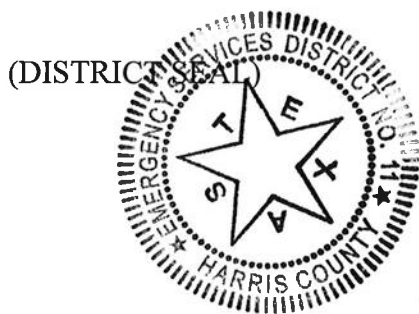
RECONVENE IN OPEN SESSION

Commissioner Plummer then reconvened the meeting in open session at approximately 10:34 a.m.

All remaining meeting attendees re-entered the meeting at this time.

There being no further business to come before the Board, the meeting was adjourned at approximately 10:35 a.m.

PASSED, APPROVED AND ADOPTED this 21st day of June, 2018.



Tom Grundberg
Secretary, Board of Commissioners