

MINUTES OF MEETING OF THE
BOARD OF COMMISSIONERS

April 16, 2020

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, April 16, 2020, at 9:00 a.m.; whereupon, the roll was called of the members of the Board, to-wit:

Karen Plummer	President
Steve Williams	Vice President
Fred Grundmeyer	Secretary
Robert Pinard	Treasurer/Asst. Secretary
Kevin Brost	Asst. Treasurer

All members of the Board were present, except Commissioner Grundmeyer, thus constituting a quorum. Also attending the meeting were: Mr. Bill Russell of Myrtle Cruz, Inc. ("Bookkeeper"), bookkeeper for the District; Ms. Regina D. Adams, attorney, of Radcliffe Bobbitt Adams Polley PLLC ("RBAP"), attorneys for the District; Mr. Wren Nealy, Cypress Creek Emergency Medical Services ("CEEMS") Chief Operating Officer; Chief Richard Lieder of the Cypress Creek Fire Department; and Mr. Norm Uhl, CEEMS Public Information Officer. Attending the meeting via conference call were: Mr. Glenn Henning, President of the CEEMS Board of Directors; Mr. Ruben Gonzales, member of the CEEMS Board of Directors; Mr. Andrew McKinney of McKinney Taylor, P.C., attorney for CEEMS; Ms. Monica A. Garza, attorney, and Ms. Carla Christensen, paralegal, of RBAP; Mr. Brian Trachtenberg and Ms. Anna Phillips of Greathouse Holloway McFadden Trachtenberg ("Greathouse"); Mr. Kerry Johnson of NRG Marketing Group ("NRG"), the District's website service provider and public relations consultant; and Mr. Joseph Ellis of McCall Gibson Swedlund Barfoot PLLC ("McCall Gibson"), auditors for the District. There were numerous other members of the public in attendance via conference call, but were unable to be identified other than by telephone number.

WHEREUPON, the meeting was called to order by the President 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.

This meeting was video recorded by Mr. Uhl for use by CEEMS.

The Board held a 30-second moment of silence for prayer and reflection.

PUBLIC COMMENTS

The President recognized Mr. Henning, who apologized to the Board for the delay in providing the previously requested information/reports from CCEMS. Mr. Henning went on to report that, due to the Board's concerns, CCEMS is taking steps to improve the communication between CCEMS and the District and to more timely comply with the District's requests. Mr. Henning stated that one step the CCEMS Board of Directors has taken is the appointment of Mr. Nealy as the CCEMS representative to attend the District's monthly Board meetings. Mr. Henning then requested that the Board consider rescinding its recent request for qualifications ("RFQ") from emergency medical service ("EMS") providers, which he stated CCEMS perceives as essentially terminating the current Service Agreement between the District and CCEMS (the "Service Agreement"). Mr. Henning stated that CCEMS is willing to continue working with the Board to address its concerns and negotiate a mutually beneficial amended Service Agreement.

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

APPROVAL OF THE MINUTES

The Board considered approval of the minutes of the regular meeting of March 19, 2020. Upon motion by Commissioner Williams, seconded by Commissioner Brost, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the regular meeting of March 19, 2020, as presented, and the certified agenda for same.

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

There was no report on the District's administrative and operational policies.

REVIEW AND APPROVE ANNUAL AUDIT REPORT FOR FISCAL YEAR ENDED ("FYE") DECEMBER 31, 2019 (THE "AUDIT")

Ms. Adams reminded the Board that at the March 19th meeting, Mr. Ellis had presented to and reviewed with the Board the draft Audit. Ms. Adams noted that there were several revisions to the Notes Section of the Audit regarding current District contracts. The Board reviewed the revised Audit, a copy of which is attached hereto. Upon motion by Commissioner Brost, seconded by Commissioner Williams, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Audit and authorize the filing of same with all required governmental entities/agencies, including the clerk of the Harris County (the "County") Commissioner's Court.

STATUS OF TRANSITION TO NEW INTERSECTION PREEMPTION CONTROLLER DEVICES (THE "PREEMPTION DEVICES")

Commissioner Brost then reminded the Board that the District had previously approved the Preemption Device Agreement by and between the District, ESD Nos. 7, 13, 16, 28 and 29 and Global Traffic Technologies, LLC ("GTT") and the Interlocal Agreement with Harris County (the "County"). Commissioner Brost and Chief. Leider then reviewed with the Board the status of the installation of the new preemption devices at the County and Texas Department of Transportation intersections. Commissioner Brost requested that Mr. Nealy coordinate with the fire departments within the District regarding any additional intersections that remain to be addressed.

STATUS OF INDEPENDENT AUDIT OF HSSK, LLC ("HSSK") REPORT FOR FYE DECEMBER 31, 2017 (THE "HSSK FORENSIC REPORT") AND CCEMS FINANCIALS, CONTROLS, POLICIES AND PROCEDURES

Mr. Nealy then reported that Houston Financial Forensics, LLC (the "Forensic Auditor") has recently begun the process of conducting the audit of the HSSK Forensic Report and the other matters. In response to a question from Commissioner Plummer regarding previous contradictory status updates provided by the CCEMS Executive Director, Mr. Nealy stated that CCEMS' initial priority was to have the Forensic Auditor perform an audit of CCEMS' finances, controls, policies and procedures and, more specifically, to audit the records/finances of the maintenance facility. A discussion ensued regarding the Board's expectations with regard to communication from CCEMS.

In response to a statement from Commissioner Pinard regarding the lack of action/responsiveness by CCEMS over the last year in particular and a recent inaccurate written statement by CCEMS to its employees, Mr. Henning again apologized to the Board. Mr. Henning further stated that the CCEMS Board intends to send a notice to employees following the Board's meeting but the content of such notice will depend on the Board's decision in regards to rescinding the RFQ. Commissioner Brost then requested that the CCEMS Board clarify to the CCEMS employees that the Board has not voted to terminate its Service Agreement with CCEMS and that the District is here for its residents and the CCEMS employees and will continue to provide the vehicles, facilities and funding the CCEMS employees need to effectively do their jobs, particularly at this uncertain time.

REVIEW AND TAKE ANY NECESSARY ACTIONS ON MONTHLY OPERATIONS AND FINANCIAL REPORT FROM CCEMS, INCLUDING CONSIDERATION OF MONTHLY OPERATIONS FUNDING REQUESTS AND CAPITAL FUNDING REQUESTS

Mr. Nealy presented to and reviewed with the Board the monthly CCEMS Operations and Financial Reports, including the operations statistics for the month of March 2020, copies of which are attached hereto. Mr. Nealy reported that during the month of March there were 3,583 transports, nine (9) Life Flight transports and that 1,739 of the calls made during the month were "no transports." Mr. Nealy went on to report that during the month of March, CCEMS received 37 mutual aid assists and provided 20 mutual aid assists outside of CCEMS' boundaries.

Mr. Nealy went on to report on CCEMS' operations in connection with the COVID-19 pandemic. Mr. Nealy stated that CCEMS has responded to approximately 203 suspected COVID-19 cases with 176 of such cases being transported. Mr. Nealy noted that of the 176 cases that were transported, 26 tested positive for Covid-19 and 66 tested negative. Mr. Nealy also reported that a number of the CCEMS staff members are in self-quarantine due to possible exposure to COVID-19. Mr. Nealy then reported on CCEMS' internal operational changes in light of COVID-19. A discussion ensued.

Mr. Nealy next presented to and reviewed with the Board a map depicting the reported locations (as reported by the Harris County Public Health Department) of persons under observation for COVID-19, a copy of which is included in the CCEMS Operations Report.

Mr. Nealy then reported that CCEMS continues to coordinate with representatives of the Ponderosa Fire Department and other fire departments within the District regarding future plans for fire stations and ambulance bays. A discussion ensued regarding the increasing demand for additional

ambulances within the District and the Commissioners reinforced the need for more ambulances covering all areas of the District. Further discussion ensued and Commissioner Brost requested that the monthly CCEMS Operations Report also include a status report regarding the number of available ambulances at any given time, specifically when there are four (4) or fewer available ambulances in service.

Mr. Nealy went on to present Personnel Manpower Report, including the EMS personnel funded by the District. Mr. Nealy stated that CCEMS currently has 37 dispatchers (par is 40), 77 unit operators (par is 80) and 75 paramedics (par is 80). In response to a question from Commissioner Brost, Mr. Nealy stated that CCEMS currently has 17 (24/7) ambulances in service. Mr. Nealy stated that CCEMS is making every effort to bring the personnel levels up to par, thereby placing 18 (24/7) ambulances and two (2) 12-hour peak ambulances in service. Mr. Nealy then reported on the status of the most recent academy class and the effects of COVID-19 on CCEMS' hiring procedures. An extensive discussion ensued regarding CCEMS' hiring practices and what types of, if any, employee incentives CCEMS offers.

Mr. Nealy next reviewed with the Board the CCEMS Financial Report for March 2020 and the first (1st) quarter of 2020, including a summary of CCEMS medical supplies purchase orders for March, copies of which are attached hereto. An extensive discussion ensued after which the Board requested that CCEMS provide all invoices for any CCEMS purchases (i.e. medical supplies, capital expenditures, insurance, etc.), rather than just a summary, which are partially or fully funded with District funds. After further discussion, Mr. Nealy agreed to provide the Board with the invoices for CCEMS purchases made in 2019 and for the first (1st) quarter of 2020.

In response to a request from Commissioner Brost, Mr. Nealy stated that CCEMS management intends to communicate with the CCEMS field staff regarding their immediate needs (i.e. medical supplies, personal protective equipment, etc.) in light of the COVID-19 health crisis.

Mr. Nealy next reported that CCEMS is coordinating with the U.S. Army regarding the Clinical Fellowship Program for 2020. Mr. Nealy noted Dr. Rachel Ely joined the Fellowship Program earlier in the month and that the program is running smoothly.

Mr. Nealy then reported on the status of 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. Nealy stated that 26 patients are currently enrolled in the Wellness Program. Mr. Nealy went on to report that patients are being contacted by telephone for follow-ups in light of the COVID-19 health crisis. A discussion ensued and Commissioner Pinard asked about medical doctor oversight over the Wellness Program.

Upon motion by Commissioner Williams, seconded by Commissioner Brost, after full discussion and the question being put to the Board, the Board voted unanimously to approve the CCEMS Operations and Financial Report.

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

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 investment report and the checks being presented for payment at the meeting, copies of which are attached hereto.

Mr. Russell reported that during the prior month, the District received \$87,652.88 in 2019 property tax revenue and \$1,612.97 in investment interest. Mr. Russell further reported that all such revenue had been deposited into the District's Operating Account.

A discussion ensued regarding the current state of the District's investments.

Upon motion by Commissioner Brost, seconded by Commissioner Williams, after full discussion and the question being put to the Board, the Board voted unanimously to: 1) approve the Bookkeeper's Report, as discussed; and 2) authorize payment of bills as submitted, with the exception of the CCEMS operations payment in the amount of \$1,325,000 for the month of April, which is being paid under protest.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Adams then reviewed with the Board the Tax Assessor/Collector's Report for the month of March, a copy of which is attached hereto. Ms. Adams noted that, as of March 31, 2020, the District had collected 96.87% of its 2019 tax levy.

DISTRICT COMMUNICATIONS REPORT

STATUS OF PUBLIC RELATIONS ("PR") ACTIVITIES AND MISCELLANEOUS MATTERS FROM NRG AND PR COMMITTEE AND TAKE NECESSARY ACTION ON SAME

There was no report at this time.

DISCUSS STATUS OF RESPONSES TO THE DISTRICT'S REQUEST FOR QUALIFICATIONS ("RFQ") FOR EMERGENCY MEDICAL SERVICES ("EMS")

Ms. Adams reported that the District's RFQ was published on March 30th and the deadline to receive statements of qualifications from EMS providers is June 1st. Ms. Adams went on to review questions received regarding the RFQ from: 1) American Medical Response; 2) Falk USA, Emergency Ambulance Provider; and 3) PatientCare EMS Solutions, copies of which are attached hereto. Ms. Adams stated that her office was working on responses to same and she will coordinate with Commissioners regarding the appropriate responses to certain questions that her office cannot readily answer.

Ms. Adams went on to remind everyone in attendance that the Board did not previously vote to terminate its Service Agreement with CCEMS when it authorized publication of the recent RFQ as evidenced by the March minutes and the related press release posted on the District's website on April 1st. Commissioner Brost reiterated that the decision to publish the RFQ was a unanimous Board decision.

DISCUSS CREATION OF STRATEGIC CAPITAL PLAN AND REVIEW GENERAL AREAS WITHIN THE DISTRICT FOR POTENTIAL ADDITIONAL STATION LOCATIONS AND ACQUISITION OF ADDITIONAL AMBULANCES AND TAKE NECESSARY ACTION ON SAME

Commissioner Plummer thanked Mr. Nealy for providing most of the information/reports that the Board has repeatedly requested from CCEMS. Commissioner Brost then requested that the monthly CCEMS report includes the CCEMS Board meeting minutes. A discussion ensued regarding

the creation of a strategic capital plan for the District. Commissioner Plummer agreed to coordinate with another Commissioner and Messrs. Henning and Nealy to schedule a workshop meeting to discuss the Service Agreement.

REVIEW BOARD GOALS FOR 2020 AND TAKE ANY NECESSARY ACTIONS ON SAME

Commissioner Plummer noted that the top priority for the Board is placing additional ambulances in operation in an effort to meet the increasing demand and reduce high response times. There was no additional discussion on this matter at this time.

REVIEW DISTRICT CONSULTANT CONTRACTS AND TAKE NECESSARY ACTIONS ON SAME

Mr. Russell then stated that the Bookkeeper will be requesting a price increase in connection with the District's Agreement for Bookkeeping Services due to the additional reporting responsibilities associated with the District's payroll for the Commissioners.

A discussion then ensued regarding the District's monthly website maintenance and PR activities expenses from NRG.. It was the consensus of the Board to further discuss the District's contracts with NRG at the May 21st meeting.

ATTORNEY'S REPORT

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

Ms. Adams next reported that there had been no new PIA requests received since the March Board meeting.

REVIEW VARIOUS MATTERS RELATED TO SERVICE AGREEMENT WITH CCEMS AND TAKE ANY NECESSARY ACTIONS ON SAME

The Board asked Ms. Adams to further review legal matters pertaining to the Service Agreement in Executive Session.

STATUS OF INVESTIGATION OF CCEMS MAINTENANCE FACILITY AND EMPLOYEES RELATED THERETO

The Board asked Ms. Adams to further review legal matters pertaining to the ongoing investigation of the CCEMS maintenance facility and employees in Executive Session.

All meeting attendees, with the exception of all members of the Board present, Mr. Nealy, Ms. Adams, Ms. Garza, Ms. Christensen, Mr. Trachtenberg and Ms. Phillips exited the meeting at 10:56 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, regarding matters of attorney-client privilege, Commissioner Plummer convened the Board in Executive Session at 11:01 a.m., to consult with the

District's attorney regarding legal matters pertaining to the CCEMS maintenance facility investigation and the Service Agreement with CCEMS. The persons present in the executive session were Commissioners Plummer, Pinard, Williams and Brost, Mr. Nealy, Ms. Adams, Ms. Garza, Ms. Christensen, Mr. Trachtenberg and Ms. Phillips.

Ms. Garza, Ms. Christensen, Ms. Phillips and Mr. Trachtenberg exited the meeting at 11:15 a.m.

Mr. Nealy exited the meeting at 12:00 p.m.

Ms. Garza, Ms. Christensen, Ms. Phillips and Mr. Trachtenberg re-entered the meeting at 12:18 p.m.

RECONVENE IN OPEN SESSION

Commissioner Plummer then reconvened the meeting in open session at approximately 12:45 p.m. at which time the following action was taken.

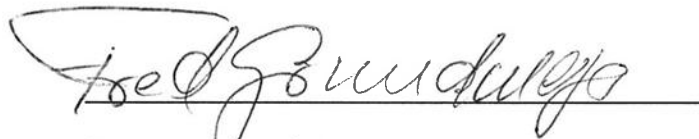
Mr. Nealy re-entered the meeting at 12:45 p.m.

Upon motion by Commissioner Williams, seconded by Commissioner Pinard, after full discussion and the question being put to the Board, the Board voted unanimously to authorize action as discussed in Executive Session, including: 1) the direct engagement of Greathouse as special litigation counsel to the District; 2) Greathouse to prepare a response to Mr. McKinney's April 7, 2020 letter to the District; 3) preparation of correspondence from Commissioner Plummer to Mr. Glen Henning of CCEMS; and 4) preparation of a statement to CCEMS employees regarding recent inaccurate statements from CCEMS, as requested by Mr. Henning.

There being no further business to come before the Board, the meeting was adjourned at 12:52 p.m.

PASSED, APPROVED AND ADOPTED this 21st day of May, 2020.




Secretary, Board of Commissioners