

MINUTES OF MEETING OF THE
BOARD OF COMMISSIONERS

February 10, 2022

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 Bridgestone Municipal Utility District ("Bridgestone") Operations and Water Education Center, 19720 Kuykendahl Road, Spring, Texas 77379, a meeting place inside the boundaries of the District, on Thursday, February 10, 2022, at 9:00 a.m.; whereupon, the roll was called of the members of the Board, to-wit:

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|-----------------|---------------------------|
| 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 Commissioners Plummer and Pinard, thus constituting a quorum. Commissioner Plummer attended portions of the meeting via teleconference, and therefore did not participate in deliberation or votes. Also attending the meeting were: the following District employees: Mr. Douglas Hooten, Chief Executive Officer ("CEO"); Mr. Rob Farmer, Chief Administrative Officer ("CAO"); Mr. Jamie Chebra, Chief Operating Officer ("COO"); Mr. Dave Snively, Chief Financial Officer ("CFO"); Ms. Shirley Ware, Executive Assistant; Ms. Katie Conn, Compliance Manager; Mr. Xavier De La Rosa, Chief Clinical Officer; and Mr. Jerry Thomas, Community Engagement Manager. District consultants in attendance were: Mr. John Howell of The GMS Group, L.L.C. (via teleconference), the District's financial advisor; Ms. Regina D. Adams and Ms. Monica Garza, attorneys, and Ms. Carla Christensen, paralegal, of Radcliffe Bobbitt Adams Polley PLLC ("RBAP"), general counsel for the District; Mr. Brian Trachtenberg and Ms. Anna Phillips of Greathouse Holloway McFadden Trachtenberg, PLLC ("Greathouse"), special counsel to the District; and Messrs. Zach Karrenbrock and Grant McAnelley of 62 Digital, LLC ("62 Digital"), the District's communications coordinator. Also in attendance were: Ms. Linn Fish, a member of the public. A copy of the sign-in sheet is attached hereto.

WHEREUPON, the meeting was called to order by the Vice 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 62 Digital for use by the District. The meeting was also streamed live by 62 Digital on the District's website.

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

PUBLIC COMMENTS

There were no public comments at this time.

DISTRICT STAFF AWARDS AND RECOGNITIONS

There were no staff awards or recognitions at this time.

APPROVAL OF THE MINUTES

The Board considered approval of the minutes of the regular meeting of January 20, 2022. 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 minutes of the regular meeting of January 20, 2022, as presented, and the certified agenda for same.

ADMINISTRATION, DISPATCH AND LOGISTICS FACILITIES CONSTRUCTION/ DEVELOPMENT REPORT, INCLUDING:

STATUS OF CONSTRUCTION OF PHASE I REDEVELOPMENT OF DISTRICT ADMINISTRATION PROPERTY ("PHASE I PROJECT")

In the absence of Mr. Ricardo Martinez of Martinez Architects ("Martinez"), the Board then reviewed the design and construction status report and photographs of the Phase I Project (the "Martinez Report"), copies of which are attached hereto. The Martinez Report noted that the final inspection of the Phase I Project occurred on February 3rd and J.E. Dunn Construction Co. ("J.E. Dunn") was addressing the punch list items, a copy of which is attached hereto. A discussion ensued.

The Martinez Report stated that the updated plans for Phase II of the redevelopment of the District administration property (the "Phase II Project") had been reviewed by District staff and the updated construction documents were resubmitted to Harris County (the "County") for permitting on October 20th. The Martinez Report went on to state that the permits for Buildings B and E were approved by the County, Building A received verbal approval and J.E. Dunn was processing submittals to Martinez in order to begin construction of the Phase II Project earlier than scheduled.

The Board then reviewed options for a temporary emergency medical services ("EMS") station, whereby the estimated budget for the temporary EMS station included the following options: 1) purchase of a 28 foot (28') by 61 foot (61') pre-manufactured unit at a cost of \$185,000.00 or lease of an equivalent unit at a cost of \$31,000.00 to set-up plus \$1,200 per month; and 2) set-up, demolition of the existing house on the District's property, fire suppression, connection of utilities and installation for a cost of \$182,000.00.

APPROVE CONSTRUCTION PAY APPLICATIONS ("PA")/CHANGE ORDERS ("CO") AND TAKE NECESSARY ACTION ON SAME

The Board then reviewed PA No. 10 from J.E. Dunn in the amount of \$742,105.00 in connection with the Phase I Project, a copy of which is attached hereto. Ms. Adams reminded the Commissioners that, at the last meeting, they deferred action on approval of PA No. 9 from J.E. Dunn in the amount of \$1,228,882.00 in connection with the Phase I Project.

The Board next reviewed CO No. 14 in the additive amount of approximately \$884,607.00, a copy of which is attached hereto, which was previously approved by the Board, but for which Martinez had not provided all back-up information. The Martinez Report noted that CO No. 14 included \$851,800.00 for parking at Building C and \$34,807.00 for a Presentation Station in the meeting room. It was noted that the Board previously deferred action on CO No. 15 in the additive amount of approximately \$373,786.00.

An extensive discussion ensued regarding the possibility of engaging a third party independent inspector for the Phase I Project. 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 authorize the Construction Committee to evaluate third party inspectors and authorize the Construction Committee, on behalf of the District, to review and approve an agreement with an inspector for the Phase I Project.

A discussion ensued regarding PA Nos. 9 and 10 and CO No. 15.

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 accept the Martinez Report and approve PA No. 10 in connection with the Phase I Project.

ADOPT RESOLUTION EVIDENCING INTENT TO REIMBURSE EXPENDITURES WITH PROCEEDS FROM A FUTURE PHASE II PROJECT FINANCING (THE "REIMBURSEMENT RESOLUTION")

Ms. Adams then reminded the Board that it previously adopted a Reimbursement Resolution in connection with CO No. 13, which was for demolition for the Phase II Project. Ms. Adams stated that the District continues to incur costs related to the Phase II Project, which are currently being paid for from the general operating fund. Ms. Adams stated that the District has not yet financed the Phase II Project so the District could reimburse the general operating fund for such Phase II expenditures from the Phase II Project loan proceeds. A discussion ensued regarding the status of construction of the Phase I Project.

Ms. Adams presented to and reviewed with the Board the Reimbursement Resolution. Upon motion by Commissioner Grundmeyer, seconded by Commissioner Brost, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Reimbursement Resolution, a copy of which is attached hereto.

STATUS OF CONSTRUCTION OF THE PHASE II PROJECT FROM J.E. DUNN AND TAKE NECESSARY ACTION ON SAME

Ms. Adams reminded the Board that it previously approved Amendment No. 3 to the Construction Manager at Risk ("CMAR") Contract for the Phase II Project to include the Gross Maximum Price of \$10,513,980.00, subject to receipt and final review of same by RBAP and authorized the District's financial advisor to proceed with obtaining financing proposals in connection with the Phase II Project. Ms. Adams noted that her office has not yet received the draft of Amendment No. 3 to review.

REVIEW FINANCING OPTIONS FOR PHASE II PROJECT AND TAKE NECESSARY ACTION ON SAME

Mr. Howell then presented to and reviewed with the Board the proposed Addendum to GMS' Agreement for Financial Advisory Services dated August 3, 2018. Mr. Howell stated that the Agreement for Financial Advisory Services was being modified since the Board is now contemplating issuance of additional debt in connection with the Phase II Project. 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 and authorize execution of the Addendum to GMS' Agreement for Financial Advisory Services, a copy of which is attached hereto, subject to receipt of the necessary verifications addendum and a completed Form 1295.

Mr. Howell then explained that the Municipal Securities Rulemaking Board ("MSRB") requires the District's financial advisor to disclose its role in connection with the District's proposed financing. 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 acknowledge the MSRB Rule G-23 disclosure letter, a copy of which is attached hereto.

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 and authorize execution of the Placement Agent Agreement with Huntington Securities, a copy of which is attached hereto, and the cost of which would be paid for out of GMS' fee.

Mr. Howell noted that he was exploring financing options for the District's Phase II Project and anticipated providing proposals and a recommendation to the Board at the March 17th meeting. Mr. Howell anticipated an April 1st closing date for the Phase II Project financing.

Mr. Howell exited the meeting at this time.

DISCUSS DESIGN OF PHASE III OF THE REDEVELOPMENT OF THE DISTRICT ADMINISTRATION PROPERTY (THE "PHASE III PROJECT")

There were no updates on the Phase III Project at this time.

CEO REPORT

Mr. Hooten then reported on various service matters, including the status of the District's ambulance fleet, communications, accreditation, District staffing and hospital wall times during January 2022. Mr. Hooten also noted that at the most recent construction meeting, J.E. Dunn representatives stated that they anticipated the Phase I Project to be completed by March 16th. A discussion ensued, after which Mr. Hooten answered questions from the Board.

REVIEW AND APPROVE LEASES AND/OR USE AGREEMENTS, AS NECESSARY

Mr. Hooten noted that there are no Leases or Use Agreements that require approval at this time.

REVIEW AND APPROVE PURCHASE ORDERS, AS NECESSARY

Mr. Hooten stated that there were no purchase orders to present.

AUTHORIZE PURCHASE OF VEHICLE FOR FLEET MAINTENANCE

Mr. Hooten next presented to and reviewed with the Board an executive summary regarding the need for a Fleet Maintenance vehicle, including a proposal for the purchase of a Ford F-250 SD Supercab with necessary options priced through the District's Cooperative Purchasing Agreement with BuyBoard, copies of which are attached hereto. A discussion ensued.

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 authorize the purchase of a Ford F-250 SD Supercab with utility bed for a cost not to exceed \$81,000.00.

CAO REPORT

Mr. Farmer next presented to and reviewed with the Board the monthly Administration Report, a copy of which is attached hereto. Mr. Farmer stated that the District then currently had 281 employees with a 2.14% turnover rate.

Mr. Farmer then reviewed with the Board: 1) fleet incidents; 2) three (3) workers' compensation claims; and 3) clinical exposures. Mr. Farmer also reported that, to-date, the District's fleet had driven a total of 567,270 miles, including 59,630 miles during January 2022. Mr. Farmer stated that he anticipated the District's fleet to drive approximately 1.2 million miles annually.

COMPLIANCE REPORT

The Vice President then recognized Ms. Conn, who presented to and reviewed with the Board the Compliance Manager's Report, a copy of which is attached hereto.

Ms. Conn stated that she has continued to coordinate with the Texas Department of State Health Services ("DSHS") and the Harris County District Attorney's Office, respond to

requests/subpoenas for patient care records and complaints filed with DSHS, if any, and review the District's standard operating procedures.

AUTHORIZE ISSUANCE OF REQUEST FOR PROPOSALS ("RFP") FOR MANAGED INFORMATION TECHNOLOGY ("IT") SERVICES

Mr. Hooten then presented to and reviewed with the Board the proposed RFP for procuring a Managed IT Service Provider for the District, a copy of which is attached hereto. Ms. Adams stated that her office has reviewed the RFP and provided comments on same. In response to a question from Ms. Adams, Mr. Farmer stated that District staff is in the process of obtaining a written statement from the District's current IT service provider, Paranet Solutions, LLC ("Paranet"), regarding the District's early termination of the service contract with Paranet. A discussion ensued.

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 authorize the issuance of the RFP for Managed IT Services.

COMMUNITY OUTREACH AND COMMUNICATIONS REPORT AND STATUS OF CREATION OF NEW WEBSITE

Mr. Thomas then presented to and reviewed with the Board the Community Outreach Report, a copy of which is included in the CAO's Report. Mr. Thomas reported on the District's community outreach efforts thus far, including recent community events, status of the new District website, which is anticipated to be complete by early April, the District's social media presence and ongoing District projects.

CHIEF CLINICAL OFFICER/OFFICE OF THE MEDICAL DIRECTOR REPORT

Mr. De La Rosa next presented to and reviewed with the Board the District's Clinical Operations Report for January 2022, including response times, patient treatments and related technology, a copy of which is attached hereto. Mr. De La Rosa reported that 12 employees had recently completed training and begun operating in the field.

COO REPORT

The Vice President then recognized Mr. Chebra, who presented to and reviewed with the Board the January 2022 Operations Report, a copy of which is attached hereto.

Mr. Chebra reported that in the previous month, the District: 1) had a response time compliance of 87.49%, exceeding its monthly goal of 85%; 2) operated its ambulances at 14,359 unit hours with 1,901 lost unit hours; 3) responded to 5,572 calls, which resulted in approximately 2,365 transports to hospitals; and 4) provided mutual aid 33 times and requested mutual aid 23 times. Mr. Chebra noted that the average wall time during the month was approximately 34 minutes. In response to a question, a discussion ensued regarding the District's response time compliance percentage. Mr. Chebra also noted that the District would begin utilizing the artificial intelligence component of its CAD system soon.

CFO REPORT

APPROVE PAYMENT OF BILLS AND ISSUANCE OF CHECKS, AND REVIEW INVESTMENT REPORT

AUTHORIZE LOAN PAYMENTS TO REGIONS CAPITAL ADVANTAGE ("REGIONS") AND ZMFU, II/ZIONS BANCORPORATION ("ZIONS")

Mr. Snavely next presented to and reviewed with the Board a summary of activity, a budget comparison, list of checks and related invoices being presented for payment and the Investment Report, copies of which are attached hereto. A discussion ensued.

Mr. Snavely went on to answer questions from the Board regarding the District's finances. A discussion ensued.

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: 1) approve the CFO Report, as discussed; 2) authorize payment of the bills, as submitted; 3) approve the Investment Report; and 4) authorize the required loan payments to Regions and Zions.

REVIEW AND APPROVE DEPOSITORY PLEDGE AGREEMENT ("DPA") WITH THE BANK OF NEW YORK MELLON ("BNY") IN CONNECTION WITH PAYMENTS FROM WAYSTAR HEALTH AND MED-PAY INC.

Ms. Adams reminded the Commissioners that they previously approved the Confirmation of BNY Treasury Services Terms and Conditions for Waystar Health and Med-Pay, Inc. Clients (the "Terms and Conditions") and a DPA from BNY, subject to receipt and RBAP's review of the DPA. Ms. Adams stated that she is coordinating with Mr. Snavely regarding RBAP's comments to the BNY Terms and Conditions and obtain a DPA, if necessary.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Adams then reported that the Tax Assessor/Collector's Report for January 2022 was not yet available.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION FOR 2022 TAX YEAR

Ms. Adams then explained that pursuant to the Texas Tax Code, as amended, the District is authorized to grant exemptions relative to the District's property tax levy. The Board next considered approval of tax exemptions for the 2022 tax year, including general homestead exemptions and exemptions for property owners who are 65 years of age and older or disabled. Ms. Adams explained that in 2021, the Board did not grant a general residential homestead tax exemption but granted a homestead exemption of \$50,000 for those property owners who are 65 years of age and older or disabled.

The Board decided to grant the same exemptions for the 2022 tax year as were granted for the 2021 tax year. 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 Resolution Concerning Exemptions from Taxation for the 2022 Tax Year reflecting a homestead exemption of \$50,000 for property owners who are 65 years of age and older or disabled, a copy of which is attached hereto.

ADOPT RESOLUTION APPOINTING THE COUNTY TAX ASSESSOR-COLLECTOR AS THE DESIGNATED OFFICER TO CALCULATE TAX RATES FOR THE DISTRICT

Ms. Adams then presented to and reviewed with the Board the proposed Resolution Appointing the County Tax Assessor-Collector as the Designated Officer to Calculate Tax Rates for the District. 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 Resolution Appointing the County Tax Assessor-Collector as the Designated Officer to Calculate Tax Rates for the District, a copy of which is attached hereto.

ATTORNEY'S REPORT, INCLUDING:

REVIEW RECENT PUBLIC INFORMATION ACT ("PIA") REQUESTS, STATUS OF RESPONSES TO SAME AND *DISTRICT VS. KEN PAXTON* (THE "AG LITIGATION")

Ms. Adams stated that her office recently received a ruling from the Attorney General regarding an outstanding PIA request from Mr. Robert Berleth. Ms. Adams reported that her office responded to Mr. Berleth's PIA request accordingly.

Mr. Trachtenberg stated that he will provide a status update on the AG Litigation in Executive Session.

STATUS OF *CYPRESS CREEK EMERGENCY MEDICAL SERVICES ("CCEMS") VS. THE DISTRICT, ET AL*, (THE "CCEMS LITIGATION") AND RELATED LEGAL MATTERS AND TAKE NECESSARY ACTION ON SAME

Mr. Trachtenberg stated that he will provide status updates on the CCEMS Litigation and CCEMS' bankruptcy proceedings in Executive Session.

STATUS OF *FREEPOINT ENERGY SOLUTIONS, LLC ("FREEPOINT") VS. CONTINENTAL ALLOYS AND SERVICES, INC. ("CONTINENTAL"), ET AL* (THE "FREEPOINT LITIGATION"), AUTHORIZE ENGAGEMENT OF SPECIAL COUNSEL AND TAKE ANY OTHER NECESSARY ACTIONS ON SAME

Ms. Adams and Mr. Trachtenberg stated that they would provide a report on the Freepoint Litigation in Executive Session.

ELECTION AGENDA

UPDATE ON MAY 7, 2022 COMMISSIONERS ELECTION MATTERS, AND TAKE ANY NECESSARY ACTIONS ON SAME

Ms. Garza reminded the Board that the 2022 Commissioners Election would be held on Saturday, May 7, 2022 (the "Election"), and the terms of office of Commissioners Grundmeyer

and Brost are expiring at such time. Ms. Garza added that the candidate application filing deadline is 5:00 p.m. on Friday, February 18, 2022. Ms. Garza noted that her office had not yet received any completed applications for a place on the ballot.

Ms. Garza went on to present and review a memorandum regarding the new ballot by mail ("BBM") requirements prescribed by Senate Bill 1 ("SB 1") of the Second (2nd) Special Session of the 87th Legislature and how such requirements/processes will impact the Election, a copy of which is attached hereto. An extensive discussion ensued and Ms. Garza and Ms. Adams answered various questions from the Board. Ms. Adams explained to the Board how the new SB 1 requirements may substantially affect the District's Election costs because of the additional processing steps required by the new law thereby requiring more work hours by the election officials. Ms. Garza reviewed with the Board the option to conduct a joint election with the County if the new election requirement warranted a change in the Board's prior decision for the District to conduct its own election. Further discussion ensued.

Ms. Garza then presented to and reviewed with the Board a proposal from AMG Printing and Mailing, LLC ("AMG") in the amount of \$37,450.00 for printing and compiling BBM packets for the Election, a copy of which is attached hereto. A discussion ensued.

REVIEW AND DISCUSS LOCATING POLLING PLACES AND ELECTION OFFICIALS FOR MAY 7, 2022 COMMISSIONERS ELECTION

ADOPT ORDER CALLING COMMISSIONERS ELECTION SCHEDULED FOR SATURDAY, MAY 7, 2022 ("ORDER CALLING ELECTION")

Ms. Garza then presented a draft Order Calling Election. An extensive discussion ensued regarding potential polling locations, election equipment and the option to conduct a joint election with the County. Commissioner Brost made a motion to adopt the Order Calling Election and for the District to conduct its own election. The motion failed for lack of a second.

STATUS OF *DISTRICT VS. KEN PAXTON*

STATUS OF THE CCEMS LITIGATION AND RELATED MATTERS

STATUS OF THE FREEPOINT LITIGATION AND RELATED MATTERS

Commissioner Williams then stated that the Board would be going into Executive Session to deliberate the items listed above as matters of attorney-client privilege and pending litigation as they relate to the AG Litigation, the CCEMS Litigation and the Freepoint Litigation, pursuant to Section 551.071, Texas Government Code.

All members of the Board present, Ms. Garza, Ms. Adams, Ms. Christensen, Mr. Trachtenberg, Ms. Phillips and Mr. Hooten convened into Executive Session at 10:48 a.m. Commissioner Plummer attended the Executive Session via teleconference but did not deliberate.

All other meeting attendees still present re-entered the meeting at 11:55 a.m.

RECONVENE IN OPEN SESSION

Commissioner Williams reconvened the meeting in open session at approximately 11:59 a.m. at which time the following action was taken by the Board:

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 authorize the District's special counsel to proceed as discussed during Executive Session.

ORDER CALLING ELECTION (CONT'D.)

A discussion ensued. Upon motion by Commissioner Williams, seconded by Commissioner Grundmeyer, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Order Calling Election, a copy of which is attached hereto, and for the District to conduct its own election.

Upon motion by Commissioner Williams, seconded by Commissioner Grundmeyer, after full discussion and the question being put to the Board, the Board voted unanimously to approve the proposal from AMG for preparation of BBM packets.

DETERMINE CANVASSING DATE FOR MAY 7, 2022 COMMISSIONERS ELECTION

Ms. Garza next asked the Board to select a date for canvassing the Election, should the Election be held, explaining that such date must be no earlier than three (3) days following Election Day (May 10, 2022) and no later than 11 days following Election Day (May 18, 2022). Ms. Garza reminded the Board that only two (2) members of the Board need to be present for the canvassing of the Election results. The Commissioners agreed to hold the canvassing meeting, if necessary, on Wednesday, May 18, 2022 at 9:00 a.m.

There being no further business to come before the Board, the meeting was adjourned at 12:10 p.m.

PASSED, APPROVED AND ADOPTED this 17th day of March, 2022.



Asst. _____
Secretary, Board of Commissioners