

MINUTES OF MEETING OF THE
BOARD OF COMMISSIONERS

December 16, 2021

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

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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, December 16, 2021, 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, thus constituting a quorum. 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 Snavely, Chief Financial Officer ("CFO"); Ms. Shirley Ware, Executive Assistant; Ms. Katie Conn, Compliance Manager; Dr. Casey Patrick, Medical Director; Mr. Xavier De La Rosa, Chief Clinical Officer; and Mr. Jerry Thomas, Community Engagement Manager. District consultants in attendance were: Mr. Joseph Ellis of McCall Gibson Swedlund Barfoot PLLC ("McCall"), auditors for the District; Mr. Ricardo Martinez of Martinez Architects ("Martinez") (via teleconference); 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, 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 was: Mr. Dave Billings, member of the Cypress Creek Emergency Medical Services ("CEMS") Board of Directors. A copy of the sign-in sheet is attached hereto.

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 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.

APPROVAL OF THE MINUTES

The Board considered approval of the minutes of the regular meeting of November 17, 2021 and the special meeting of November 29, 2021. 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 November 17, 2021 and the special meeting of November 29, 2021, as presented, and the certified agendas for same.

CONFIRM AUDITOR ENGAGEMENT FOR FISCAL YEAR ENDING ("FYE") DECEMBER 31, 2021 (THE "AUDIT")

Mr. Ellis then presented to and reviewed with the Board the confirmation of the Auditor's engagement for preparation of the Audit, a copy of which is attached hereto. Mr. Ellis stated that the Board previously engaged McCall to prepare future annual audits. Mr. Ellis noted that the fee for preparation of the FYE December 31, 2020 Audit was \$16,500 and estimates a fee not to exceed \$35,000 for preparation of the Audit. Mr. Ellis stated that the audit fees will be substantially higher due to the restructuring of the District's operatives, including hiring over 200 District employees. Upon a motion by Commissioner Williams, seconded by Commissioner Grundmeyer, after full discussion and the question being put to the Board, the Board voted unanimously to confirm McCall's engagement to prepare the Audit.

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 the month of November 2021. Mr. Hooten also reviewed with the Board anticipated challenges for the District over the next year, including supply chain, temporary facilities, and communications issues. A discussion ensued, after which Mr. Hooten answered questions from the Board.

ADMINISTRATION, DISPATCH AND LOGISTICS FACILITIES REPORT, INCLUDING:

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

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

Mr. Martinez reported that he continues to coordinate with the District's Construction Committee and J.E. Dunn Construction Co. ("J.E. Dunn") representatives in connection with the ongoing construction of the Phase I Project. Mr. Martinez presented to and reviewed with the Board a design and construction status report and photographs of the Phase I Project, copies of which are attached hereto. Mr. Martinez then reviewed with the Board the updated Phase I Project

construction schedule, a copy of which is attached to the status report. Mr. Martinez noted that the Phase I Project should be substantially complete by the end of January 2022.

Mr. Martinez next reviewed with the Board PA No. 8 from J.E. Dunn in the amount of \$1,373,713 in connection with the Phase I Project, a copy of which is attached hereto.

Mr. Martinez went on to present CO No. 14 in the additive amount of approximately \$860,000.00 for the covered employee parking and walkway to the Administration Building. A discussion ensued after which Mr. Martinez stated that he would forward the CO to the Board for review.

Mr. Martinez noted that the updated layout plans for Phase II of the redevelopment of the District administration property (the "Phase II Project") have been reviewed by District staff and the updated construction documents were resubmitted to Harris County for permitting on October 20th.

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 accept the Phase I Project construction report and approve PA No. 8 in connection with the Phase I Project.

REVIEW GROSS MAXIMUM PRICE ("GMP") AMENDMENT FOR CONSTRUCTION OF THE PHASE II PROJECT FROM J.E. DUNN AND TAKE NECESSARY ACTION ON SAME

Mr. Martinez went on to report that GMP bids were received by J.E. Dunn and then presented the proposed GMP budget for the Phase II Project, a copy of which is attached hereto. A discussion ensued. Mr. Martinez stated that the GMP components for the Phase II Project total \$10,513,980.00.

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

Ms. Adams reminded the Board that they previously approved CO No. 13, which is for demolition for the Phase II Project. Ms. Adams stated that the District has not yet financed the Phase II Project so the District will need to pay for such expenditure from the general operating fund and reimburse such fund with loan proceeds for the Phase II Project. 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 Brost, seconded by Commissioner Williams, the Board voted four (4) votes in favor and one (1) vote against, with Commissioner Pinard opposing, to adopt the Reimbursement Resolution, a copy of which is attached hereto.

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

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

There was no report on the Phase III Project.

ADMINISTRATION REPORT, INCLUDING:

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 currently has 265 employees with a 2.6% turnover rate.

Mr. Farmer then reviewed with the Board: 1) fleet incidents; 2) two (2) workers' compensation claims; 3) four (4) incidents which required first aid to be administered to District employees; and 4) four (4) clinical exposures. Mr. Farmer also reported that, to date, the District's fleet had driven a total of 367,229 miles and utilized 25,113 gallons of fuel.

APPROVE PROPERTY, GENERAL LIABILITY AND WORKERS' COMPENSATION INSURANCE RENEWAL (EXPIRES 12/31/2021)

Mr. Hooten next reminded the Board that the District's Workers' Compensation insurance coverage with Texas Mutual Insurance Company ("TMI") through VFIS expires December 31, 2021. Mr. Hooten then presented to and reviewed with the Board the District's Workers' Compensation insurance proposal from TMI, a copy of which is 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 approve renewal of the District's Workers' Compensation insurance with TMI for the term of January 1, 2022 through December 31, 2022 for a total annual premium amount of \$452,477.00 for employees' "In-Network" usage.

Mr. Hooten noted that VFIS informed him that proposals for the District's Property and General Liability insurance renewal are not yet available. Mr. Hooten stated that VFIS indicated the current coverage will be extended until such proposals are available.

ADOPT RESOLUTION APPROVING AND ADOPTING THE FORM OF CAFETERIA PLAN INCLUDING A DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT AND APPOINT AUTHORIZED REPRESENTATIVE RELATED TO SAME

Mr. Hooten then presented to and reviewed with the Board a summary of the National Benefit Services ("NBS") Plan for the District, a copy of which is attached hereto. 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 Resolution Approving and Adopting the Form of Cafeteria Plan Including a Dependent Care Flexible Spending Account and Appointing the District's Human Resources Manager as Authorized Representative Related to Same, a copy of which is attached to the summary of the NBS Plan.

ADOPT RESOLUTION APPROVING AND ADOPTING AMENDMENT TO THE DISTRICT'S FLEXIBLE BENEFITS PLAN FOR THE CARES ACT AND APPOINT AUTHORIZED REPRESENTATIVE RELATED TO SAME

Mr. Hooten next presented to and reviewed with the Board a proposed Resolution Adopting the Amendment to the District's Flexible Benefits Plan for the CARES Act related to eligible over-the-counter expenses. 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 Amendment to the District's Flexible Benefits Plan for the CARES Act and appointed the District's Human Resources Manager as authorized representative regarding same, a copy of which is attached to the summary of the NBS Plan.

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

Mr. Hooten stated that there were no lease or use agreements for the Board's consideration.

CLINICAL REPORT

Mr. De La Rosa and Dr. Patrick next presented to and reviewed with the Board the District's Clinical Operations Report for the month of November, including response times, patient treatments and related technology, a copy of which is attached hereto.

Dr. Patrick reported that the District has completed the first of its continuing education series and issued 1,871 hours of continuing education credits to District staff and 420 hours of continuing education credits to the District's first responder partners since September 1st. Dr. Patrick then reported on case highlights from the previous month.

Dr. Patrick then presented meritorious clinical service awards to District employees.

COMPLIANCE REPORT

The 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 continues to coordinate with the Texas Department of State Health Services ("DSHS"), respond to requests/subpoenas for patient care records and complaints filed with DSHS, if any, and review the District's standard operating procedures.

In response to a question from Commissioner Pinard regarding the Commission on Accreditation of Ambulance Services (or "CAAS"), Ms. Conn and Mr. Hooten then reviewed with the Board the CAAS accreditation process.

OPERATIONS REPORT

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

Mr. Chebra reported that in the previous month, the District: 1) responded to 4,392 calls, which resulted in approximately 2,755 transports to hospitals; and 2) provided mutual aid 17 times

and requested mutual aid 4 times. Mr. Chebra noted that the average on-scene response time was 19 minutes and the average wall time during the month was approximately 49 minutes. A discussion ensued.

COMMUNITY OUTREACH REPORT, INCLUDING IMPLEMENTATION OF STATUS OF PUBLIC RELATIONS ACTIVITIES 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 creation/design of new District website, which is anticipated to be complete March 1st, and the District's inaugural attendance at the annual Texas Emergency Medical Services Conference.

REVIEW AND APPROVE PURCHASE ORDERS, AS NECESSARY

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

CFO'S REPORT

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

Mr. Snavelly then 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.

Commissioner Plummer stated that she has a conflict of interest in connection with the Jinco, Inc. invoice(s) and payment of same and would be abstaining from any discussion or action on such matter.

Mr. Snavelly then reviewed with the Board a proposed amended District Charge Master, a copy of which is attached to his report. Mr. Snavelly stated that the Charge Master rates have been updated to reflect a 7.2% Consumer Price Index increase. 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 approve the amended Charge Master for the District, with rates effective January 1, 2022.

Mr. Snavelly went on to review with the Board a proposed Amended Budget for FYE December 31, 2022, a copy of which is attached to the CFO's Report. A discussion ensued after which Ms. Adams stated that an agenda item for approval of same would be added to the January agenda.

Upon motion by Commissioner Grundmeyer, seconded by Commissioner Williams, after full discussion and the question being put to the Board, the Board voted unanimously to: 1) approve the CFO's Report, as discussed; and 2) authorize payment of the bills as submitted, with the exception of the Jinco, Inc. payment and any Dailey-Wells invoices, which would be considered separately.

Upon motion by Commissioner Williams, seconded by Commissioner Brost, after full discussion and the question being put to the Board, the Board voted four (4) votes in favor and one (1) abstention by Commissioner Plummer, to approve payment of the Jinco, Inc. landscaping invoices.

REVIEW AND AMEND DISTRICT INVESTMENT POLICY

Ms. Adams then presented to and reviewed with the Board the proposed Amended and Restated Investment Policy. Ms. Adams stated that the District's Investment Policy has been revised to reflect the District's CFO as the District's Investment Officer.

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 adopt the Amended and Restated Investment Policy, a copy of which is attached hereto.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Adams presented to and reviewed with the Board the Tax Assessor/Collector's Report for November 2021, a copy of which is attached hereto.

APPROVE CONSTRUCTION PA/CO AND TAKE NECESSARY ACTION ON SAME (CONT.)

Mr. Martinez then presented to and reviewed with the Board CO No. 14 in the additive amount of \$859,698.00, a copy of which is attached hereto. Mr. Martinez stated that such CO is for the covered employee parking and walkway to the Administration Building. A discussion ensued. Upon motion by Commissioner Williams, seconded by Commissioner Brost, after full discussion and the question being put to the Board, the Board voted four (4) votes in favor and one (1) vote against, with Commissioner Pinard voting in opposition, to approve CO No. 14.

ATTORNEY'S REPORT, INCLUDING:

STATUS OF *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 bankruptcy proceedings in Executive Session later in the meeting.

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

Ms. Adams stated that she has no updates on PIA requests at this time.

AUTHORIZE PUBLICATION OF NOTICE OF DISTRICT ADMINISTRATIVE OFFICE ADDRESS

Ms. Adams next reported that, pursuant to Texas Health and Safety Code, Section 775.036(f), RBAP will publish the District's administrative office location in the *Houston Chronicle* by January 31, 2022. A discussion ensued regarding whether to designate the District's

Administration Building at 18334 Stuebner Airline, Spring, Texas 77379 as the administrative office location or the District's temporary administrative office location at 4111 Kreinhop, Spring, Texas 77399. 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 publication of the Notice of District Administrative Office, with such address being 18334 Stuebner Airline, Spring, Texas 77379.

Commissioner Pinard exited the meeting at this time.

AUTHORIZE FILING OF ANNUAL REPORT WITH TEXAS DEPARTMENT OF EMERGENCY MANAGEMENT ("TDEM")

Ms. Adams reported that, pursuant to Texas Health and Safety Code, Section 775.083, RBAP will file the District's Annual Report with TDEM by January 1, 2022. 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 authorize RBAP to file the required Annual Report with TDEM.

Commissioner Pinard re-entered the meeting at this time.

AUTHORIZE FILING OF FINANCIAL AND TAX-RELATED INFORMATION WITH TEXAS STATE COMPTROLLER (THE "COMPTROLLER") PURSUANT TO TEXAS LOCAL GOVERNMENT CODE, SECTIONS 203.062 AND 403.0241 FOR THE SPECIAL PURPOSE DISTRICT PUBLIC INFORMATION DATABASE ("SPDPID")

Ms. Adams then reminded the Board that the District is required to annually file certain financial and tax-related information with the Comptroller's SPDPID. Ms. Adams noted that such information must be filed with the Comptroller by April 1, 2022. Upon motion by Commissioner Grundmeyer, seconded by Commissioner Brost, after full discussion and the question being put before the Board, the Board voted unanimously to authorize RBAP to file the required financial and tax-related information in the SPDPID by April 1, 2022.

REVIEW 2022 ANNUAL AGENDA

A discussion ensued regarding the District's February 17th regularly scheduled Board meeting, which conflicts with the Annual SAFE-D Conference. It was the consensus of the Board to move the meeting to February 10th.

Ms. Adams then distributed the draft 2022 Annual Agenda for the Board's review, 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 adopt the proposed 2022 Annual Agenda.

ELECTION AGENDA

Ms. Garza reminded the Board that the 2022 Commissioner's Election will 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 went on to briefly explain the Election process. A brief discussion ensued regarding possible polling locations and potential election officials should

the District have opposed candidates in the election. Ms. Garza went on to explain that RBAP is in the process of reviewing potential polling locations and continues to reach out to prospective election officials.

NOTICE OF APPOINTMENT OF DESIGNATED AGENT

Ms. Garza then presented to and reviewed with the Board a draft of the Notice of Appointment of Designated Agent for the Election. Ms. Garza explained that such notice is required by law to be translated into Spanish, Vietnamese and Chinese prior to posting and that RBAP is in the process of having such notice translated. Ms. Garza next informed the Board that she recommends that RBAP serve as the District's designated agent for the Election. Ms. Garza went on to explain some of the duties of the designated agent. Upon motion by Commissioner Grundmeyer, seconded by Commissioner Williams, after full discussion and the question being put to the Board, the Board voted unanimously to appoint RBAP as the District's designated agent for the Election. A copy of the Notice of Appointment of Designated Agent for the Election is attached hereto.

NOTICE OF DEADLINE TO FILE AN APPLICATION FOR A PLACE ON THE BALLOT FOR THE ELECTION

Ms. Garza next presented to and reviewed with the Board a draft of the Notice of Deadline to File an Application for a Place on the Ballot for the Election. Ms. Garza noted that this notice is also required by the Texas Election Code to be translated and must be posted by December 20th. Ms. Garza added that the first day which candidate applications may be accepted is January 19, 2022, and that the application filing deadline is 5:00 p.m. on Friday, February 18, 2022. Upon motion by Commissioner Grundmeyer, seconded by Commissioner Williams, after full discussion and the question being put to the Board, the Board voted unanimously to approve and authorize posting of the Notice of Deadline to File an Application for a Place on the Ballot for the Election, a copy of which is attached hereto.

AUTHORIZE COMMISSIONER ATTENDANCE AT SAFE-D ANNUAL CONFERENCE

Upon motion by Commissioner Brost, seconded by Commissioner Pinard, after full discussion and the question being put to the Board, the Board voted unanimously to authorize the Board's attendance at the SAFE-D Annual Conference to be held in Round Rock, Texas on February 17-19, 2022.

STATUS OF THE CCEMS LITIGATION AND RELATED MATTERS

REVIEW CEO EMPLOYMENT AGREEMENT WITH DOUGLAS HOOTEN RELATED TO ANNUAL SALARY AND PERFORMANCE REVIEW AND TAKE NECESSARY ACTIONS ON SAME

Commissioner Plummer 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 CCEMS Litigation, pursuant to Section 551.071, Texas Government Code and personnel matters pursuant to Section 551.074, Texas Government Code.

All members of the Board present, Ms. Adams, Ms. Garza, Mr. Trachtenberg, Ms. Phillips and Mr. Hooten convened into Executive Session at 11:24 a.m.

Ms. Adams, Ms. Garza, Ms. Christensen, Mr. Trachtenberg, Ms. Phillips and Mr. Hooten exited the meeting at 12:27 p.m.

Mr. Hooten re-entered the meeting at 12:48 p.m.

All meeting attendees still present re-entered the meeting at 1:11 p.m.

RECONVENE IN OPEN SESSION

Commissioner Plummer reconvened the meeting in open session at approximately 1:15 p.m. at which time the following action was taken by the Board:

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

There being no further business to come before the Board, the meeting was adjourned at 1:16 p.m.

PASSED, APPROVED AND ADOPTED this 20th day of January, 2022.




Secretary, Board of Commissioners