

MINUTES OF MEETING OF THE
BOARD OF COMMISSIONERS

August 15, 2019

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 7111 Five Forks Drive, Spring, Texas 77379, a meeting place inside the boundaries of the District, on Thursday, August 15, 2019, 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: Mr. Bill Russell of Myrtle Cruz, Inc. ("Bookkeeper"), bookkeeper for the District; Mr. Kerry Johnson of NRG Marketing Group ("NRG"), the District's website service provider and public relations consultant; and Ms. Regina D. Adams and Ms. Monica A. 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: Messrs. Ruben Gonzales and Dave Billings, members of the CCEMS Board of Directors; Mr. Brad England, CCEMS Executive Director; Mr. Wren Nealy, CCEMS Assistant Executive Director; Mr. Norm Uhl, CCEMS Public Information Officer; and Mr. Andrew McKinney of McKinney Taylor PC, attorney for CCEMS.

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 CCEMS.

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

APPROVAL OF THE MINUTES

The Board considered approval of the minutes of the regular meeting of July 18, 2019. 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 July 18, 2019, as prepared, and the certified agenda for the regular meeting of July 18, 2019, previously distributed to the Board.

STATUS OF PROPOSED ADMINISTRATIVE AND OPERATIONAL POLICIES AND PROCEDURES OF THE BOARD AND TAKE ANY NECESSARY ACTIONS ON SAME, INCLUDING REVIEW PROPOSALS FOR THE DISTRICT'S PURCHASE OF CELLULAR TELEPHONES, ADOPT ORDER ESTABLISHING CELLULAR PHONE EQUIPMENT POLICY (THE "CELL PHONE POLICY") AND AUTHORIZE COMMISSIONERS' ATTENDANCE OF SAFE-D WEBCAST

Commissioner Brost then reminded the Board that they had previously reviewed cell phone "safety plan" proposals from FirstNet/AT&T ("FirstNet"), Verizon Wireless ("Verizon") and T-Mobile and accepted the proposal from FirstNet (including the upgrade of all Commissioner cell phones to iPhones for a cost not to exceed \$2,500) at the August 6th special Board meeting. Commissioner Brost reported that FirstNet agreed to provide iPhones at no cost and he is in the process of obtaining a contract with FirstNet for execution.

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 (the "ILA") with Harris County (the "County").

Mr. Brost reported that GTT is ahead of schedule with the installation of the new preemption devices and all devices should be operational by September 1st. Commissioner Brost added that GTT is also in the process of establishing billing accounts for each participating district for the new preemption devices. Ms. Adams agreed to complete the necessary forms for the District's billing account. Commissioner Brost stated that the District should receive the first (1st) bill from GTT sometime in October.

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

Mr. England stated that Houston Financial Forensics, LLC ("HFF") is in the process of conducting the audit of the HSSK Forensic Report and CCEMS finances, controls, policies and procedures, which should take several months to complete. In response to a question, Mr. England stated that HFF anticipates completion of such audit in November.

APPROVE RECONCILIATION AUDIT REPORT (DISTRICT FUNDING VS. CCEMS EXPENDITURES) FOR FYE DECEMBER 31, 2018

Ms. Adams next reminded the Board that the District's special auditor, Mr. Mark C. Eyring, CPA, previously distributed and reviewed with the Board the draft Reconciliation Audit for FYE December 31, 2018, a copy of which is attached hereto. Ms. Adams noted that the Board previously agreed to review the draft Reconciliation Audit and contact Mr. Eyring with any questions or comments on the draft Reconciliation Audit and to take any necessary action, including approval of the Reconciliation Audit, at the August 15th Board meeting.

A discussion ensued regarding the accuracy of the amount that the District reportedly underfunded (\$976,112) CCEMS in 2018 and whether the District intends to make payment to CCEMS for such underfunding. Ms. Adams noted that Mr. Eyring confirmed that the draft Reconciliation Audit numbers were based on actual expenditures in FYE December 31, 2018 and not the budgeted expenditures. Commissioner Brost stated that he still intends to contact Mr. Eyring to discuss his questions in connection with the draft Reconciliation Audit.

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

Commissioner Plummer next recognized Mr. England, who presented to and reviewed with the Board the Executive Director's Report and the CCEMS Operations and Financial Reports, including the operations statistics for the month of July 2019, copies of which are attached hereto. Mr. England reported that during the month of June there were 2,635 transports, nine (9) Life Flight transports and that 24% of the calls made during the month were "no transports." Mr. England went on to report that during the month of July, CCEMS received 25 mutual aid assists and provided 16 mutual aid assists outside of CCEMS' boundaries.

Mr. England reported that 12 Fire/EMS departments in Fort Bend County have requested to utilize the CCEMS communications center.

Mr. England added that McGrath Consulting Group, Inc. has provided a draft of the updated Operational Assessment Report/Handbook to CCEMS for review and continues to work on the Handbook policies/procedures/job descriptions.

Mr. England then reported that Cypress Creek Fire Department plans to construct a new station near the Sam Houston Racetrack and has offered to lease a portion of such station to CCEMS.

Mr. England next reported that CCEMS received 28 applications for the CCEMS Controller position and is in the process of interviewing the five (5) top candidates.

Mr. England went on to report that CCEMS Station Nos. 53 and 58 are in the process of being repainted.

Mr. England then reminded the Board that body cameras have been deployed for both CCEMS supervisors and emergency medical services staff. Mr. England stated that CCEMS is currently meeting with local hospital CEOs and legal representatives regarding HIPPA concerns pertaining to same.

Mr. England next reported that CCEMS has scheduled a new EMT class to begin this month.

Mr. England next requested that the District reimburse CCEMS for the purchase of new Stryker stretchers/auto-loads (16) for the newly purchased ambulances for a total cost of \$12,929.12.

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 reimburse CCEMS in the amount of \$12,929.12 for the capital funding of the stretchers/auto-loads from Stryker for the new ambulances.

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 approve the CCEMS Operations and Financial Report and authorize the CCEMS Operations payment in the amount of \$1,251,058.33 for the month of July.

STATUS OF INVESTIGATION OF CCEMS MAINTENANCE FACILITY AND EMPLOYEES RELATED THERETO

Mr. England next reported that he has nothing new to report in connection with the status of CCEMS' investigation of its maintenance facility employees.

Mr. McKinney reminded the Board that the investigation of the CCEMS maintenance facility employees has been turned over to the Harris County Sheriff's Office to conduct a criminal investigation, but CCEMS has engaged the services of a private investigator to conduct an internal investigation. Mr. McKinney then stated that he is only willing to share the details related to the criminal and internal investigation in Executive Session for those Commissioners who execute a "draconian" non-disclosure agreement.

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 quarterly 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 \$44,750.41 in 2018 property tax revenue, \$7.15 from Dolcefino Consulting for payment related to a prior Public Information Act ("PIA") request and \$103.65 in investment interest. Mr. Russell further reported that all such revenue had been deposited into the District's Operating Account.

Mr. Russell next explained that BBVA requires new signature cards due to the recent appointment of Commissioner Williams to the Board.

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 the Bookkeeper's Report, authorize payment of the checks reflected therein and to authorize execution of the new signature cards for BBVA.

ADOPT BUDGET FOR FYE DECEMBER 31, 2020

Ms. Adams then reminded the Board that the District is required to adopt its annual budget prior to setting the 2019 tax rate. Mr. Russell presented to and reviewed with the Board the proposed District FYE December 31, 2020 budget based upon the revisions discussed at the August 6, 2019 Board meeting, a copy of which is attached hereto. Ms. Adams recommended that in light of new tax legislation, Senate Bill 2, which will be effective for the 2020 tax year, the Board review the proposed 2019 tax rate recommendation with Mr. John Howell of the GMS Group, LLC. A discussion ensued. It was the consensus of the Board that Mr. Howell provide RBAP with a written 2019 tax recommendation prior to the September 19th meeting and for Mr. Howell to call in to the September Board meeting to discuss such recommendation.

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 adopt the District's FYE December 31, 2020 budget.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Adams then reviewed with the Board the Tax Assessor/Collector Report for the month of July, a copy of which is attached hereto.

DISTRICT COMMUNICATIONS REPORT

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

Mr. Johnson next reported that he was able to obtain a proposal from Verizon for the purchase of District cell phones and the monthly cell phone "safety plan" for first responders. Mr. Johnson stated that Verizon is offering the District five (5) free phones and \$39.99 per month for each cell phone, which includes unlimited texts and data. It was the consensus of the Board to stay with their previously approved provider, FirstNet.

COMMISSIONER'S MONTHLY FACILITIES INSPECTION/TOUR REPORT

It was noted that no facility inspections were conducted after the July Board meeting and no facility inspections/tours would be conducted after the August Board meeting.

Commissioner Plummer noted that she is planning to visit and visually inspect Station No. 513 sometime in the near future.

STATUS OF DISTRICT CONSTRUCTION, REPAIR, IMPROVEMENT OR RENOVATION PROJECTS, AND TAKE ANY NECESSARY ACTIONS ON SAME, INCLUDING POTENTIAL LATENT STATION NO. 513 ELEVATION/CONSTRUCTION MATTERS

There was nothing further to report on this matter.

REVIEW BOARD GOALS FOR 2019 AND TAKE ANY NECESSARY ACTIONS ON SAME

There was no discussion on this matter at this time.

ATTORNEY'S REPORT

REVIEW RECENT PIA REQUESTS, IF ANY, AND STATUS OF RESPONSES TO SAME

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

REVIEW SERVICE AGREEMENT WITH CCEMS, TERMS THEREIN, DISCUSS ANY PROPOSED AMENDMENTS TO SAME AND/OR OTHER AVAILABLE SERVICE OPTIONS, AND TAKE NECESSARY ACTIONS ON SAME

Ms. Adams reported that her office previously provided Mr. McKinney with the District's proposed term sheet in connection with amending the Service Contract with CCEMS in April. In

response to a question, Mr. McKinney stated that he had reviewed the District's proposed term sheet with the CCEMS Board of Directors and subsequent to such review, provided the District's attorney with CCEMS' term sheet. An extensive discussion ensued after which Commissioner Plummer stated that she and Commissioner Brost would schedule a meeting with two (2) CCEMS Board members, including the CCEMS Board President, Greg Marwill, to further discuss the proposed terms in connection with amending the Service Contract between the District and CCEMS.

REVIEW OF CONSULTANT CONTRACTS

Commissioner Plummer noted that the Board may review the District's consultant contracts at any time. Ms. Adams reminded the Board that RBAP had provided all Commissioners with a summary of all the District's current contracts/agreements and the terms for same. The Commissioners had no comments.

PUBLIC COMMENTS AND MISCELLANEOUS MATTERS

There were no comments from the public at this time.

CONFIRM SEPTEMBER REGULAR MEETING DATE

Ms. Adams then reminded the Board that the next regular meeting is scheduled for Thursday, September 19, 2019, at 9:00 a.m.

Ms. Adams next informed the Board that RBAP is hosting a Cyber Security seminar on Saturday, September 14th at the Hyatt Regency Intercontinental from 10:00 a.m. to noon.

All meeting attendees, with the exception of all members of the Board, Ms. Adams, Ms. Garza and Ms. Christensen exited the meeting at 9:55 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 9:56 a.m., to consult with the District's attorney regarding certain matters concerning attorney-client privilege. The persons present in the executive session were Commissioners Plummer, Grundmeyer, Pinard, Brost and Williams and Ms. Adams, Ms. Garza and Ms. Christensen.

RECONVENE IN OPEN SESSION

Commissioner Plummer then reconvened the meeting in open session at approximately 10:30 a.m.

There being no further business to come before the Board, the meeting was adjourned at approximately 10:31 a.m.

PASSED, APPROVED AND ADOPTED this 26th day of September, 2019.



A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke.

ASST. Secretary, Board of Commissioners