

MINUTES OF MEETING OF THE
BOARD OF COMMISSIONERS

April 20, 2017

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 20, 2017, 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
Lynn LeBouef	Asst. Treasurer

All members of the Board were present, except Commissioner Grundmeyer, thus constituting a quorum. Also attending the meeting were: Ms. Robin S. Bobbitt and Mr. Joshua Ellery, attorneys, of Radcliffe Bobbitt Adams Polley PLLC ("RBAP"), attorneys for the District; Mr. Bill Russell of Myrtle Cruz, Inc. ("MCI"), bookkeeper for the District; Mr. Joseph Ellis of McCall Gibson Swedlund Barfoot PLLC ("McCall Gibson"), auditors for the District; Mr. Ricardo Martinez of Martinez Architects ("Martinez"), architects for the CCEMS Station No. 52 building; Mr. Rich Jones, Executive Administrator of the Klein Fire Department; and the following representatives of the Cypress Creek Emergency Medical Services (the "CCEMS") were in attendance at the meeting: Messrs. Ruben Gonzales and Dave Billings, members of the Board of Directors of CCEMS; Mr. Brad England, Executive Director of CCEMS; and Mr. Norm Uhl, Public Information Officer 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.

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 first considered approval of the minutes of the regular meeting of March 16, 2017 and the certified agenda of the regular meeting of February 16, 2017, previously distributed to the Board. Ms. Bobbitt then reminded the Board that while the Board had been provided copies of the certified agenda for their review and approval, such certified agenda is considered confidential information under the Texas Open Meetings Act (the "Act")

and, therefore, should not be shared with anyone else. Ms. Bobbitt noted, however, that the Act provides for court-ordered access of certified agendas under specific circumstances. Upon motion by Commissioner LeBouef, seconded by Commissioner Plummer, 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 16, 2017 and the certified agenda of the regular meeting of February 16, 2017, as presented.

REVIEW AND APPROVE AUDIT REPORT FOR THE FISCAL YEAR ENDED (THE "FYE") DECEMBER 31, 2016 AND AUTHORIZE FILING OF SAME

Mr. Ellis next distributed and reviewed with the Board the draft of the District's audit report and management letter for the FYE December 31, 2016 (the "Audit"), copies of which are attached hereto. Mr. Ellis explained that McCall Gibson has given the District an unqualified audit opinion. Mr. Ellis then briefly reviewed other information reflected in the Audit and responded to various questions from the Board. Upon motion by Commissioner LeBouef, seconded by Commissioner Plummer, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Audit, subject to final review and comment by the District's attorney, and to authorize the filing of the Audit with all required governmental entities/agencies, including the clerk of the Harris County Commissioner's Court.

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

Commissioner Ripley then recognized Mr. England, who presented 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 March 2017 and the 2017 CCEMS budget comparison, copies of which are attached hereto. Mr. England went on to report that during the month of March there had been 2,272 transports, six (6) Life Flight transports, and that 25% of the calls during the month were "no transports." Mr. England noted that the total number of transports for the past month was higher than usual. Mr. England went on to report that during the month of March, the CCEMS had received 24 mutual aid assists and had provided 20 mutual aid assists outside of the CCEMS's boundaries. Mr. England next distributed and reviewed with the Board the annual CCEMS Financial Statements and Supplemental Schedule for the fiscal year ending December 31, 2016 with independent auditor's report (the "CCEMS Audit"), copies of which are attached hereto. Mr. England noted that the CCEMS Audit was recently reviewed and approved by the CCEMS Board of Directors.

Mr. England next reported that Martinez had completed the plans for the new CCEMS Station No. 52 ("Station 52") and that such plans had been previously approved by the Harris County Permit office and that construction has commenced on Station 52. Mr. England then presented to and reviewed with the Board a status summary of the construction and recent construction progress photographs, copies of which are attached hereto.

Mr. England next reported that the CCEMS is working on implementing a health and wellness program in connection with the health insurance benefits it already offers to its personnel employees. Mr. England added that successfully implementing the wellness program

would help the CCEMS realize between \$10,000 and \$12,000 in savings on their annual medical insurance premiums. Mr. England further explained that participation in the program would be voluntary, but that the CCEMS has stated that their goal is to get at least 50% participation among its volunteers and employees.

Mr. England next noted that there are no requests for capital funding from CCEMS being presented at today's meeting.

Upon motion by Commissioner LeBouef, 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 approve the monthly CCEMS Operations payment in the amount of \$1,162,925 for the month of March.

REVIEW AND TAKE NECESSARY ACTION 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 investment report and the checks being presented for payment at today's meeting, copies of which are attached hereto.

Mr. Russell reported that during the prior month, the District had received \$277,819.08 in property tax revenue, \$4,798.38 in penalties and interest and \$1,852.89 in investment interest. Mr. Russell further reported that all such revenue was deposited into the District's Compass Bank Operating Account.

Ms. Bobbitt then presented to and reviewed with the Board a draft Resolution Adopting a District Reimbursement Policy. Ms. Bobbitt explained that, in keeping with the best practices for governmental entities, she is recommending that the Board adopt a District Reimbursement Policy. A brief discussion then ensued regarding the proposed Reimbursement Policy. Commissioner Ripley stated that the policy should reflect the Board's intent to continue its long-standing practice of Commissioners not taking a per diem when they are conducting the District's business even though they are entitled to do so. After further discussion, the Board asked Ms. Bobbitt to revise the Reimbursement Policy draft in accordance with the Board's discussion and that adoption of the Reimbursement Policy would be placed on next month's meeting agenda.

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

TAX ASSESSOR/COLLECTOR'S REPORT

On behalf of the Harris County Tax Assessor/Collector, the District's tax assessor/collector, Ms. Bobbitt reviewed with the Board the monthly Tax Assessor/Collector's Report, a copy of which is attached hereto. Ms. Bobbitt reported that 95.33% of the District 2016 tax-levy has been collected as of February 28, 2017. Ms. Bobbitt noted that the additional 20% penalty on any unpaid tax accounts will be triggered on July 1, 2017. Upon motion by

Commissioner LeBouef, seconded by Commissioner Plummer, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Tax Assessor/Collector's Report, as presented.

APPOINT INVESTMENT OFFICER

Ms. Bobbitt next explained that the Board needs to appoint an Investment Officer. Ms. Bobbitt stated that MCI, the District's Bookkeeper, could be appointed as the District's Investment Officer and that Mr. Russell would serve in that role for the District. Mr. Russell noted that if the Board made such appointment, it would allow MCI to more quickly respond to certain investment opportunities, including renewal of the District's certificates of deposit at the best available rates. Commissioner Pinard voiced concern with relying on MCI as the District's Investment Officer, and indicated he desired that a Board member remain involved in those decisions. Further discussion ensued.

Upon motion by Commissioner Pinard, seconded by Commissioner Plummer, after full discussion and with the question being put to the Board, the Board voted unanimously to: 1) appoint MCI as the District's Investment Officer with the understanding that MCI will contact Commissioner LeBouef prior to finalizing any investment decisions made outside of regular Board meetings; and 2) appoint Commissioner Pinard as Commissioner LeBouef's backup should Commissioner LeBouef not be available at the time MCI attempts to contact him about a District investment matter.

AUTHORIZE INSURANCE APPLICATION FOR PUBLIC OFFICIAL BOND FOR DISTRICT TREASURER

Ms. Bobbitt next reported that the District's current insurance policy includes a Public Official's Bond (with \$100,000 of insurance coverage) for the District's Treasurer. Ms. Bobbitt further explained that the District had previously obtained a separate Public Official's Bond for the District's Treasurer. Ms. Bobbitt stated that after Commissioner Pinard was elected in May 2016, the Public Official's Bond that specifically named the previous Treasurer was canceled and an application was never filed by the District's former attorney to obtain the same Public Official's Bond for Commissioner Pinard. A brief discussion then ensued regarding whether a separate Public Official's Bond for the District's Treasurer is necessary.

Upon motion by Commissioner LeBouef, seconded by Commissioner Plummer, after full discussion and with the question being put to the Board, the Board voted unanimously to authorize completion of the Public Official's Bond application, which specifically names Commissioner Pinard as the District's Treasurer.

CONSIDER RESOLUTION ADOPTING DISTRICT REIMBURSEMENT POLICY

Commissioner Ripley noted that the Board had already discussed this item earlier in the meeting during the Financial Report.

UPDATE ON STATUS OF PREPARATION OF RECONCILIATION AUDITS FOR THE
FYE DECEMBER 31, 2015 AND DECEMBER 31, 2016 AND TAKE ANY NECESSARY
ACTIONS ON SAME

Ms. Bobbitt reported that following last month's meeting and at the Board's direction, Commissioner Ripley had reviewed the proposals received from Ubernosky and Majeres, PLLC and Roth & Eyring, CPA ("Roth & Eyring") to prepare reconciliation audits for the FYE December 31, 2015 and December 31, 2016 in connection with the review of CCEMS accounts funded through District payments. Ms. Bobbitt further explained that Commissioner Ripley had approved and executed the proposal from Roth & Eyring, a copy of which is attached hereto. Ms. Bobbitt went on to state that Roth & Eyring recently commenced with their review of the CCEMS records. Mr. England then reported that the Roth & Eyring representatives had already visited the CCEMS office earlier this week and were provided access to the requested records to conduct the reconciliation audits. Ms. Bobbitt added that the reconciliation audits will be presented at the May Board meeting.

STATUS OF DISTRICT CONSTRUCTION, IMPROVEMENTS, REPAIRS AND
RENOVATIONS TO DISTRICT REAL PROPERTY, STATIONS AND BUILDINGS,
INCLUDING LEED CERTIFICATION, CONSTRUCTION PAYMENTS, CHANGE ORDERS
AND ENGAGEMENT OF PROFESSIONAL SERVICES AND CONTRACTORS

In connection with finalizing the necessary documentation to apply for Silver LEED status for CCEMS Station No. 513 ("Station 513"), Ms. Bobbitt reminded the Board that they had previously authorized her to try to amend CCEMS's current electric service contract with MP2 Energy ("MP2") in order to switch the electric service for Station 513 to "green energy," thereby making the project eligible for additional LEED-scoring points and thereby achieve Silver LEED status. Ms. Bobbitt further explained that her office had contacted MP2 concerning a proposed contract amendment and that the total cost to provide 100% "green energy" to Station 513 for the remainder of the current three (3) year term will be \$247. Ms. Bobbitt went on to explain that the electric service contract amendment has already been executed by CCEMS and will be provided to Mr. Chad Joiner for submission to the Green Council for Station 513 Silver LEED certification upon receipt of the fully executed contract amendment from MP2. Ms. Bobbitt added that MP2 will include a one-time charge on CCEMS's electricity bill next month for the additional \$247 and that the District will then reimburse CCEMS for such amount.

Regarding previous questions and discussion in connection with Springwoods Village/Coventry's ("Springwoods Village") requirement that the District pay its pro-rata share of the SV Green Community Fund reforestation fee in connection with the construction of Station 513, in the amount of \$200,000, Ms. Bobbitt reminded the Board that, based on her firm's review of the Springwoods Realty, Inc. ("Springwoods") Declarations of Architectural, Height and Use Restrictions (the "Declarations"), the Springwoods Village's Development Standards & Guidelines and the District's Cost Sharing Agreement with Harris County Emergency Services District No. 7 ("ESD 7"), the District is only required to pay its pro-rata share of the \$200,000 reforestation fee reflected in the correspondence dated November 17, 2016 from Mr. Clayton Benedict of Springwoods Village. Ms. Bobbitt stated that, based on the District's Cost Sharing Agreement with ESD 7, the District's pro-rata share of such \$200,000 reforestation fee is 26% or \$52,000. Further discussion ensued. Ms. Bobbitt then reported that she will contact Mr. John

Peeler, the attorney for ESD 7, regarding the payment of ESD 7's pro-rata share of the reforestation fee, such share being 74% or \$148,000. Ms. Bobbitt added that the District's share of the reforestation fee will be paid at the Board's May meeting.

Upon motion by Commissioner LeBouef, seconded by Commissioner Plummer, after full discussion and the question being put to the Board, the Board voted unanimously to authorize a one-time payment in the amount of \$247 to CCEMS for the cost associated with amending the electric service contract with MP2, upon receipt of an invoice for same from MP2.

UPDATE ON EMERGENCY VEHICLE PREEMPTION ("E-VIEW") SYSTEM, INCLUDING PROPOSED PURCHASE AND INSTALLATION OF DEVICES ALONG FM 1960 CORRIDOR NEAR WILLOWBROOK MALL AND TAKE ANY NECESSARY ACTION ON SAME

Mr. Jones then presented to and reviewed with the Board a quote for the installation of four (4) E-View intersection controller devices along the FM 1960 Corridor near Willowbrook Mall at a total cost of \$14,976 (not including installation costs and antenna costs), a copy of which is attached hereto. Mr. England reminded the Board that this request had been briefly discussed at last month's Board meeting. Mr. England further stated that, following that meeting, the District E-View Device Committee (Commissioners Plummer and Grundmeyer and Mr. Jones) had met and approved such proposal. Mr. England added that installing the E-View devices along this section of the FM 1960 corridor would improve patient care and increase response/transport times to Methodist Hospital at Willowbrook.

Mr. Jones went on to explain that the cost to install E-View devices has previously been shared on a pro-rata basis with all of the various entities that would be utilizing them, including the District. However, Mr. Jones further explains that since these four (4) particular devices would only serve CCEMS and the District, the full cost of the purchase and installation of the devices would be the District's responsibility. Mr. Jones then shared with the Board copies of the certificates of insurance from the contractor that names the District as an additional insured, copies of which are attached hereto.

Commissioner Pinard asked whether the purchase of these four (4) E-View devices is a District cost that was not included in the District's budget. Commissioner LeBouef stated that E-View purchases and maintenance costs are part of the District's annual budget, including this particular purchase. Upon motion by Commissioner LeBouef, seconded by Commissioner Plummer, after full discussion and the question being put to the Board, the Board voted unanimously to authorize the purchase of four (4) E-View intersection controller devices along the FM 1960 Corridor near Willowbrook Mall at a total cost of \$14,976, which amount does not include installation and antenna costs.

REVIEW, DISCUSS AND TAKE ACTION ON MISCELLANEOUS MEDIA MATTERS, INCLUDING UPDATE BY NRG MARKETING GROUP ("NRG") ON STATUS OF DISTRICT'S WEBSITE, CREATION OF A DISTRICT LOGO

Mr. Kerry Johnson of NRG, the District's website service provider, was not in attendance at the meeting and, therefore, no report was given regarding the status of transfer of control of the District's Facebook page.

Commissioner Pinard then reported that he has submitted applications on behalf of the District for the Design of a District logo. Commissioner Pinard further explained that several online designers have initiated work on various versions/concepts of a District logo, and that the District will choose the best design from among those submitted.

DISCUSS PROPOSED ESTABLISHMENT AND IMPLEMENTATION OF DISTRICT/BOARD GOALS FOR 2017 AND TAKE ANY NECESSARY ACTIONS ON SAME

Commissioner Ripley reminded the Board that they had previously discussed the proposed establishment of goals for the District and Board for 2017, including: 1) continuing education (i.e. attendance at the Safe-D Conference and/or online seminars); 2) Board representation/attendance at the monthly CCEMS meetings; and 3) touring the District's EMS stations and other EMS facilities. Commissioner Ripley added that he was going to tour several of the CCEMS facilities after today's Board meeting, including the CCEMS Communications Center.

Commissioner Ripley asked if a standing agenda item related to "facilities tours" could be added to each month's meeting agenda, in order for any Board members wishing to participate in a facilities tour after the monthly meetings could do so. Ms. Bobbitt stated that such an agenda item could be added to the District's monthly agenda, but that it would need to be specifically tailored so as to comply with the requirements of the Texas Open Meetings Act. Mr. Ellery stated that, alternatively, the Board could appoint one or two Commissioners to conduct a facilities tour each month prior to the regular Board meetings according to a pre-arranged schedule. Mr. Ellery added that such appointed Commissioner(s) could then report their findings to the Board at the next meeting. Further discussion ensued on how best to schedule and implement regular facilities tours by the Board. After discussing the matter, the Board requested that the District's attorney revise the Board's monthly agenda going forward to include a standing item related to Commissioners touring District facilities immediately following each month's Board meeting.

ATTORNEY'S REPORT

Ms. Bobbitt next reported that her office has substantially completed the process of reviewing, organizing and indexing 22 boxes of District records and files that had been received from Coveler & Peeler, PLLC ("Coveler & Peeler") the District's former attorney. Ms. Bobbitt added that her staff still needs to review and organize the 13 boxes of the District's May 2016 election records received from Coveler & Peeler.

Ms. Bobbitt then noted that she will be coordinating with Mr. John Peeler of Coveler & Peeler, to obtain possession of the election equipment purchased by the District, as well as discussing with him payment of ESD 7's pro-rata share of the Springwoods Village reforestation fee.

Ms. Bobbitt next presented and reviewed with the Board copies of the RBAP Legislative Update of the 85th Legislature (2017), a copy of which is attached hereto.

In connection with the proposed updates/revisions to the District's Service Contract with CCEMS, (the "Service Contract") Ms. Bobbitt reiterated that she and Mr. Ellery have identified several areas of concern and ambiguity in the current Service Contract and that Mr. Andrew McKinney, the CCEMS attorney, has proposed and requested that the Service Contract be reviewed and updated, as may be determined to be appropriate. Ms. Bobbitt added that she and Mr. Ellery have scheduled a conference call with Mr. McKinney on May 3, 2017 to initiate discussions about proposed revisions to the Service Contract.

PUBLIC COMMENTS AND MISCELLANEOUS MATTERS

There were no comments from the public at this time.

CONFIRM NEXT REGULAR MEETING DATE AND MEETING ADJOURNMENT

Ms. Bobbitt then reminded the Board that the next regular meeting is scheduled for Thursday, May 18, 2017, at 9:00 a.m.

There being no further business to come before the Board, the meeting was adjourned at approximately 10:45 a.m.

PASSED, APPROVED AND ADOPTED this 18th day of May, 2017.




Secretary, Board of Commissioners
President