

MINUTES OF MEETING OF THE
BOARD OF COMMISSIONERS

September 27, 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 the District's Administration Building, 18334 Stuebner Airline Road, Spring, Texas 77379, a meeting place inside the boundaries of the District, on Tuesday, September 27, 2022, at 5:00 p.m.; whereupon, the roll was called of the members of the Board, to-wit:

Karen Plummer	President
Steve Williams	Vice President
Dorothy Dalton	Secretary
Robert Pinard	Treasurer/Asst. Secretary
Zach Dunlap	Asst. Treasurer

All members of the Board were present, except Commissioner Williams, thus constituting a quorum. Also attending the meeting were the following District employees: Mr. Jamie Chebra, Interim Chief Executive Officer ("CEO"); Mr. Rob Farmer, Chief Administrative Officer ("CAO"); Mr. Tony Farmer, Chief Financial Officer ("CFO"); Ms. Dan Wang, Financial Controller; Ms. Shirley Ware, Executive Assistant; Dr. Casey Patrick, Medical Director; Mr. Xavier De La Rosa, Chief Clinical Officer; Mr. Jerry Thomas, Community Engagement Manager; and Messrs. Joel Ocasio, Kamal Actkins, Steven Ray and Tim Shreiber. District consultants in attendance were: Mr. Rene Aviles of J.E. Dunn Construction Co. ("J.E. Dunn"); Ms. Regina D. Adams and Ms. Monica A. 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 Mr. Zach Karrenbrock of 62 Digital, LLC ("62 Digital"), the District's communications coordinator. Numerous members of the public were also in attendance. 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

The President then recognized Mr. Tom Liewer, who congratulated the Board on its successful start-up and operation as a self-provider emergency medical service. Mr. Liewer went on to recommend future actions for District improvements. A full copy of Mr. Liewer's statement is attached hereto.

The President next recognized Mr. Ocasio, who stated that he believed the Board was not being held accountable for its budget-related decisions over the last year. Mr. Ocasio expressed his frustration that the District purchased 40 new ambulances, but only utilize 16 ambulances at night. Mr. Ocasio also stated that the paramedics are provided with cheap, inferior quality equipment such as tablets and radios. Mr. Ocasio went on to state that, in order for the District to retain its paramedics, the current operations model should change.

There were no additional public comments at this time.

ACCEPT RESIGNATION OF DOUGLAS HOOTEN, INCLUDING REVIEW AND APPROVE RELEASE AND SEVERANCE AGREEMENT ("SEVERANCE AGREEMENT") REGARDING SAME

Commissioner Plummer then stated that the Board would be going into Executive Session to deliberate personnel matters pursuant to Section 551.074, Texas Government Code.

All members of the Board present, Mr. Chebra, Ms. Adams, Ms. Garza and Ms. Christensen then convened into Executive Session at 5:12 p.m.

All other meeting attendees still present re-entered the meeting at 5:32 p.m.

RECONVENE IN OPEN SESSION

Commissioner Plummer reconvened the meeting in open session at approximately 5:33 p.m. at which time the following action was taken by the Board:

Upon motion by Commissioner Dalton, seconded by Commissioner Dunlap, after full discussion and the question being put to the Board, the Board voted unanimously to accept the resignation of Mr. Hooten as CEO, effective September 27th, and approve and authorize execution of the Severance Agreement regarding same, as discussed in Executive Session.

APPOINT INTERIM CEO

Upon motion by Commissioner Dalton, seconded by Commissioner Dunlap, after full discussion and the question being put to the Board, the Board voted unanimously to appoint Mr. Chebra as Interim CEO.

APPROVAL OF THE MINUTES

The Board considered approval of the minutes of the regular meeting of August 23, 2022. Upon motion by Commissioner Dunlap, seconded by Commissioner Pinard, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the regular meeting of August 23, 2022, as presented, and the certified agenda for same.

**ADOPT ORDER ADOPTING BUDGET FOR FISCAL YEAR ENDING ("FYE")
DECEMBER 31, 2023 ("2023 BUDGET")**

Mr. T. Farmer next presented to the Board the proposed 2023 Budget, a copy of which is attached hereto. Upon motion by Commissioner Pinard, seconded by Commissioner Dunlap, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the 2023 Budget, as presented.

PUBLIC HEARING REGARDING PROPOSED 2022 TAX RATE

The President declared the public hearing open regarding the District's proposed 2022 tax rate.

Ms. Adams reminded the Board that at the August 23rd Board meeting, the Board voted to publish a total proposed 2022 tax rate of \$0.029336 per \$100 assessed valuation for operation and maintenance purposes. Ms. Adams reported that the Notice of Public Hearing on Tax Increase for the proposed 2022 tax rate had been published, as required by law, in the *Houston Chronicle*.

There being no comments from the public, the public hearing was adjourned.

ADOPT ORDER SETTING RATE AND LEVYING TAX FOR 2022 ("TAX RATE ORDER")

Ms. Adams reiterated that, at its August 23rd Board meeting, the Board proposed a total 2022 tax rate of \$0.029336 per \$100 assessed valuation after the tax rate public hearing. Ms. Adams reminded the Board that the 2021 tax rate was \$0.032305 per \$100 of assessed valuation. A discussion ensued.

Upon motion by Commissioner Dalton, seconded by Commissioner Dunlap, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Tax Rate Order, thereby levying a total ad valorem tax rate of \$0.029336 per \$100 assessed valuation for operations and maintenance purposes for the District's FYE December 31, 2023, a copy of which is attached hereto

The President noted that the District's tax rate was decreasing from \$0.032305 to \$0.029336 per \$100 assessed valuation.

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

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

In the absence of Mr. Ricardo Martinez of Martinez Architects ("MA"), Mr. Aviles reported that JE Dunn continues to coordinate with the District's Construction Committee and MA in connection with the completion of the Phase I Project and the punch list items for Phase I have been completed. Mr. Aviles stated that there would be at least one (1) more Pay Application ("PA") for the Phase I Project. A discussion ensued.

STATUS OF CONSTRUCTION OF THE PHASE II REDEVELOPMENT OF THE DISTRICT ADMINISTRATION PROPERTY (THE "PHASE II PROJECT") FROM J.E. DUNN AND TAKE NECESSARY ACTION ON SAME

Mr. Aviles then reviewed with the Board the status of design and construction of the Phase II Project. In response to a question, Mr. Aviles reported that construction has commenced on the ambulance wash bay and the necessary equipment for same had been ordered.

APPROVE CONSTRUCTION PAs AND/OR CHANGE ORDERS ("CO"), INCLUDING SUBMISSION OF FINAL PA AND STATUS OF PREPARATION OF AUDIT OF PHASE I EXPENDITURES ("PHASE I AUDIT"), IF NECESSARY

Mr. Aviles then presented to and reviewed with the Board PA No. 17 from J.E. Dunn in the amount of \$394,532.00 for the Phase II Project, a copy of which is attached hereto. Mr. Aviles next presented to and reviewed with the Board CO No. 18 in the deductive amount of \$466,211.00, all of which was attributable to the Phase II Project, a copy of which is attached hereto.

Mr. Aviles noted that the total cumulative construction contract sum for the Phase I and II Projects was \$33,464,588.00, of which approximately \$22,092,188.00 was for the Phase I Project and \$5,329,971.00 was for the Phase II Project.

An extensive discussion ensued regarding PA No. 17 and CO No. 18 and the Board's late receipt of them.

Ms. Adams reminded the Board that it previously engaged the District's Auditor to conduct the Phase I Audit after receipt of the District's final PA for same. Ms. Adams went on to explain that once the final Phase I Project PA was presented to the District, the District's auditor would then proceed with preparation of the Phase I Audit. Ms. Adams noted that the Board would consider approval of the final PA after the Phase I Audit was approved.

CEO REPORT

Mr. Chebra then reported on various service matters, including the status of the District's operations, ambulance fleet, communications, District staffing and hospital wall times during August 2022. Mr. Chebra stated that he looked forward to serving the District as the Interim CEO.

REVIEW AND APPROVE OBSERVER RIDE-ALONG POLICY

Mr. Chebra then presented to and reviewed with the Board a proposed Observer Ride-Along Policy, a copy of which is attached hereto. Ms. Adams stated that RBAP reviewed the proposed Observer Ride-Along Policy. Commissioner Dalton then reported on her recent ride-along and what she learned from the experiences. A discussion ensued.

Upon motion by Commissioner Dalton, seconded by Commissioner Dunlap, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Observer Ride-Along Policy.

REVIEW AND APPROVE TUITION REIMBURSEMENT POLICY

Mr. Chebra then presented to and reviewed with the Board a proposed Tuition Reimbursement Policy, a copy of which is attached hereto. After a brief discussion, Mr. Chebra agreed to further revise the Tuition Reimbursement Policy and provide to RBAP for review prior to the October 25th Board meeting.

REVIEW AND APPROVE SAFE SITTER PROVIDER AGREEMENT FOR TRAINING COURSES

Mr. Chebra then presented to and reviewed with the Board the proposed Safe Sitter Provider Agreement for the District to offer Safe Sitter training courses, a copy of which is attached hereto. Ms. Adams stated that RBAP reviewed the proposed Safe Sitter Provider Agreement. A discussion ensued.

Upon motion by Commissioner Dunlap, seconded by Commissioner Dalton, after full discussion and the question being put to the Board, the Board voted three (3) votes in favor and one (1) vote opposed, with Commissioner Pinard voting in opposition, to approve the Safe Sitter Provider Agreement and authorize execution of same by the Interim CEO.

CAO REPORT

Mr. R. Farmer next presented to and reviewed with the Board the monthly Administration Report, a copy of which is attached hereto. Mr. R. Farmer stated that the District then-currently had 253 employees with a 1.82% average turnover rate. Mr. R. Farmer stated that he added the actual turnover numbers to his report, as previously requested by Commissioner Dalton.

Mr. R. Farmer then reviewed with the Board: 1) Information Technology ("IT") updates; 2) fleet updates; and 3) risk and safety report. Mr. R. Farmer also reported that, to-date, the District's ambulance fleet had driven a total of 1,274,566 miles since September 2021.

A discussion ensued regarding the 3CX radio connectivity issues. Mr. R. Farmer stated that such issues and a possible solution are being investigated by the District's IT Department.

As previously requested, Mr. R. Farmer then presented to and reviewed with the Board a summary of the Opticom intersection preemption controller devices and the District's related subscription costs, a copy of which is attached hereto. Mr. R. Farmer noted that there were ongoing

internal staff discussions regarding whether the preemption controller device services are worth the subscription costs. A discussion ensued. In response to a question from Commissioner Pinard, Mr. R. Farmer stated that he would confirm that the District has received the required notifications when new intersection preemption controller devices are added.

In response to a question from Commissioner Dalton, Mr. R. Farmer stated that he would provide her with a status report on the provision of District employee uniforms. Mr. R. Farmer then reviewed the updates that were made to the employee uniform tracking process. A discussion ensued.

Mr. R. Farmer next reported that the Stryker stretches and stair chairs that were previously designated as surplus property recently sold for \$135,000.00.

COMPLIANCE REPORT

In the absence of Ms. Katie Conn, Compliance Manager, the Board reviewed the monthly Compliance Manager's Report, a copy of which is attached hereto.

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

Mr. Thomas then reviewed the monthly Community Outreach Report, a copy of which is included in the CAO's Report.

REVIEW PROPOSALS FOR AMBULANCE SERVICE SUPPLEMENTAL PAYMENT PROGRAM CONSULTANT AND TAKE ANY NECESSARY ACTIONS ON SAME

Mr. R. Farmer then reviewed with the Board two (2) proposals for ambulance service supplemental payment program consultants received from Change Healthcare ("Change") and Digitech Computer LLC ("Digitech"), copies of which are attached hereto. A discussion ensued, after which the Board agreed to further consider this matter at the October 25th Board meeting.

Mr. R. Farmer next reported that he and the Construction Committee met with and interviewed four (4) of the 11 companies that submitted a Statement of Qualifications ("SOQ") in connection with the preparation of a District Facilities Master Plan. A discussion ensued after which Mr. R. Farmer stated that he would prepare and provide a summary of the four (4) recommended SOQs. Ms. Adams noted that the next step in the process is for the Board to review the summary of the four (4) companies that were interviewed and authorize negotiation of a contract with one (1) of the four (4) companies for the desired scope of work.

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 August 2022, including patient treatments, statistics and related technology, a copy of which is attached hereto.

OPERATIONS REPORT, INCLUDING DISCUSS INTERSECTION PREEMPTION CONTROLLER MATTERS AND TAKE NECESSARY ACTIONS ON SAME

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

Mr. Chebra reported that in the previous month, the District: 1) operated its ambulances at 14,198 unit hours with 341 lost unit hours; 2) received 4,798 calls, of which 63% resulted in transports to hospitals; and 3) provided mutual aid 29 times and requested mutual aid five (5) times. Mr. Chebra then reported that the District's overall response compliance was 90.5% for the month of August. Mr. Chebra noted that the average wall time during August for the respective hospitals were between 36 minutes and 50 minutes.

CFO REPORT

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

The President then recognized Mr. T. Farmer, who presented to and reviewed with the Board the summary of activity, profit and loss statement, a budget comparison, statement of cash flows, the debt service payment schedule, a list of checks and related invoices being presented for payment and the Investment Report, a copy of which is attached hereto. A discussion ensued.

In response to a question regarding the cost of the District's cleaning contract, Mr. T. Farmer stated that he would review the current contract to ensure that the District was paying the vendor the appropriate monthly amount.

After a brief discussion regarding the District's billing/invoicing process, Mr. T. Farmer agreed to prepare and present the Board with a visual of such process.

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

Upon motion by Commissioner Dalton, seconded by Commissioner Dunlap, after full discussion and the question being put to the Board, the Board voted unanimously to: 1) approve payment of the bills as submitted, with the exception of the JINCO payment which would be considered separately; and 2) approve the Investment Report.

Upon motion by Commissioner Dalton, seconded by Commissioner Dunlap, after full discussion and the question being put to the Board, the Board voted three (3) votes in favor with one (1) abstention by Commissioner Plummer, to authorize payment of the JINCO landscaping invoices.

A discussion then ensued regarding the District's current emergency medical services ("EMS") response times in the Creekside Park neighborhood, a portion of which is within the District's boundaries and a portion of which is within Harris County Emergency Services District No. 9 ("HCESD No. 9"). Commissioner Pinard expressed his concerns in connection with the

quicker EMS response time(s) to the portion of Creekside Park located in HCESD No. 9 and questioned if such area would be better served if it were in the District.

REVIEW AND APPROVE TEXPOOL RESOLUTION AMENDING AUTHORIZED REPRESENTATIVES (THE "TEXPOOL RESOLUTION")

Mr. T. Farmer next presented to and reviewed with the Board the TexPool Resolution adding him and Mr. Chebra as authorized representatives of the District on such accounts, a copy of which is attached hereto. Upon motion by Commissioner Pinard, seconded by Commissioner Dunlap, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the TexPool Resolution.

REVIEW AND APPROVE PNC BANK RESOLUTION AUTHORIZING AMENDED EMPLOYEE REPRESENTATIVES (THE "PNC RESOLUTION")

Mr. T. Farmer next presented to and reviewed with the Board the PNC Resolution adding him and Mr. Chebra as authorized representatives of the District on such accounts, a copy of which is attached hereto. Upon motion by Commissioner Dalton, seconded by Commissioner Pinard, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the PNC Resolution.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Adams then reviewed with the Board the Tax Assessor/Collector's Report for August 2022, a copy of which is attached hereto.

ATTORNEY'S REPORT, INCLUDING:

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

Ms. Garza reported that there were no outstanding PIA requests and no PIA request(s) had been received in the prior month.

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

Mr. Trachtenberg then reported on CCEMS' bankruptcy proceedings, including recent bankruptcy hearings, the sale/auction of property by CCEMS and results of such auction. Mr. Trachtenberg reported that the CCEMS property and assets were purchased for \$8.1 million, and therefore, the District should receive payment, as early as late October or early November, in full for its outstanding unsecured claim of \$2.5 million in the CCEMS bankruptcy case.

Mr. Trachtenberg went on to state that he has been in communication with the CCEMS Chief Restructuring Officer ("CRO") regarding CCEMS' receipt of Federal Emergency Management Agency ("FEMA") receivables in the approximate amount of \$380,000.00. Mr. Trachtenberg stated that the CRO informed him that there have been some obstacles related

to \$100,000 of the \$380,000 claim, but CCEMS did include an additional \$27,000 to the \$380,000 claim.

APPROVE CONSTRUCTION PAs AND/OR Cos (-CONTINUED-)

Further discussion ensued. It was the consensus of the Board to table action on PA No. 17 and CO No. 18 until the October 25th Board meeting.

REVIEW VARIOUS DISTRICT PERSONNEL MATTERS

There were no District personnel matters to be discussed in open session.

Mr. Chebra noted that he has some personnel matters to discuss with the Board in Executive Session.

Commissioner Plummer then stated that the Board would be going into Executive Session to deliberate personnel matters pursuant to Section 551.074, Texas Government Code.

All members of the Board present and Mr. Chebra convened into Executive Session at 7:07 p.m.

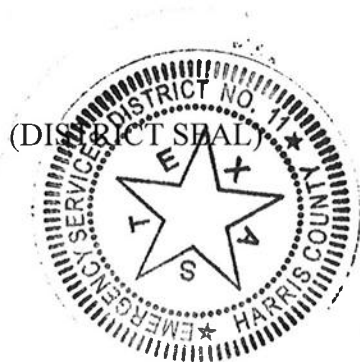
All other meeting attendees still present re-entered the meeting at 8:01 p.m.

RECONVENE IN OPEN SESSION

Commissioner Plummer reconvened the meeting in open session at approximately 8:02 p.m. at which time no action was taken by the Board.

There being no further business to come before the Board, the meeting was adjourned at 8:03 p.m.

PASSED, APPROVED AND ADOPTED this 25th day of October, 2022.



Secretary, Board of Commissioners