

MINUTES OF MEETING OF THE
BOARD OF COMMISSIONERS

January 16, 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 Wednesday, January 16, 2019, at 5:50 p.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/Asst. Secretary
Kevin Brost	Asst. Treasurer

All members of the Board were present, except Commissioner Ripley, thus constituting a quorum. Also attending the meeting were: Messrs. Steve Williams and Tom Kikas, District residents; Ms. Debbie Gibson of McCall Gibson Swedlund Barfoot PLLC ("McCall"), auditors for the District; 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 Mr. John-Thomas Foster, 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 at the meeting: Mr. Dave Billings, member of the CCEMS Board of Directors; Mr. Brad England, CCEMS Executive Director; Mr. Wren Nealy, CCEMS Assistant Executive Director; and Mr. Norm Uhl, CCEMS Public Information Officer. A 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.

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 December 19, 2018. 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 approve the minutes of the regular meeting of December 19, 2018, as prepared.

STATUS OF PROPOSED ADMINISTRATIVE AND OPERATIONAL POLICIES AND PROCEDURES OF THE BOARD AND TAKE ANY NECESSARY ACTIONS ON SAME

It was the consensus of the Board to table discussion and action on this matter until all members of the Board are present.

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 and the Interlocal Agreement (the "ILA") with Harris County (the "County"). Ms. Adams added that the District is awaiting receipt of the final version of the ILA from the County for the Board's execution.

Mr. Nealy entered the meeting at this time.

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 (THE "CCEMS REPORT")

Commissioner Plummer next recognized Mr. England, who presented to 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 December 2018, and the approved 2019 CCEMS budget, copies of which are attached hereto. Mr. England reported that during the month of December there were 2,494 transports, two (2) Life Flight transports, and that 29% of the calls made during the month were "no transports." Mr. England went on to report that during the month of December, CCEMS received 27 mutual aid assists and provided 31 mutual aid assists outside of CCEMS's boundaries.

Mr. England then reported that CCEMS continues to coordinate with the U.S. Army regarding the Clinical Fellowship Program and anticipates arrival of the Fellows in March, 2019.

Mr. England also reported that McGraph Consulting Group, Inc. is still in the process of updating CCEMS's Operational Assessment Report but that the related policies should be finalized soon.

Mr. England reminded the Board that the sign at Station No. 511 was damaged in a single vehicle accident a couple of months ago. Mr. England reported that an insurance claim had been filed with the vehicle owner's insurance and the sign is in the process of being repaired. Mr. England noted that the vehicle owner's insurance will only cover \$25,007.00 of the proposed replacement cost of \$27,321.00. Ms. Adams reviewed with the Board an updated proposal from LaW Construction & Consulting ("LaW") for replacement of the Station No. 511 sign, a copy of which is attached hereto. Ms. Adams reported that her office contacted LaW after the December Board meeting and was informed that the estimated cost of the sign replacement could be reduced if the landscaping portion of the project was removed. Ms. Adams also explained that the original cost estimate did not include the permit costs, which are estimated to be \$900. An extensive discussion ensued. It was the consensus of the Board to remove the landscaping portion of the project.

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 approve the CCEMS Operations and Financial Report, authorize the CCEMS Operations payment in the amount of \$1,215,058.33 for the month of January and accept the proposal from LaW in the amount of \$25,878.00 for replacement of the Station No. 511 sign.

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 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 \$8,289,977.85 in 2018 property tax revenue, \$2,830.56 in penalties and \$540.80 in investment interest. Mr. Russell further reported that all such revenue had been deposited into the District's Operating Account.

Mr. Russell noted that check no. 1291 to HSSK, LLC ("HSSK") in the amount of \$24,790.50 has been voided as duplicative.

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 Bookkeeper's Report, authorize payment of the checks reflected therein and approve the December 2018 investment report.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Adams then reviewed with the Board the Tax Assessor/Collector Report for the month of December 2018, a copy of which is attached hereto.

RESOLUTION AUTHORIZING THE 20% PENALTY FOR COLLECTION COSTS ON DELINQUENT 2018 TAXES

Ms. Adams then explained that pursuant to Sections 6.30, 33.07, 33.08 and 33.11, Texas Tax Code, as amended, the District may levy an additional 20% penalty on 2018 real property taxes that remain delinquent as of July 1, 2019 and an additional 20% penalty on 2018 personal property taxes that remain delinquent as of April 1, 2019 to help defray the costs of collection, if the Board has entered into an agreement with an attorney for the collection of delinquent taxes and if adequate notice of such penalty is provided to property owners.

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 Authorizing the 20% Penalty for Collection Costs on Delinquent 2018 Taxes, 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 then reported that all five (5) "Meet the Board" videos have been filmed and NRG is finalizing the videos for posting on the District's website along with a "Frequently Asked Questions" page in an effort for the Commissioners to better engage with and disseminate District-related information to District constituents.

COMMISSIONER'S MONTHLY FACILITIES INSPECTION/TOUR REPORT

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

STATUS OF DISTRICT CONSTRUCTION, REPAIR, IMPROVEMENT, OR RENOVATION PROJECTS, AND TAKE ANY NECESSARY ACTIONS ON SAME

There was no report on any District construction, repair or renovation projects at this time.

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

There was no report on the Board's goals at this time.

ATTORNEY'S REPORT

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

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

In connection with a previous PIA request from Mr. Zach Karrenbrock of *Spring Happenings* on May 17, 2018 for digital copies of Commissioner Plummer's emails from January 1, 2018 through May 17, 2018, Ms. Adams reminded the Board that her office received questions from the Texas Attorney General (the "AG") in connection with Mr. Karrenbrock's cost complaint associated therewith. Ms. Adams noted that her office responded to the AG's questions on October 4, 2018, and received a response from the AG on December 26, 2018 regarding its determination of Mr. Karrenbrock's cost complaint. Ms. Adams reported that, pursuant to the AG's determination, RBAP amended the District's charges for Mr. Karrenbrock's PIA request dated May 17, 2018 and provided correspondence to Mr. Karrenbrock regarding same and issued a refund check in the amount of \$87.55 on January 2, 2019.

Commissioner Pinard entered the meeting at this time.

Ms. Adams went on to report that, subsequent to his receipt of the AG's determination and the District's refund, Mr. Karrenbrock requested that the District pay him three (3) times the original refunded amount (\$262.65) since he did not believe the original fees were calculated in good faith. Ms. Adams explained that RBAP confirmed with the AG's office that the AG did not order the District to pay treble damages in their December 19, 2018 response letter and no such damages were due.

Upon motion by Commissioner Grundmeyer, seconded by Commissioner Pinard, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Attorney's Report.

STATION 511 SIGN REPAIR CONTINUED

Commissioner Pinard inquired why the District did not choose to go after the driver who damaged the sign for the portion of the replacement costs over what the driver's insurance covers. Ms. Adams noted that the Board just requested that RBAP negotiate the repair proposal and that the District could prepare a demand letter and pursue the matter but the amount in controversy is so low the cost/benefit likely would not be in the District's favor.

STATUS OF PREPARATION OF DISTRICT PIA POLICY

Ms. Adams next reminded the Board that she had previously reviewed with the Board a draft outline of a proposed District PIA policy and is awaiting feedback from Commissioner Pinard.

PUBLIC COMMENTS AND MISCELLANEOUS MATTERS

There were no comments from the public at this time.

DISCUSS FORENSIC AUDIT REPORT FOR FYE DECEMBER 31, 2017 (DISTRICT FUNDING VS. CCEMS EXPENDITURES), FROM HSSK

Next, Ms. Gibson attempted to present a memorandum from McCall Gibson, regarding HSSK's executive summary and forensic analysis in connection with the District's funding of CCEMS in 2016 and 2017 (the "Forensic Audit"), presented at the December 2018 Board meeting, a copy of which is attached hereto.

Mr. Kikis entered the meeting at this time.

Commissioner Brost then inquired as to who authorized McCall Gibson's review of the Forensic Audit. Ms. Adams reminded the Commissioners of the discussions at the December 2018 Board meeting regarding the Forensic Audit and that the Commissioners and relevant consultants were to review Forensic Audit and be prepared to discuss at the January 2019 Board meeting. An extensive discussion ensued, after which the Commissioners agreed to review the Forensic Audit and prepare a list of any questions they have for discussion at the February Board meeting.

CONFIRM FEBRUARY REGULAR MEETING DATE AND MEETING ADJOURNMENT

A discussion ensued regarding the District's regular meeting date and time. It was the consensus of the Board to hold regular Board meetings on the third (3rd) Thursday of each month at 9:00 a.m. beginning February 21st. Ms. Adams reminded the Board that such change in regular meeting date and time will require another publication in the Houston Chronicle.

Commissioner Grundmeyer exited the meeting at this time.

(-CONTINUED-) REVIEW AND TAKE ANY NECESSARY ACTIONS ON FINANCIAL MATTERS, INCLUDING FINANCIAL REPORT FROM DISTRICT TREASURER AND BOOKKEEPER

Mr. Russell noted a correction that check no. 1291 to HSSK in the amount of \$24,790.50 is not duplicative and should not be voided and requested Board approval for payment of same.

Upon motion by Commissioner Pinard, seconded by Commissioner Brost, after full discussion and the question being put to the Board, the Board voted unanimously to authorize payment of check no. 1291 to HSSK in the amount of \$24,790.50.

All meeting attendees, with the exception of all members of the Board present, Ms. Adams and Mr. Foster exited the meeting at 6:45 p.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 6:50 p.m., to consult with the District's attorney regarding the Counts|Thomson ("Counts") Legal Fee Report and the HSSK forensic analysis. The persons present in the executive session were Commissioners Plummer, Pinard and Brost, Ms. Adams and Mr. Foster.

RECONVENE IN OPEN SESSION

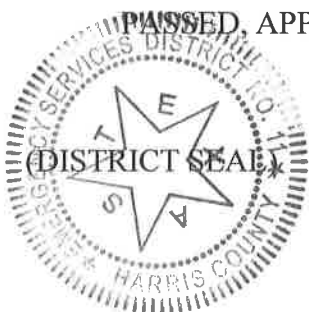
Commissioner Plummer then reconvened the meeting in open session at approximately 7:54 p.m., at which time no action was taken.

It was the consensus of the Board to schedule a special Board meeting to further discuss the findings of the HSSK Forensic Audit Report and receive the Legal Fee Report from Counts. Ms. Adams stated that she will coordinate with the Commissioners and Counts to schedule such special meeting.

Commissioner Brost next reported that he has identified a business (located at 25800 Kuykendahl Road) that is located within the District's boundaries, but is being taxed by a different emergency services district. An extensive discussion ensued. Ms. Adams stated that her office will contact the Harris County Tax Assessor/Collector to request that the tax assessor research this matter.

There being no further business to come before the Board, the meeting was adjourned at approximately 8:02 p.m.

PASSED, APPROVED AND ADOPTED this 21st day of February, 2019.




Secretary, Board of Commissioners