

MINUTES OF MEETING OF THE
BOARD OF COMMISSIONERS

July 18, 2019

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, July 18, 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, except Commissioner Pinard, thus constituting a quorum. Also attending the meeting were: Mr. Bill Russell of Myrtle Cruz, Inc. ("Bookkeeper"), bookkeeper for the District; Mr. Mark C. Eyring, CPA, special auditor 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; and Mr. Norm Uhl, CCEMS Public Information Officer.

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 June 20, 2019. 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 June 20, 2019, as prepared.

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

Ms. Adams then reminded the Board that in part, in light of the passage of Senate Bill ("SB") 944 they previously authorized Mr. Johnson to obtain proposals for the District's purchase of cell phones for the Commissioners to conduct District-related business. Mr. Johnson reviewed with the Board a verbal proposal he obtained from Verizon wireless ("Verizon") for the purchase of District cell phones. Mr. Johnson stated that Verizon can offer the District four (4) options for the purchase of cell phones: 1) \$35 monthly base fee (for the use of two (2) gigabytes per cell phone) plus a \$20 monthly fee for each cell phone purchased; 2) \$50 monthly base fee (for the use of four (4) gigabytes per cell phone) plus a \$20 monthly fee for each cell phone purchased; 3) \$70 monthly base fee (for the use of eight (8) gigabytes per cell phone) plus a \$20 monthly fee for each cell phone purchased; and 4) \$70 monthly base fee (for the use of unlimited gigabytes per cell phone) plus a \$40 monthly fee for each cell phone purchased. A discussion ensued regarding the plans offered by Verizon and the benefits to the District and individual Commissioners from the purchase of cell phones for the Commissioners to conduct District-related business. Commissioner Brost inquired about the possibility of Mr. Johnson obtaining a proposal from 'FirstNet' (a federal entity that operates a high-speed, nationwide broadband network dedicated to public safety communications). It was the consensus of the Board that Commissioner Brost coordinate with Messrs. Johnson and England to obtain a written proposal(s) from Verizon and FirstNet for the purchase of District cell phones for review at the August 6th special meeting or the August 15th regular meeting.

Ms. Adams then presented to and reviewed with the Board a proposed Cell Phone Policy. A discussion ensued. 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 adopt the Cell Phone Policy, a copy of which is attached hereto.

Ms. Adams next reported that SAFE-D is hosting a three (3) – hour emergency services district training webcast on Saturday, July 27th (9:00 am – 12:00 pm). 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 authorize Commissioner attendance at the July 27th SAFE-D webcast.

REVIEW RECONCILIATION AUDIT REPORT (DISTRICT FUNDING VS. CCEMS EXPENDITURES) FOR FISCAL YEAR ENDED ("FYE") DECEMBER 31, 2018

Mr. Eyring reported that he had completed his review of the CCEMS accounts funded through District payments, as outlined in his engagement letter with the District. Mr. Eyring next distributed and reviewed with the Board the draft Reconciliation Audit for FYE December 31, 2018, a copy of which is attached hereto. Mr. Eyring stated that he had been provided with full access to the CCEMS records/books. Mr. Eyring then briefly reviewed other information reflected in the Reconciliation Audit and responded to various questions from the Board. Mr. Eyring next summarized his review of the CCEMS accounts and noted that the District had underfunded CCEMS by \$976,112 in 2018, mainly due to the difference between the CCEMS budgeted expenses submitted to the Board and the actual expenses incurred by CCEMS. It was the consensus of the Board to review the draft

Reconciliation Audit, contact Mr. Eyring with any questions or comments on same (prior to the next regular Board meeting) and to take any necessary action, including approval of the Reconciliation Audit, at the August 6th or August 15th meetings.

Mr. Eyring exited the meeting at this time.

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 the County is currently repairing a software glitch at various intersections. In response to a previous question from Mr. England and direction from the Board, Ms. Adams stated that her office contacted Messrs. Mike Pate and Ira Coveler to confirm whether the preemption devices are new or refurbished. Commissioner Brost stated that he was recently informed by Mr. Pate that the preemption devices currently being installed are not refurbished devices. A discussion ensued. Mr. England next reported that four (4) preemption devices in the Little York Fire Department jurisdiction will only benefit the District and, therefore, the District will be solely responsible for the installation of those specific preemption devices (\$800 per intersection).

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

Mr. England stated that Houston Financial Forensics, LLC 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.

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 June 2019, copies of which are attached hereto. Mr. England reported that during the month of June there were 2,494 transports, four (4) Life Flight transports and that 28% of the calls made during the month were "no transports." Mr. England went on to report that during the month of June, CCEMS received 18 mutual aid assists and provided 23 mutual aid assists outside of CCEMS' boundaries.

Mr. England then reported that CCEMS continues to coordinate with the U.S. Army regarding the ongoing Clinical Fellowship Program.

Mr. England added that McGraph Consulting Group, Inc. has provided a draft of the updated Operational Assessment Report/Handbook to CCEMS for review.

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.

Mr. England next reported that CCEMS has scheduled a new EMT class to begin in August.

Mr. England went on to report that CCEMS expects to have two (2) new ambulances in operation soon and two (2) new ambulances delivered within the next 30 days.

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

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.

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 \$55,088.71 in 2018 property tax revenue, \$340 from Mr. Andrew McKinney for reimbursement related to his Public Information Act ("PIA") request, \$280.03 in investment interest and \$169.73 from Texas Mutual Insurance Company for a rebate. Mr. Russell further reported that all such revenue had been deposited into the District's Operating Account.

A discussion ensued regarding the previously scheduled special meeting to discuss the proposed budget for FYE December 31, 2020. It was the consensus of the Board to hold the special meeting on Thursday, August 1st at 6:30 p.m. at 7111 Five Forks Drive, Spring, Texas with an alternative special meeting date of Tuesday, August 6th at 6:30 p.m. at the same location. Mr. Russell agreed to prepare a draft budget for FYE December 31, 2020 for review at the special meeting.

Ms. Adams then reminded the Directors that they decided at the June 20th meeting to hold check no. 1323 in the amount of \$7,020 to HSSK in connection with its provision of responsive information related to Mr. McKinney's April 30, 2019 PIA request. A discussion ensued regarding payment to HSSK. Commissioner Brost agreed to contact Commissioner Pinard regarding his communications, if any, with HSSK. It was the consensus of the Board to continue holding check no. 1323.

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 approve the quarterly investment report.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Adams then reviewed with the Board the Tax Assessor/Collector Report for the month of May, a copy of which is attached hereto. Ms. Adams noted that 98.53% of the District's 2018 taxes had been collected as of June 30, 2019.

DISTRICT COMMUNICATIONS REPORT

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

Mr. Johnson then reported that he has updated the District's website to include a photograph and short biography on Commissioner Williams. Mr. Johnson added that the District-issued email address for Commissioner Williams has been activated.

COMMISSIONER'S MONTHLY FACILITIES INSPECTION/TOUR REPORT

It was noted that no facility inspections were conducted after the June Board meeting and no facility inspections/tours would be conducted after the July Board meeting. Commissioner Plummer noted that she is planning to visit and visually inspect Station No. 513 sometime the following week.

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

Ms. Adams then reminded the Board that RBAP previously provided notice to Harris County Emergency Services District No. 7 ("ESD 7") that the District is aware of the potential latent elevation/construction issues at Station No. 513 and requested ESD 7 apprise the District of any and all actions taken in connection with same at its Station No. 70 so that the District may act, if necessary. Ms. Adams added that, at the last meeting, the Board authorized RBAP to obtain proposals for the inspection of Station No. 513 and submit a PIA request to ESD 7 requesting a copy of the original inspection report for Station No. 70. Ms. Adams reported that, after conversations with the architectural representative for the Station No. 70/Station No. 513 project, she was informed that there was no geotechnical inspection/sampling conducted at the Station No. 70 facilities during ESD7's investigation, as recommended by its engineer. Commissioner Brost noted that he recently visited Station No. 513 regarding possible latent construction/structural issues and stated that he did not find any visible issues. An extensive discussion ensued. Commissioner Brost agreed to obtain ESD 7's punch list of structural items/issues at Station No. 70.

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 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 CCEMS and its attorney, Mr. McKinney, were provided with the District's proposed term sheet in connection with amending the Service Contract with CCEMS in April. Ms. Adams stated that the District recently received a different term sheet from Mr. McKinney on CCEMS' behalf, which she would review with the Commissioners in Executive Session.

In response to a question from Ms. Adams, Mr. England stated that CCEMS would agree to have two (2) Board members meet with the District's contract committee to further discuss the proposed terms in connection with amending the Service Contract between the District and CCEMS.

Ms. Adams then reported that, after the June 20th Board meeting, her office received correspondence from Mr. Zach Karrenbrock requesting that his name be removed from the attendance roster in District minutes from 2018 Board meetings in which he did not sign-in. A discussion ensued regarding the District's procedures for the preparation of the minutes' attendance roster. No action to change current procedures was taken.

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 June Board meeting.

Ms. Adams next stated that in regards to Dolcefino Consulting's ("Dolcefino") June 6, 2019 PIA request for all documents produced in response to Mr. McKinney's PIA request for copies of HSSK's working documentation, related communications and back-up information in connection with the findings of the HSSK Forensic Report, the District has provided Notice to CCEMS (as a potential interested third party) in the event that CCEMS wishes to file arguments with the Texas Attorney General (the "AG") objecting to the release of certain potentially proprietary CCEMS information. Ms. Adams added that the District has provided the AG with the Notice to CCEMS and has requested a ruling in connection with the potential third party proprietary information. Ms. Adams noted that the District has provided Dolcefino with the responsive information not potentially subject to a PIA exception.

Ms. Adams went on to report that, in regards to Dolcefino's four (4) March 13, 2019 and March 18, 2019 PIA requests, which were both received on March 18, 2019, the District previously provided Dolcefino with the responsive information to one (1) of the requests. Ms. Adams stated that the District recently received the AG's ruling in connection with the remaining three (3) PIA requests and subsequently, upon consultation with the relevant Commissioners, provided Dolcefino with correspondence that there was no responsive information on June 27, 2019.

REVIEW UPDATE FROM 86TH LEGISLATURE

Ms. Adams then presented to and reviewed with the Board a comprehensive Legislative Update memorandum prepared by her office.

Ms. Adams recommended that in light of new tax legislation, SB2, the Board review the proposed 2019 tax rate recommendation with Mr. John Howell of the GMS Group, LLC at the appropriate time.

ANNUAL REVIEW OF CONSULTANT CONTRACTS

Commissioner Plummer noted that the Board may review the District's consultant contracts at any time. Ms. Adams noted that Commissioner Brost requested copies of the District's contracts with NRG at the May Board meeting. Mr. Johnson reported that he provided Commissioner Brost with copies of all such contracts. Commissioner Brost then requested, and the Board concurred, that RBAP prepare a summary of all the District's current contracts/agreements and the terms for same.

PUBLIC COMMENTS AND MISCELLANEOUS MATTERS

There were no comments from the public at this time.

CONFIRM AUGUST REGULAR MEETING DATE

Ms. Adams then reminded the Board that the next regular meeting is scheduled for Thursday, August 15, 2019, at 9:00 a.m.

All meeting attendees, with the exception of all members of the Board, Ms. Adams, Ms. Garza and Ms. Christensen exited the meeting at 10:32 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 10:33 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, 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 10:46 a.m.

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 appoint Commissioners Brost and Plummer to a committee to review District contracts/agreements, including the District and CCEMS' term sheets for amending the District's Service Contract with CCEMS.

There being no further business to come before the Board, the meeting was adjourned at approximately 10:47 a.m.

PASSED, APPROVED AND ADOPTED this 15th day of August, 2019.

(DISTRICT SEAL)



Fred G. Anderson
Secretary, Board of Commissioners