

MINUTES OF MEETING OF THE  
BOARD OF COMMISSIONERS

August 20, 2020

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 the Bridgestone Municipal Utility District Operations and Water Education Center, 19720 Kuykendahl Road, Spring, Texas 77379, a meeting place inside the boundaries of the District, on Thursday, August 20, 2020, 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: Ms. Chris Linn of Myrtle Cruz, Inc. ("Bookkeeper" or "MCI"), bookkeeper for the District; 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; Mr. Brian Trachtenberg (via video conference) and Ms. Anna Phillips of Greathouse Holloway McFadden Trachtenberg ("Greathouse"), special counsel to the District; Ms. Danielle Supkis Cheek, CPA of Pannell Kerr Forster of Texas, P.C. ("PKF") (via teleconference); Mr. Zach Karrenbrock of 62 Digital, LLC ("62 Digital"), the District's website service provider and communications coordinator; Messrs. Matt Zavadsky and Doug Hooten of Metropolitan Area EMS Authority ("MedStar") (via teleconference); Mr. Wren Nealy, Cypress Creek Emergency Medical Services ("CCEMS") interim Chief Executive Officer; Mr. George Vie of Feldman & Feldman, P.C., ("Feldman") attorney for CCEMS; Mr. Norm Uhl, CCEMS Public Information Officer; Mr. Wayne Dolcefino and Mr. Scott Engle of Dolcefino Consulting ("Dolcefino"); and numerous members of the public and employees of CCEMS. A copy of the sign-in sheets are attached hereto.

There were numerous other members of the public in attendance via conference call but were unable to be identified other than by telephone number.

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, by Mr. Engle for use by Dolcefino and by 62 Digital for use by the District. The meeting was also streamed live by 62 Digital on the District's Facebook page.

The Board held a 30-second moment of silence for prayer and reflection.

### PUBLIC COMMENTS

The President then recognized Mr. Joshua Cools with Memorial Hermann Life Flight, who stated that he supports CCEMS and that CCEMS' level of service and patient care is excellent.

The President then recognized Mr. Daryl Pile, who read a statement to the Board, a copy of which is attached hereto.

Commissioner Pinard entered the meeting at this time.

The President next recognized Mr. Chris Wehe, who expressed his support for CCEMS.

Mr. Nick Stewart, a paramedic for CCEMS, then read a statement on behalf of Mr. Joe Giff of CCEMS, expressing the excellent patient care provided by CCEMS.

The President then recognized Mr. Robert Berleth, a former District resident, who stated that no one is questioning the high level of patient care being provided by CCEMS. Mr. Berleth then inquired whether the Board has received all of the information/documentation from CCEMS detailing how the District's funding to CCEMS has been utilized.

An unidentified CCEMS employee then stated that he does not believe the Board has been transparent and noted that CCEMS is not easily replaceable.

Commissioner Pinard responded that the Board has faith in the CCEMS communication center staff and field staff, but has had repeated issues with the CCEMS administration and management. Commissioner Pinard went on to state that, over the last few years, the Board has repeatedly requested information/documentation from CCEMS and its former Executive Director, Mr. Brad England, detailing how the District's funding (\$15 million+ each year) to CCEMS has been utilized and CCEMS, Mr. England, and CCEMS' current interim CEO have repeatedly disregarded such requests and stonewalled the District's attempts to review CCEMS' financial records.

Mr. Berleth then inquired how many autoloaders are currently on CCEMS ambulances to which unknown persons in the audience stated zero (0). Mr. Berleth stated that the District had previously paid for autoloaders.

There were no additional public comments at this time.

### APPROVAL OF THE MINUTES

The Board considered approval of the minutes of the regular meeting of July 16, 2020 and the special meetings of July 7, 2020 and July 9, 2020. Upon motion by Commissioner Williams, 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 July 16, 2020 and the special meetings of July 7, 2020 and July 9, 2020, as presented, and the certified agendas for same.

STATUS OF TRANSITION TO NEW INTERSECTION PREEMPTION CONTROLLER DEVICES (THE "PREEMPTION DEVICES")

Commissioner Brost then reminded the Board that the District had previously entered into 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 with Harris County (the "County"). Commissioner Brost then reviewed with the Board the status of the installation of the new preemption devices at the County and Texas Department of Transportation intersections. Commissioner Brost reported that the County is almost ready to proceed with Phase 2 of the installation of preemption devices for which the District's pro-rata share of the cost is \$80,000 per year.

APPROVE AND AUTHORIZE EXECUTION OF CONSULTING AGREEMENT WITH METROPOLITAN AREA EMS AUTHORITY DBA MEDSTAR

Ms. Adams then presented to and reviewed with the Board the Consulting Agreement between MedStar and the District. Commissioner Brost stated that because of the lack of transparency and responsiveness from CCEMS, three (3) Board members separately met with representatives of MedStar to look at MedStar's operations and inquire about MedStar's services. Commissioner Brost went on to state that MedStar can provide consulting services to the District which will facilitate improvements in the financial transparency, operations and response times within District. Messrs. Zavadsky and Hooten then reviewed with the Board MedStar's operations model and training/educational programs.

Upon motion by Commissioner Williams, seconded by Commissioner Pinard, after full discussion and the question being put to the Board, the Board voted unanimously to approve and authorize execution of the Consulting Agreement with MedStar, a copy of which is attached hereto.

STATUS OF CORRECTION OF VEHICLE TITLES FROM CCEMS TO DISTRICT

Ms. Adams then reported that Greathouse has prepared the necessary documents to correct the title of ten (10) of the twelve (12) vehicles owned by the District but incorrectly titled in CCEMS' name. Ms. Adams noted that the title to the two (2) remaining vehicles erroneously titled to CCEMS will be corrected once the erroneous Ford Motor liens are removed from the current title documents. In response to a question, Mr. Vie noted that the applications for title transfer reference a gift tax since CCEMS is a not-for-profit entity.

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 approve and authorize execution of the necessary title correction applications on the twelve (12) District vehicles erroneously titled to CCEMS but owned by the District.

STATUS OF PREPARATION OF SPECIAL DISTRICT EXAMINATION BY PKF, INCLUDING: A) RECONCILIATION OF DISTRICT FUNDING VS. CCEMS EXPENDITURES; B) PHYSICAL INVENTORY OF DISTRICT AND CCEMS ASSETS; AND C) CONCLUSIONS FROM THE HSSK, LLC ("HSSK") REPORT FOR FISCAL YEAR END ("FYE") DECEMBER 31, 2017 (THE "HSSK FORENSIC REPORT")

Ms. Adams then reminded the Board that they previously authorized PKF to conduct an investigation and prepare a report, to include: 1) a reconciliation of the District funding vs. CCEMS expenditures since 2017; 2) a physical inventory of CCEMS and District assets; and 3) conclusions of the HSSK report. The President then recognized Ms. Cheek, who reported on the status of PKF's request to review CCEMS' financial records/documents. Ms. Cheek reported that the District made the initial request to CCEMS/Mr. Vie for her access to 22 categories of various financial records/documents via correspondence on July 2<sup>nd</sup> and she subsequently spoke to Mr. Rene Johnson, CCEMS' Controller, regarding same. Ms. Cheek stated that she created a portal for uploading the requested documents on August 10<sup>th</sup> and provided both Messrs. Johnson and Vie with access but has not yet received any of the requested documentation. Ms. Cheek added that at least half of the requested records/documents could be provided by uploading one (1) of CCEMS' QuickBooks spreadsheets (for the requested time frame of December 31, 2016 to current) to the portal. Ms. Cheek went on to state that the records/documents that CCEMS has thus far agreed to provide will not provide PKF with enough useful information for preparation of a comprehensive inspection report in connection with CCEMS' financial records related to utilization of District funds, as previously requested by the District. Commissioners Pinard and Brost expressed their disappointment and frustration with CCEMS since Mr. Nealy had previously promised on more than one (1) occasion that all of CCEMS' books and records were open and available to the District for review/inspection.

Mr. Vie next reported that he is working with CCEMS to limit the scope of the information that will be uploaded to the portal for Ms. Cheek's review. Mr. Vie stated that there is some "proprietary" information that CCEMS will not share with the District as well as some backup documentation that is only available in paper format.

An extensive discussion ensued. Mr. Trachtenberg then inquired whether the District and Ms. Cheek would be provided with access to all of the CCEMS documentation that Mr. Dan Ramey of Houston Financial Forensics ("HFF") was provided for his preparation of a report to CCEMS regarding an analysis of the HSSK Forensic Report. Mr. Trachtenberg and Commissioner Brost reiterated that the District has an obligation to its taxpayers to investigate and track how CCEMS is utilizing funds from the District.

REVIEW AND TAKE ANY NECESSARY ACTIONS ON FINANCIAL MATTERS, INCLUDING FINANCIAL REPORT FROM DISTRICT TREASURER AND BUDGET COMPARISON

Ms. Linn 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.

Ms. Linn reported that during the prior month, the District received \$78,692.07 in 2019 property tax revenue and \$690.58 in investment interest. Ms. Linn further reported that all such revenue had been deposited into the District's Operating Account.

Ms. Linn requested Board authorization to appoint Ms. Mary Jarmon of MCI as the District's Investment Officer pursuant to the District's Investment Policy.

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: 1) approve the Bookkeeper's Report, as discussed; 2) appoint Ms. Mary Jarmon as the District's Investment Officer; and 3) authorize payment of the bills as submitted, with the exception of the CCEMS operations payment for August, which would be reviewed further later in the Board meeting.

#### REVIEW DRAFT BUDGET FOR FYE DECEMBER 31, 2021 (THE "2021 BUDGET")

Ms. Adams then reminded the Board that the District is required to adopt its annual budget prior to setting the 2020 tax rate. The Bookkeeper then presented to the Board the draft 2021 Budget, a copy of which is attached to the Bookkeeper's Report. A discussion ensued. The previously appointed Budget Committee (Commissioners Pinard and Williams) noted that they are in the process of reviewing the 2021 Budget and will present their recommendations at the September 17<sup>th</sup> Board meeting.

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

Mr. Vie then reported that Mr. Ramey of HFF completed the analysis and related report in connection with the HSSK Forensic Report (the "HFF Report") and such report had been provided to RBAP. A copy of the HFF Report is attached hereto. Ms. Adams noted that she provided such report to the Commissioners

Mr. Trachtenberg first inquired whether the District will be provided with a copy of HFF's audit of the records/finances of the CCEMS maintenance facility in connection with the ongoing investigation of possible criminal activity by CCEMS maintenance facility employees. Mr. Nealy stated that the HFF audit has been turned over to the Public Integrity Unit of the Harris County District Attorney's ("DA") office. Mr. Nealy reported that the DA is pursuing the case, but there have been delays in calling a grand jury due to the COVID-19 pandemic.

Mr. Trachtenberg next inquired whether the District and Ms. Cheek would be provided access to all of the CCEMS documentation that Mr. Ramey of HFF was provided for his preparation of the HFF Report. Mr. Vie stated that he will not be able to answer Mr. Trachtenberg's question until he speaks with the CCEMS Board of Directors.

In response to a question from Ms. Adams regarding HFF's analysis of dispatched calls between 2015 and 2018 (p. 5 of the HFF Report), Mr. Nealy confirmed that, on average, 47.6% of the calls dispatched by CCEMS are medical calls within or on behalf of the District and 52.1% of the calls dispatched by CCEMS are non-District calls. Ms. Adams then noted that the District currently pays, based on the limited information provided by CCEMS, approximately 95% of the Communication Center salaries and health benefits.

REVIEW AND TAKE ANY NECESSARY ACTIONS ON MONTHLY OPERATIONS AND FINANCIAL REPORT FROM CCEMS, REQUESTS FOR ADDITIONAL FUNDING, RECEIVE CORRECTED CCEMS AUDIT FOR FYE DECEMBER 31, 2019, DOCUMENTS AND INFORMATION REQUESTED BY THE DISTRICT FROM CCEMS AND STATUS OF INVESTIGATION OF CCEMS MAINTENANCE FACILITY AND EMPLOYEES RELATED THERETO

Mr. Nealy presented to and reviewed with the Board the monthly CCEMS Operations and Financial Reports, including the operations statistics for July 2020, copies of which are attached hereto. Mr. Nealy reported that during July there were 3,869 transports, 14 Life Flight transports and that 1,122 of the calls made during the month were "no transports." Mr. Nealy went on to report that during July, CCEMS received eight (8) mutual aid assists and provided 16 mutual aid assists outside of CCEMS' boundaries.

Mr. Nealy next presented to and reviewed with the Board the System Status Level Report and the Response Times Report, copies of which are attached to the CCEMS Report. Mr. Nealy went on to review with the Board the average response times for: 1) dispatch; 2) chute; 3) travel; 4) total response; 5) arrival on scene; 6) transports; and 7) hospital stays. Mr. Nealy then reviewed with the Board more detailed response times for each unit/paramedic. Commissioner Brost noted that the national standard for total response time is 8 minutes 59 seconds while CCEMS' average total response time is 11 minutes, 55 seconds. Mr. Nealy argued that Commissioner Brost's assessment of the national standard was incorrect after which further discussion ensued.

Mr. Nealy then reported that CCEMS has placed three (3), 24-hour ambulances in service in the last 90 days for a total of 21 ambulances (18, 24-hour and 3, 12-hour). An extensive discussion ensued. Mr. Nealy stated that CCEMS issued a Request for Proposals ("RFP") for the purchase of additional ambulances and such RFPs are due by August 24<sup>th</sup>. Commissioner Brost recommended that the District purchase eight (8) ambulances. Mr. Nealy added that CCEMS issued a purchase order to Frazer in February 2020 for the purchase of two (2) ambulances, but the expected delivery date of such ambulances is January 2021. Mr. Nealy went on to state that CCEMS is agreeable to titling the two (2) Frazer ambulances in the District's name.

Mr. Nealy then reported that CCEMS continues to coordinate with the U.S. Army regarding the ongoing Clinical Fellowship Program for 2020. Mr. Nealy noted the program is running smoothly and CCEMS expects to start receiving two (2) military fellows per year starting in 2021.

Mr. Nealy then reported on the status of the Community Wellness and Paramedic Program, which allows a physician's assistant to respond directly to less urgent patients that do not require an ambulance. Mr. Nealy went on to report that patients are currently being contacted by telephone for a follow-up in light of the COVID-19 pandemic. Mr. Nealy added that CCEMS is participating in a pilot program with St. Luke's Vintage Park Hospital in an effort to deter hospital re-admissions.

Mr. Nealy next reviewed with the Board the CCEMS Financial Report for July 2020. An extensive discussion ensued. In response to a question from Mr. Trachtenberg, Mr. Nealy conceded that page 10 of his report contained an incorrect statement: "CCEMS has responded to

PKF and have been providing documents via the secure file [portal]." Mr. Nealy acknowledged that CCEMS has not provided any documents to PKF via the secure file portal. Mr. Vie noted that all CCEMS document production is being facilitated by his office.

Mr. Nealy then presented to and reviewed with the Board the following funding requests from CCEMS: 1) \$795,000 for 30% of the June 2020 and July 2020 operations payment request that was previously withheld; 2) \$1,325,000 for August 2020 operations; and 3) \$503,000 COVID-19 stipend for CCEMS staff that are funded by the District (\$2,500 per employee). A discussion ensued. Ms. Adams noted that the stipend request for Communications Center employees was for 48% of such department despite the District paying approximately 95% of such department's salaries and health benefits.

In response to a question, Mr. Nealy stated that CCEMS recently received a portion of the reimbursement funds from the Federal Emergency Management Agency ("FEMA") in connection with Hurricane Harvey operations. Mr. Nealy went on to state that, to-date, CCEMS had only received 80% of the FEMA funding for which it applied and calculated the District's pro-rata share of such funds received to be \$400,000. Commissioner Brost requested that CCEMS provide the District with the \$400,000, a portion of the District's share of the Hurricane Harvey FEMA reimbursement, as soon as possible.

Mr. Nealy next reported on CCEMS' operations in connection with the COVID-19 pandemic. Mr. Nealy stated that CCEMS responded to approximately 941 suspected COVID-19 cases in July with 822 of such cases being transported. Mr. Nealy stated that, since March 13<sup>th</sup>, 105 CCEMS staff members have been monitored for COVID-19 symptoms and 29 CCEMS staff members are/were under self-quarantine. Mr. Nealy went on to state that to-date, 16 CCEMS field staff members have tested positive for COVID-19.

Mr. Nealy then reported that he continues to coordinate with Commissioner Brost regarding installation of District decals/stickers on District vehicles. Mr. Nealy reviewed with the Board a photograph of the proposed District logo to be added to all ambulances, a copy of which is included in the CCEMS Operations Report attached hereto.

Mr. Nealy next reported on the status of the ambulance (T95) that was previously involved in an accident. Mr. Nealy stated that there was a delay in obtaining the Department of State Health Service ("DSHS") approval of the use of the replacement ambulance due to license plate issuance delays due to COVID-19. Mr. Nealy then noted that the DSHS approval was received on August 17<sup>th</sup> and T95 was placed back in service as Medic 515. Commissioner Brost then expressed his frustration with the lack of responsiveness from Mr. Nealy over the last few months regarding the status of T95 and the timing of the submission of the request to DSHS by CCEMS since CCEMS has had possession of the ambulance since early 2020. An extensive discussion ensued.

Commissioner Brost then requested to the Board that the District release all of the District's correspondence with CCEMS since the Service Agreement amendment term sheet was initially offered to CCEMS by the District.

Mr. Nealy went on to present the Personnel Manpower Report, including the Emergency Medical Services ("EMS") personnel funded by the District. Mr. Nealy stated that CCEMS

currently has 39 dispatchers (par is 40), 80 unit operators (par is 80) and 86 paramedics (par is 80). Mr. Nealy reiterated that CCEMS currently has 18, 24/7 ambulances and three (3), 12-hour peak ambulances in service. Mr. Nealy stated that if/when eight (8) additional ambulances are placed in service the pars for: 1) dispatchers will increase to 44; 2) unit operators will increase to 112; and 3) paramedics will increase to 116.

Upon motion by Commissioner Brost, seconded by Commissioner Williams, after full discussion and the question being put before the Board, the Board voted unanimously to approve the CCEMS Operations and Financial Report and requested CCEMS issue payment within 72 hours in the amount of \$400,000, representing the District's share of the Hurricane Harvey FEMA received thus far.

TAX ASSESSOR/COLLECTOR'S REPORT, INCLUDING DISCUSS 2020 TAX RATE SETTING PROCESS

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

Ms. Adams went on to report that the District's financial advisor's 2020 tax rate analysis and recommendation will be presented at the next Board meeting since certified values will not be released by the Harris County Appraisal District until after August 28<sup>th</sup>.

DISTRICT COMMUNICATIONS REPORT

STATUS OF PUBLIC RELATIONS ("PR") ACTIVITIES, INCLUDING TRANSITION OF DISTRICT WEBSITE DOMAIN, COMMISSIONER EMAILS AND RELATED INFORMATION AND TAKE NECESSARY ACTION ON SAME

Mr. Karrenbrock then presented to and reviewed with the Board 62 Digital's monthly website and PR report, a copy of which is attached hereto. Mr. Karrenbrock went on to report on the website domain migration and transition of the Commissioner emails to Outlook 365. Mr. Karrenbrock added that he coordinated with the Board's PR committee to release two (2) press releases over the last month.

DISCUSS CREATION OF STRATEGIC CAPITAL PLAN AND REVIEW GENERAL AREAS WITHIN THE DISTRICT FOR POTENTIAL ADDITIONAL STATION LOCATIONS AND ACQUISITION OF ADDITIONAL AMBULANCES, INCLUDING:

REVIEW AND APPROVE INTERLOCAL HOUSING AND LEASE AGREEMENT WITH HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 17 ("ESD 17") ("ILA")

Mr. Nealy then reported that he attempted to begin negotiations with the Little York Fire Department ("LYFD")/ESD 17, for housing ambulances in the southern portion of the District. Mr. Nealy stated that ESD 17 has requested that the District contract with ESD 17 directly to lease space at a LYFD station. Commissioner Brost reminded Mr. Nealy that in February 2020, the Board authorized the District's Exploratory Committee (Commissioners Brost and Pinard) to begin negotiations with the fire departments, or any other entities, within the District's boundaries to lease property for additional EMS stations and/or ambulance bays and subject to



such authorization, the Exploratory Committee has been in contact with such entities since that time.

Ms. Adams presented to and reviewed with the Board a draft ILA with ESD 17 for the housing and lease of space at LYFD Station Nos. 83 and 84 for ambulances servicing the District, a copy of which is attached hereto. Ms. Adams noted that the proposed lease payment is \$1,000 per month/station. Ms. Adams added that the draft ILA has been provided to ESD 17's attorney for review and ESD 17 Board of Commissioners consideration and that she and ESD 17's attorney have scheduled a time the following week to finalize the ILA. 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 approve and authorize execution of the ILA with ESD 17 for the lease of ambulance bays at LYFD Station Nos. 83 and 84.

REVIEW PURCHASING COOPERATIVE OPTIONS AND ADOPT RELATED RESOLUTIONS AND/OR ENTER INTO ANY NECESSARY AGREEMENTS RELATED TO SAME

The Board discussed purchasing cooperative options such as H-GACBuy, BuyBoard and others. A discussion ensued. 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 authorize any necessary resolutions or agreements for participating in any available purchasing cooperatives.

REVIEW DISTRICT CONSULTANT CONTRACTS AND TAKE NECESSARY ACTIONS ON SAME

There was no discussion on this matter at this time.

ATTORNEY'S REPORT

REVIEW MATTERS RELATED TO SERVICE AGREEMENT WITH CCEMS NOT PREVIOUSLY DISCUSSED AND TAKE ANY NECESSARY ACTIONS ON SAME

The Board asked Ms. Adams to further review legal matters pertaining to the Service Agreement in Executive Session.

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

Ms. Adams next reported that two (2) PIA requests had been received since the July Board meeting, such requests being received from: 1) Dolcefino dated July 30, 2020 and 2) PatientCare EMS dated August 5, 2020.

Ms. Adams went on to report that, due to the voluminous nature of information potentially responsive to Dolcefino's request, her office (on behalf of the District) has certified a time extension to Dolcefino that information responsive to his request will be provided to him no later than 5:00 p.m. on Friday, August 28<sup>th</sup>. Ms. Adams added that her office has also requested

a ruling from the Texas Attorney General (the "AG") on August 13, 2020 regarding whether certain requested information from Dolcefino is subject to required disclosure.

Ms. Adams next reported that her office provided a partial response to PatientCare EMS on August 18<sup>th</sup>. Ms. Adams stated that her office (on behalf of the District) has also provided notice to all interested third parties in the event that any third party wishes to file arguments with the AG objecting to the release of certain proprietary information, which is required under the Public Information Act. Ms. Adams went on to state that her office also provided the AG with the notice to all interested third parties and requested a ruling in connection with the potential third party proprietary information.

All meeting attendees, with the exception of all members of the Board present, Mr. Nealy, Ms. Adams, Ms. Garza, Ms. Christensen, Mr. Trachtenberg (via video conference) and Ms. Phillips exited the meeting at 12:30 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, regarding matters of attorney-client privilege, pending or contemplated litigation and personnel matters, Commissioner Plummer convened the Board in Executive Session at 12:39 p.m., to consult with the District's attorney regarding legal matters pertaining to the CCEMS maintenance facility investigation, the Service Agreement with CCEMS and personnel matters. The persons present in the Executive Session were Commissioners Plummer, Williams, Pinard, Grundmeyer and Brost, Mr. Nealy, Ms. Adams, Ms. Garza, Ms. Christensen, Mr. Trachtenberg (via video conference), Ms. Phillips, and Messrs. Zavadsky and Hooten.

Mr. Nealy exited the Executive Session at 12:45 p.m.

Messrs. Zavadsky and Hooten entered the Executive Session via teleconference at 1:00 p.m.

Messrs. Zavadsky and Hooten exited the Executive Session at 1:30 p.m.

#### RECONVENE IN OPEN SESSION

All meeting attendees re-entered the meeting at 1:55 p.m.

Commissioner Plummer then reconvened the meeting in open session at approximately 1:55 p.m., at which time the following action was taken:

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 payment, under protest, to CCEMS in the amount of 70% (\$927,500) of the monthly payment requested by CCEMS for August 2020, subject to the District's receipt of the payment from CCEMS in the amount of \$400,000 for the District's share of the Hurricane Harvey FEMA reimbursement received by CCEMS to date. It was noted that at the June 18, 2020 Board meeting, the Board authorized withholding 30% of CCEMS' monthly operation invoices until the District, through PKF, has completed a full inspection/audit, with CCEMS' full cooperation,

within the scope as determined by the Board to determine if and how much money CCEMS should be required to reimburse the District for overpayments by the District to CCEMS since 2017.

AUTHORIZE OBTAINING DSHS EMS PROVIDER LICENSE

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 MedStar to proceed with preparation of the application to obtain District's DSHS EMS Provider license for the District.

DISCUSS AND TAKE NECESSARY ACTION TO PURSUE EMPLOYMENT OF A DISTRICT EXECUTIVE DIRECTOR, BUSINESS MANAGER, MEDICAL DIRECTOR AND ANY OTHER EMPLOYEES OR CONTRACTORS DEEMED ADMINISTRATIVELY NECESSARY

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 authorize MedStar to assist and coordinate with the Board to pursue the District's employment or engagement of an Executive Director, Business Manager, Medical Director or any other District staff deemed necessary.

After a brief discussion, the Board agreed to hold a special meeting in the near future for purposes of a "Question and Answer" session between the Board and CCEMS employees. In response to a number of CCEMS employees' concerns regarding the growing uncertainty of their future employment, Commissioner Plummer stated that the Commissioners have been and are very eager to meet with the CCEMS employees and discuss any concerns or answer any questions that they may have regarding the District and the continuing issues with CCEMS administration.

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 cease all payments to CCEMS if, at the September 17<sup>th</sup> Board meeting, PKF reports CCEMS has not provided all of the requested financial records/documentation in the format requested by PKF.

Upon motion by Commissioner Brost, seconded by Commissioner Pinard, after full discussion and the question being put to the Board, the Board voted three (3) votes in favor of and two (2) abstentions, with Commissioners Plummer and Grundmeyer abstaining, to demand that CCEMS remedy all the defaults/breaches of the Service Agreement (as detailed in correspondence from Greathouse to Feldman dated July 29, 2020, a copy of which is attached hereto) by making prompt payment of all sums due to the District and its taxpayers, either in the form of cash/check or a turnover of assets to the District to otherwise satisfy all sums due.

There being no further business to come before the Board, the meeting was adjourned at 2:21 p.m.

PASSED, APPROVED AND ADOPTED this 17<sup>th</sup> day of September, 2020.

  
Secretary, Board of Commissioners

(DISTRICT SEAL)

