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September 18, 2020

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VIA COURIER

Cypress Creek Emergency Medical Services Association
c/o Mr. Rene Johnson and Mr. Wren Nealy
7111 Five Forks
Spring, Texas 77379

Re: Harris County Emergency Services District No. 11 (the "District") – September 2020 Operations Check to Cypress Creek Emergency Medical Services Association ("CCEMS")

Dear Messrs. Johnson and Nealy:

As you know, on June 18, 2020, the Board of Commissioners of HCESD11 voted to withhold 30% of all future monthly payments to CCEMS "until such time as the District has completed" a full review of CCEMS's financials to determine whether CCEMS owes the District money based on matters recently brought to the Board's attention. The minutes from that meeting were provided to you and are posted on the District's website. The Board reiterated at its July 16, 2020 and August 20, 2020 meetings the requirement that a full financial examination be complete before CCEMS is entitled to 100% of its monthly payments and any potential reimbursements.

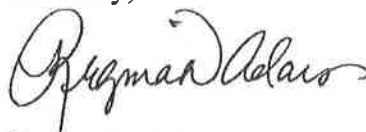
In a separate action on August 20, 2020, the Board voted to withhold the remaining 70% of CCEMS's next monthly payment if, prior to the September 17, 2020 Board meeting, CCEMS failed to provide all documents requested by the District's financial examiner in connection with the financial review. This action was taken after years of CCEMS failing and refusing to give the District information when requested.

One day before the September 17, 2020 Board meeting, the District's financial examiner confirmed that it has received all the documents requested from CCEMS. This satisfied the second of the two Board actions explained above (the motion to withhold 70% of CCEMS's next invoice if CCEMS did not cooperate with the financial examiner). Living up to its promises, the Board therefore authorized payment to CCEMS in the amount of 70% of its monthly invoice. Accordingly, I have enclosed with this letter check no. 1442 in the amount of \$927,500, which is being paid to CCEMS under protest pending the completion of the financial examination.

There is little doubt, though, that the first action mentioned above (the motion to withhold 30% of all CCEMS payments until the financial review is complete) has not been satisfied. CCEMS only finished providing information for the examiner to review days before this week's meeting. The financial examiner reported at that meeting that it had not had any opportunity to begin a deep review of the information, and certainly had not completed one. And so it is strange, at best, and intentionally misleading the public, at worst, that, just before the September 17, 2020 Board meeting, CCEMS issued a press release claiming that, because it had delivered all documents requested by the financial examiner, it was entitled to all money withheld by the District. There are only two possible conclusions: CCEMS administration is not smart or sophisticated enough to understand the Board's clear instructions and motions (in which case CCEMS is unfit for the job of servicing the District), or CCEMS administration is trying to mislead the public through what has been, for many years, a pattern of lies and bully tactics.

CCEMS administration is welcome to continue trying to con its way to taxpayer dollars. But the District – including the Board and its residents – will not be so easily fooled. Nor is it wise to try to fool the hand that feeds.

Sincerely,



Regina D. Adams

General Counsel for the District

Enclosures

RDA/rdr

cc: Mr. George Vie, Feldman & Feldman, P.C. *(via electronic mail)*
Mr. David Feldman, Feldman & Feldman, P.C. *(via electronic mail)*
Board of Commissioners, Harris County Emergency Services District No. 11 *(via electronic mail)*
Mr. Brian Trachtenberg, Greathouse Holloway McFadden Trachtenberg *(via electronic mail)*
Ms. Monica Garza *(firm)*

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HARRIS COUNTY ESD #11

COMPASS BANK

001442

OPERATING FUND

35-1054/1130

C/O MYRTLE CRUZ INC.
3401 LOUISIANA ST., STE. 400 713-759-1368
HOUSTON, TX 77002

09/17/2020

PAY TO THE ORDER OF Cypress Creek EMS

\$ 927,500.00

Nine hundred twenty seven thousand five hundred dollars 5 no/100 — DOLLARS

September 20 Operations

MEMO PAID UNDER PROTEST

[Handwritten Signature]

AUTHORIZED SIGNATURE



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