

MINUTES OF MEETING OF THE
BOARD OF COMMISSIONERS

September 10, 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 special session, open to the public, at the Bridgestone Municipal Utility District Operations and Water Education Center (the "Bridgestone MUD building"), 19720 Kuykendahl Road, Spring, Texas 77379, a meeting place inside the boundaries of the District, on Thursday, September 10, 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, except Commissioner Grundmeyer, thus constituting a quorum. Also attending the meeting were: Ms. Chris Linn of Myrtle Cruz, Inc. ("Bookkeeper"), 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; Ms. Anna Phillips of Greathouse Holloway McFadden Trachtenberg, special counsel to the District; Ms. Danielle Supkis Cheek, CPA of Pannell Kerr Forster of Texas, P.C. ("PKF") (via teleconference); Messrs. Zach Karrenbrock and Hunter Gore of 62 Digital, LLC ("62 Digital"), the District's website service provider and communications coordinator; Mr. Matt Zavadsky of Metropolitan EMS Authority ("MedStar") (via teleconference); Chief Richard Lieder of the Cypress Creek Fire Department; Mr. Wren Nealy, Cypress Creek Emergency Medical Services ("CCEMS") Chief Executive Officer; Mr. George Vie of Feldman & Feldman, P.C., attorney for CCEMS; and members of the public and employees of CCEMS. A copy of the sign-in sheets are attached hereto.

There were 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 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 first recognized Chief Lieder, who read a statement regarding his reaction to the Board's recent action to terminate the District's Service Agreement with CCEMS (the "Service Agreement"). Chief Lieder then read a statement from Chief Dan Shelor of Champions Fire Department, recommending the merger of the District and CCEMS, a copy of which is attached hereto.

There were no additional public comments at this time.

RATIFY APPROVAL OF LETTER AGREEMENT WITH HARRIS COUNTY EMERGENCY CORPS ("HCEC") TO PROVIDE TEMPORARY AND/OR SUPPLEMENTAL EMERGENCY MEDICAL SERVICES ("EMS")

Ms. Adams then reviewed with the Board the Letter Agreement with HCEC in connection with the provision of temporary and/or supplemental EMS.

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 ratify the Board's previous approval of and authorize execution of the Letter Agreement with HCEC, a copy of which is attached hereto.

STATUS OF CORRECTION OF VEHICLE TITLES ON DISTRICT-OWNED AMBULANCES IN USE BY CCEMS

Ms. Adams then reported that her office has completed the process of correcting the vehicle titles for ten (10) of the 12 ambulances owned by the District and has received receipts for same. Ms. Adams noted that her office will also coordinate the correction of the titles for the remaining two (2) ambulances once the erroneous liens on such titles have been removed.

UPDATE FROM MEDSTAR, INCLUDING STATUS OF OBTAINING TEXAS DEPARTMENT OF STATE HEALTH SERVICES ("DSHS") EMS PROVIDER LICENSE AND STATUS OF POSTINGS FOR DISTRICT EXECUTIVE DIRECTOR, BUSINESS MANAGER, MEDICAL DIRECTOR AND ANY OTHER EMPLOYEES OR CONTRACTORS DEEMED ADMINISTRATIVELY NECESSARY, APPROVE JOB DESCRIPTIONS FOR SAME AND AUTHORIZE POSTING OF SAME

Mr. Zavadsky reported that MedStar has finalized the District organizational charts, as previously discussed, and is in the process of preparing the application to obtain the District's DSHS EMS Provider license.

Mr. Zavadsky next reported that MedStar has prepared proposed job descriptions for a District Executive Director, Director of Operations, Business Manager/Director of Finance and Director of Clinical Services. Mr. Zavadsky recommended that the Board engage the services of an experienced executive recruiter to assist with locating executive level employees for the District.

Mr. Zavadsky then reported that MedStar is in the process of developing a sample pro-forma economic model for the District.

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 job descriptions, as presented, authorize posting of same and authorize MedStar to pursue an executive recruiter on behalf of the District.

STATUS OF RECEIPT OF DOCUMENTS FOR AND PREPARATION OF SPECIAL DISTRICT EXAMINATION BY PKF, INCLUDING RECONCILIATION OF DISTRICT FUNDING VS. CCEMS EXPENDITURES AND PHYSICAL INVENTORY OF DISTRICT AND CCEMS ASSETS

Ms. Adams reminded the Commissioners 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; and 2) a physical inventory of CCEMS and District assets.

The President then recognized Ms. Cheek, who reported on the status of PKF's request to CCEMS for financial records for her review. Ms. Cheek reported that CCEMS has been uploading requested financial records via the secure portal. Ms. Cheek stated that she has commenced her initial review of such records, but up until the meeting, she was still awaiting receipt of two (2) of the three (3) largest data sets from CCEMS (payroll transactions and billing data). Ms. Cheek noted that she received CCEMS' general ledger earlier in the morning. A brief discussion ensued. In response to a question from Commissioner Williams, Ms. Cheek estimated that, as of the meeting, she has received approximately 80% of the requested records. In response to a question from Ms. Phillips, Mr. Vie stated that CCEMS will be providing all of the remaining requested financial records over the following few days.

REVIEW INVOICE FROM HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 29 ("ESD 29") FOR 2019-2020 OPERATIONS EXPENDITURES AND CONSTRUCTION LOAN PAYOFF (THE "ESD 29 INVOICE") AND TAKE ANY NECESSARY ACTION ON SAME

Ms. Adams next presented to and reviewed with the Board the ESD 29 Invoice, a copy of which is attached hereto. Ms. Adams noted that ESD 29 paid off its construction loan for the Champions Fire Station/District Station No. 511 (the "Champions Station") early. Ms. Adams stated that the District is responsible for 16.8% of the construction loan and the operating expenses for the Champions Station and the invoice includes the operating expenses from September 2019 through August 2020 and the District's portion of the construction loan payoff. A discussion ensued.

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 payment of the ESD 29 Invoice in the amount of \$282,445.58, including the District's portion of the construction loan payoff.

REVIEW MATTERS RELATED TO THE SERVICE AGREEMENT 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.

An extensive discussion then ensued regarding the recent lightning strike at the CCEMS Communications Center (the "Comm Center"). Commissioner Brost then inquired if Mr. Nealy received Ms. Adams' recent request to provide: 1) brief synopsis regarding the events of Friday and Saturday from the time of the apparent lightning strike leading up to the Comm Center restoring connection; 2) a list of the CCEMS and/or District assets at the back-up Comm Center; 3) the redundancies in place to support the Comm Center when situations like this arise; 4) the preventative maintenance schedule that relates to the Comm Center and back-up power options (with evidence that such maintenance schedule has been followed); and 5) a copy of CCEMS' Emergency Operations Plan. Mr. Nealy then stated that he brought the requested documentation, but only has one (1) copy so he will scan and email such documentation to RBAP and the Commissioners after the meeting. Further discussion ensued after which Ms. Niky Smith, the Director of the Comm Center, explained the actions taken by her and the Comm Center employees, in accordance with the CCEMS Emergency Operations Plan, to temporarily transfer the Comm Center operations to Cy-Fair Fire Department's Comm Center. In response to a question from Commissioner Brost regarding why the Board wasn't immediately notified that the Comm Center had to go off-line, Mr. Nealy stated that it hasn't been CCEMS' regular practice to notify the District's Commissioners. Mr. Nealy added that, in the future, CCEMS will immediately notify the Commissioners of any disruptions at the Comm Center. In response to a question from Commissioner Brost, Mr. Nealy stated that CCEMS does not currently have a back-up Comm Center or off-site equipment. In response to another question from Commissioner Brost regarding his whereabouts during the transfer of the Comm Center operations, Mr. Nealy stated that he was at home. Mr. Nealy then stated that he would like to meet with the Commissioners to further discuss CCEMS' Emergency Operations Plan. After extensive discussion, Commissioner Brost went on to state that, with the large size of the District, it is unacceptable that CCEMS does not have a back-up Comm Center or off-site equipment.

All meeting attendees, with the exception of all members of the Board present, Ms. Adams, Ms. Garza, Ms. Christensen and Ms. Phillips exited the meeting at 10:00 a.m.

CONVENE IN EXECUTIVE SESSION

Pursuant to the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code, as amended, specifically Sections 551.071, 551.072 and 551.074, regarding matters of attorney-client privilege, real estate matters, pending or contemplated litigation and personnel matters, Commissioner Plummer convened the Board in Executive Session at 10:04 a.m., to consult with the District's attorney regarding legal matters pertaining to the Service Agreement with CCEMS and real estate negotiations/acquisitions and personnel matters. The persons present in the Executive Session were Commissioners Plummer, Williams, Pinard and Brost, Ms. Adams, Ms. Garza, Ms. Christensen and Ms. Phillips.

RECONVENE IN OPEN SESSION

All meeting attendees re-entered the meeting at this time.

Commissioner Plummer then reconvened the meeting in open session at approximately 11:00 a.m. at which time the following discussion/action was taken:

REVIEW PROPOSAL FOR PROCUREMENT OF AMBULANCES AND TAKE ANY NECESSARY ACTION ON SAME

The Board briefly reviewed the Houston-Galveston Area Council ("HGAC") proposal for eight (8) ambulances. 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 authorize Commissioner Brost to proceed with the procurement of up to eight (8) ambulances based on the proposal from HGAC subject to Commissioner Brost's inspection of such ambulances.

STATUS OF REAL ESTATE ACQUISITIONS AND NEGOTIATIONS FOR SAME, INCLUDING AUTHORIZE ENTERING INTO EARNEST MONEY CONTRACT FOR ACQUISITION OF REAL ESTATE

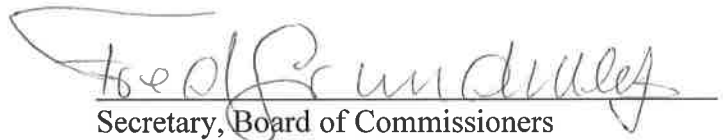
Upon motion by Commissioner Williams, seconded by Commissioner Brost, after full discussion and the question being put to the Board, the Board voted unanimously to authorize the District's real estate broker, JT Lynch Company, LLC, to submit the District's offer for the purchase of real estate, as discussed in executive session.

AUTHORIZE OBTAINING FINANCING FOR VEHICLES AND REAL ESTATE

It was the consensus of the Board to proceed with the procurement of financing options for the District's acquisition of real estate and vehicles.

There being no further business to come before the Board, the meeting was adjourned at 11:02 a.m.

PASSED, APPROVED AND ADOPTED this 1st day of October 2020.


Secretary, Board of Commissioners

