

MINUTES OF MEETING OF THE
BOARD OF COMMISSIONERS

May 20, 2021

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 the District's Administration Building, 18334 Stuebner Airline Road, Spring, Texas 77379, a meeting place inside the boundaries of the District, on Thursday, May 20, 2021, 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: the following District employees: Mr. Douglas Hooten, Executive Director; Mr. James Chebra, Chief Operations Officer; Mr. Rob Farmer, Chief Administrative Officer; Mr. Dave Snavelly, Chief Financial Officer ("CFO"); Ms. Shirley Ware, Executive Assistant; Ms. Dawn Stumbo, Human Resources ("HR") Assistant; and Mr. Xavier De La Rosa, Chief Clinical Officer. District consultants in attendance were: Ms. Chris Linn of Myrtle Cruz, Inc., bookkeeper for the District; Mr. Ricardo Martinez of Martinez Architects ("Martinez"); Ms. Regina D. Adams, Ms. Monica Garza and Ms. Sholeh Abedinzadeh (via teleconference), attorneys, and Ms. Carla Christensen, paralegal, of Radcliffe Bobbitt Adams Polley PLLC ("RBAP"), attorney for the District; Mr. Brian Trachtenberg and Ms. Anna Phillips of Greathouse Holloway McFadden Trachtenberg, special counsel to the District; and Messrs. Zach Karrenbrock and Grant McAnelley of 62 Digital, LLC ("62 Digital"), the District's communications coordinator. Also in attendance were: Mr. Wren Nealy, Cypress Creek Emergency Medical Services ("CCEMS") Chief Executive Officer; Mr. Dave Billings, member of the CCEMS Board of Directors; Mr. George Vie of Feldman & Feldman, P.C., attorney for CCEMS; and members of the public and CCEMS employees. A copy of the sign-in sheet is 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 an employee of CCEMS for use by CCEMS and by 62 Digital for use by the District. The meeting was also streamed live by 62 Digital on the District's website.

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

PUBLIC COMMENTS

There were no public comments at this time.

Mr. Trachtenberg entered the meeting at this time.

APPROVAL OF THE MINUTES

The Board considered approval of the minutes of the regular meeting of April 15, 2021 and the special meetings of April 1, 2021, April 6, 2021 and April 29, 2021. 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 approve the minutes of the regular meeting of April 15, 2021 and the special meetings of April 1, 2021, April 6, 2021 and April 29, 2021, as presented, and the certified agendas for same.

STATUS OF FINANCING OF AMBULANCE AND APPURTENANCES PURCHASE(S) ("AMBULANCES") AND TAKE NECESSARY ACTIONS ON SAME

Ms. Garza reminded the Board that at the May 6th special meeting, the Board accepted the Ambulance financing proposal from Regions Capital Advantage, Inc. ("Regions") (Option B - 1.36%). Ms. Garza stated that her office is coordinating with Regions regarding the loan documents and the closing for such loan is scheduled for May 27th.

ADMINISTRATION, DISPATCH AND LOGISTICS FACILITIES REPORT, INCLUDING:

STATUS OF CONSTRUCTION OF PHASE I REDEVELOPMENT OF DISTRICT ADMINISTRATION PROPERTY ("PHASE I PROJECT") AND TAKE NECESSARY ACTION ON SAME

Mr. Martinez reported that he continues to coordinate with the construction committee and J.E. Dunn Construction Co. ("J.E. Dunn") representatives in connection with the ongoing construction of the Phase I Project. Mr. Martinez stated he is also proceeding with design of Phase II.

Mr. Martinez then presented to and reviewed with the Board a summary of the design and construction status of the Phase I Project, a copy of which is attached hereto.

STATUS OF TRANSITION TO NEW INTERSECTION PREEMPTION CONTROLLER DEVICES (THE "PREEMPTION DEVICES"), INCLUDING AUTHORIZE ADDITIONAL PAYMENTS RELATED TO SAME

Commissioner Brost reported on the status of the installation of the new preemption devices at the County and Texas Department of Transportation ("TXDOT") intersections. Commissioner Brost stated that Phases 1 and 2 of the preemption device installation project are complete and Phase 3 is in progress. Commissioner Brost noted that the preemption equipment for the District's Ambulances should be delivered in the next few weeks.

EXECUTIVE DIRECTOR'S AND DISTRICT'S ADMINISTRATION REPORT, INCLUDING
STATUS OF HIRING FOR VARIOUS OPEN EMPLOYMENT POSITIONS

Mr. Hooten noted that it is National Emergency Medical Services ("EMS") Week.

Mr. Hooten and Commissioner Brost then reported on their recent inspection of one of the new District Ambulances. Mr. Hooten stated that the first (1st) ambulance delivery is scheduled to occur the second (2nd) week of June.

In response to a question, Mr. Hooten stated that his office has received approximately 2,000 employment applications for 12 categories of staff positions and, currently, there are approximately 60 offers of employment that have been extended. Mr. Hooten then reported that he and the District's Executive Staff continue to conduct interviews for the middle-management and other various staff positions.

Mr. Hooten then reported that the District has released its fourth (4th) podcast regarding the District's EMS operational model. Mr. Hooten noted that the District's podcasts are available on the District's website.

STATUS OF ESTABLISHING THE NECESSARY VENDOR ACCOUNTS FOR DISTRICT
ADMINISTRATION PURPOSES

Mr. Hooten reported that he continues to coordinate with various vendors to establish the necessary District accounts.

STATUS OF ENROLLMENT AS A MEDICAID PROVIDER ENROLLMENT

Mr. Hooten then stated that the District previously received its Texas Department of State Health Services EMS Provider license and a Medicare provider number, and is currently in the process of completing the District's application to enroll as a Medicaid provider. Mr. Hooten reported that he plans to submit the application in the next few weeks.

REVIEW AND APPROVE INTERLOCAL AGREEMENT WITH HARRIS COUNTY
DEPARTMENT OF EDUCATION ("HCDE") FOR PURCHASING COOPERATIVE
PARTICIPATION

Mr. Hooten then presented to and reviewed with the Board the proposed Interlocal Agreement with HCDE for participation in the purchasing cooperative. A discussion ensued. Ms. Adams noted that her office reviewed the Interlocal Agreement and provided comments on same. 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 Interlocal Agreement with HCDE for participation in the purchasing cooperative, a copy of which is attached hereto.

REVIEW AND APPROVE PROPOSAL FOR XEROX COPIER LEASING SERVICE

Mr. Hooten then presented to and reviewed with the Board a proposal from Xerox for the lease of a copier/printer/scanner for 36 months at a cost of \$175.92 per month through the District's

Interlocal purchasing cooperative agreement with HCDE and the proposed Leasing Agreement for same, copies of which are attached hereto. 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 approve the Xerox proposal and approve the Leasing Agreement with Xerox for the lease of a copier, subject to final review of such Leasing Agreement by RBAP.

REVIEW AND APPROVE MASTER SUBSCRIPTION AGREEMENT ("MSA") WITH VAIRKKO FOR SOFTWARE LICENSING

Mr. Hooten then reviewed with the Board a proposal, the MSA and Addendum to same with Vairkko in connection with the purchase of scheduling software for the District for a subscription cost of \$1,171.80 per month for 36-months and a one-time start-up cost of \$651.00, copies of which are attached hereto. Ms. Adams stated that her office reviewed the proposed MSA and Addendum to same. 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 approve and authorize execution of the MSA and Addendum to same with Vairkko and authorize payment to Vairkko for same.

REVIEW AND APPROVE PURCHASE REQUEST OF SAPPHIRE MULTI-THERAPY INTRAVENOUS MEDICATION PUMPS ("SAPPHIRE IV PUMPS") FROM LIFE-ASSIST, INC. ("LIFE ASSIST") (BUYBOARD PURCHASING COOPERATIVE VENDOR)

Mr. Hooten then presented to and reviewed with the Board the purchase order and proposal from Life-Assist in connection with the purchase of Sapphire IV Pumps, obtained through the District's Interlocal Purchasing Cooperative Agreement with BuyBoard, a copy of which is attached hereto. Mr. Hooten reported that the proposal from Life Assist is for the purchase of 50 Sapphire IV Pumps and related equipment for a total cost of \$90,113.80. A discussion ensued. 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 purchase order and proposal from Life Assist in connection with the purchase of Sapphire IV Pumps.

REVIEW AND APPROVE SUBSCRIPTION AGREEMENT WITH ACID REMAP LLC ("ACID REMAP SUBSCRIPTION AGREEMENT") IN CONNECTION WITH PARAMEDIC PROTOCOL PROVIDER AND RELATED SERVICES

Mr. Hooten then reviewed with the Board the Acid Remap Subscription Agreement and Addendum to same in connection with a mobile application service that provides EMS protocols ("Paramedic Protocol Provider"), copies of which are attached hereto. Ms. Adams stated that her office reviewed the proposed Acid Remap Subscription Agreement and Addendum and provided comments on same. 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 approve and authorize execution of the Acid Remap Subscription Agreement and Addendum for same and authorize payment to Acid Remap, LLC in the amount of \$3,500.00 for a 3-year agreement for purchase of the Paramedic Protocol Provider service.

REVIEW AND APPROVE LICENSE AGREEMENT WITH KNOXBOX CLOUD ("KNOX")

Mr. Hooten then reviewed with the Board a proposal, the Master Software Agreement ("Knox MSA"), the License Agreement and Addendum to same with Knox in connection with the purchase of a secure system for keeping medication and narcotics in ambulances, copies of which are attached hereto. Ms. Adams stated that her office has reviewed and provided comments on the proposed Knox MSA, License Agreement and Addendum. A discussion ensued.

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 and authorize execution of the Knox MSA, License Agreement and Addendum for same and authorize payment to Knox in the amount of \$4,632.00 for a 3-year agreement for same.

REVIEW AND APPROVE AGREEMENT FOR SHARING INTELLIGENT TRANSPORTATION SYSTEMS DATA WITH TXDOT ("TXDOT AGREEMENT")

Mr. Hooten then reviewed with the Board the TXDOT Agreement in connection with sharing intelligent transportation systems data, a copy of which is attached hereto. Ms. Adams stated that her office reviewed and provided comments on the proposed TXDOT Agreement. 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 and authorize execution of the TXDOT Agreement.

REVIEW AND APPROVE FORM OF FIRST RESPONDER ORGANIZATION ("FRO") AND PROVIDER AGREEMENT FOR USE WITH OVERLAPPING FROS

Mr. Hooten reported that the form FRO and Provider Agreement, which was previously approved by the Board, has not yet been returned with comments.

REVIEW AND APPROVE PURCHASE ORDERS AND AGREEMENTS FOR VEHICLES, SUPPLIES, FURNITURE, FIXTURES AND EQUIPMENT AND SERVICES FOR THE DISTRICT, INCLUDING:

REVIEW AND APPROVE RADIO AND COMMUNICATIONS INFRASTRUCTURE AGREEMENT WITH DAILEY & WELLS COMMUNICATIONS, INC. ("DAILEY & WELLS") AND RELATED INTERLOCAL AGREEMENT WITH MONTGOMERY COUNTY HOSPITAL DISTRICT ("MCHD")

Mr. Hooten next reminded the Board that it previously approved the purchase order and proposal from Dailey & Wells for the purchase of mobile radio and communications system infrastructure for a cost of \$1,718,132.71. Mr. Hooten stated that the District received the proposed Texas Department of Information Resources Contract for Products and Related Services in relation to same, but has not yet received the proposed Service Agreement from Dailey & Wells or the proposed Interlocal Agreement with MCHD.

Mr. Hooten then reported that due to a lightning strike at Station No. 55 during the recent severe thunderstorms, a transfer switch is in need of replacement. Mr. Hooten stated that the District's pro-rata share of the cost to replace the Station No. 55 transfer switch is \$5,500.00.

STATUS OF SECOND PHASE OF SPECIAL DISTRICT EXAMINATION BY PANNELL KERR FORSTER OF TEXAS, P.C. ("PKF"), RELATED TO: A) RECONCILIATION OF DISTRICT FUNDING VS. CCEMS EXPENDITURES; B) PHYSICAL INVENTORY OF DISTRICT AND CCEMS ASSETS; AND C) CONCLUSIONS FROM HSSK, LLC REPORT (THE "PKF REPORT")

Mr. Trachtenberg next reminded the Board that the second (2nd) phase of the PKF Report entails a more in-depth review of additional CCEMS financial documents and Koronis billing records to further identify discrepancies and quantify the related amounts of over and/or under payments by the District to CCEMS. Mr. Trachtenberg went on to state that PKF has continued to make requests to CCEMS, through correspondence to Mr. Vie, for access to additional financial records. Mr. Trachtenberg reported that CCEMS uploaded additional responsive information since the May 6th Board meeting, but PKF is awaiting receipt of the balance of information requested in April and May as well as clarification of some of the previously responsive information.

REVIEW AND DISCUSS FINANCIAL AND OPERATIONAL MATTERS RELATED TO CCEMS, INCLUDING: MONTHLY OPERATIONS AND FINANCIAL REPORT FROM CCEMS; QUARTERLY CCEMS REPORT PURSUANT TO SECTION 5.02 OF THE SERVICE AGREEMENT; RECEIVE CCEMS AUDIT FOR FISCAL YEAR ENDED ("FYE") DECEMBER 31, 2020; STATUS OF INVESTIGATION OF CCEMS MAINTENANCE FACILITY AND EMPLOYEES RELATED THERETO; AND DISCUSS TRANSITIONAL MATTERS

In response to a question from Commissioner Brost regarding the new CCEMS transfer contracts, Mr. Nealy reported that CCEMS is only utilizing ambulances for transfers in critical patient situations.

In response to a question from Commissioner Brost regarding possible CCEMS dispatch staffing shortages, Mr. Nealy stated that he is not aware of any staffing shortages.

Ms. Adams then presented to the Board correspondence from Mr. Vie dated May 19th in connection with the status of the CCEMS audit for FYE December 31, 2020, a copy of which is attached hereto.

In response to a question from Commissioner Brost, Mr. Vie stated that there is no update on the CCEMS Maintenance Facility investigation.

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 accept the CCEMS Operations and Financial Reports.

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

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 in April, the District received \$19,847.05 and \$63,390.26 in property tax revenue and \$116.32 in investment interest.

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: 1) approve the Bookkeeper's Report, as discussed; and 2) authorize payment of the bills as submitted, with the exception of the CCEMS operations payment for May 2021, which would be considered under a separate motion.

Mr. Hooten reported that the District recently took over and successfully completed the first employee payroll distribution. A discussion ensued regarding the current duties of the District's Bookkeeper and those of the District's CFO.

ANNUAL REVIEW OF DISTRICT INVESTMENT POLICY AND TAKE ANY NECESSARY ACTIONS ON SAME

Ms. Adams then reviewed with the Board the Order Regarding Annual Review of Rules, Policies, and Code of Ethics for the Investment of District Funds and Review of Investments (the "Investment Policy Order"). Ms. Adams reported that the District is required to review its Investment Policy annually. Ms. Adams then reported that the authorized broker list, which is required pursuant to the Texas Public Funds Investment Act, has been updated. 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 Order Regarding the Annual Review of the Investment Policy Order and approve the amendments to the authorized broker list, a copy of which is attached hereto.

TAX ASSESSOR/COLLECTOR'S REPORT

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

DISTRICT COMMUNICATIONS REPORT:

STATUS OF PUBLIC RELATIONS ("PR") ACTIVITIES 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.

ATTORNEY'S REPORT, INCLUDING:

STATUS OF DISTRICT STAFF AND COMMISSIONERS' CYBER SECURITY TRAINING

Ms. Adams next reminded the Commissioners that after the 86th Legislative Session in 2019 a new law was implemented to require all government employees who have access to a government computer and elected officials to take Cybersecurity Training annually by June 14th.

REVIEW AND APPROVE AMENDED AND RESTATED ORDER ESTABLISHING A RECORDS MANAGEMENT PROGRAM AND DESIGNATING A RECORDS MANAGEMENT OFFICER ("RECORDS MANAGEMENT PROGRAM")

Ms. Adams next presented to and reviewed with the Board the proposed Amended and Restated Order Establishing a Records Management Program. A discussion ensued regarding the District's Records Management Program. 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 adopt the Amended and Restated Order Establishing a Records Management Program and to designate RBAP as the District's Records Management Officer, a copy of which is attached hereto.

A discussion ensued about the potential impacts on the District of Senate Bill 999 regarding "balanced billing", if it passes.

RESOLUTION EVIDENCING INTENT TO REIMBURSE EXPENDITURES WITH PROCEEDS OF AMBULANCE LOAN FINANCING (THE "REIMBURSEMENT RESOLUTION")

Ms. Adams next presented to and reviewed with the Board the proposed Reimbursement Resolution. 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 adopt the Reimbursement Resolution, a copy of which is attached hereto.

REVIEW PENDING BILLS FROM THE 87TH TEXAS LEGISLATURE

Ms. Adams then presented to and reviewed with the Board RBAP's update from the 87th Legislature concerning bills that impact emergency services districts, a copy of which is attached hereto.

REVIEW RECENT PUBLIC INFORMATION ACT ("PIA") REQUESTS AND STATUS OF RESPONSES TO SAME AND *DISTRICT VS. KEN PAXTON*

Ms. Garza noted that no PIA requests were received since the May 6th Board meeting. Ms. Garza then reported on the status of the outstanding PIA requests, including responses to and requests for Texas Attorney General rulings on same.

REVIEW DISTRICT CONSULTANT CONTRACTS AND TAKE NECESSARY ACTIONS ON SAME

There was no discussion on this matter at this time.

REVIEW AND TAKE ANY NECESSARY ACTIONS ON MONTHLY OPERATIONS AND FINANCIAL REPORT FROM CCEMS

STATUS OF SECOND PHASE OF SPECIAL DISTRICT EXAMINATION BY PKF RELATED TO THE PKF REPORT

REVIEW MATTERS RELATED TO THE SERVICE AGREEMENT WITH CCEMS, INCLUDING STATUS OF THE CCEMS LITIGATION AND TAKE ANY NECESSARY ACTION ON SAME

REVIEW RECENT PIA REQUESTS AND STATUS OF RESPONSES TO SAME AND DISTRICT VS. KEN PAXTON

Commissioner Plummer then stated that the Board would be going into Executive Session to discuss matters of attorney-client privilege and pending litigation pursuant to Section 551.071, Texas Government Code regarding the above agenda items.

All meeting attendees, with the exception of all members of the Board present, Ms. Adams, Ms. Garza, Ms. Abedinzadeh (via teleconference), Ms. Christensen, Mr. Trachtenberg, Ms. Phillips and Mr. Hooten exited the meeting at 10:05 a.m.

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 and pending litigation, Commissioner Plummer convened the Board in Executive Session at 10:10 a.m. The persons present in the Executive Session at various times were Commissioners Plummer, Williams, Pinard, Grundmeyer and Brost, Ms. Adams, Ms. Garza, Ms. Abedinzadeh (via teleconference), Ms. Christensen, Mr. Trachtenberg, Ms. Phillips and Mr. Hooten.

RECONVENE IN OPEN SESSION

All meeting attendees still present re-entered the meeting at 11:24 a.m.

Commissioner Plummer then reconvened the meeting in open session at approximately 11:28 a.m. at which time the following action was taken by the Board:

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 to CCEMS in the amount of \$1,359,283 for services provided in May 2021, under protest and duress and subject to: 1) future adjustments upon the District's receipt of information and data from CCEMS sufficient to establish CCEMS' entitlement to such amounts at least seven (7) days in advance of the next regular Board meeting; and 2) CCEMS' continued cooperation with PKF's inspection of CCEMS' financial records and physical inventory.

There being no further business to come before the Board, the meeting was adjourned at 11:30 a.m.

PASSED, APPROVED AND ADOPTED this 24th day of June 2021.



Fred Grundmeyer
Secretary, Board of Commissioners