

MINUTES OF MEETING OF THE  
BOARD OF COMMISSIONERS

June 24, 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, June 24, 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, Chief Executive Officer ("CEO"); Mr. James Chebra, Chief Operations Officer; Mr. Rob Farmer, Chief Administrative Officer; Mr. Dave Snavely, Chief Financial Officer; Ms. Shirley Ware, Executive Assistant; Ms. Dawn Stumbo, Human Resources Assistant; and Mr. Xavier De La Rosa, Chief Clinical Officer. District consultants in attendance were: Ms. Chris Linn of Myrtle Cruz, Inc. ("MCI"), bookkeeper for the District; Mr. Ricardo Martinez of Martinez Architects ("Martinez"); Ms. Regina D. Adams and Ms. Sholeh Abedinzadeh, 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; Ms. Danielle Supkis Cheek, CPA and Mr. Chris Boatcallie, CPA, of Pannell Kerr Forster of Texas, P.C. ("PKF") (via teleconference); 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 District 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.

### **APPROVAL OF THE MINUTES**

The Board considered approval of the minutes of the regular meeting of May 20, 2021 and the special meeting of May 6, 2021. 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 May 20, 2021 and the special meeting of May 6, 2021, as presented, and the certified agendas for same.

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")

REVIEW MATTERS RELATED TO *CYPRESS CREEK EMERGENCY MEDICAL SERVICES VS. THE DISTRICT, ET AL* (THE "CCEMS LITIGATION") AND TAKE NECESSARY ACTION REGARDING SAME

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

Commissioner Plummer then stated that the Board would be going into Executive Session to deliberate the items listed above as matters of attorney-client privilege and pending or contemplated litigation as they relate to the PKF Report and the CCEMS Litigation pursuant to Section 551.071, Texas Government Code.

All members of the Board present, Ms. Adams, Ms. Abedinzadeh, Ms. Christensen, Mr. Trachtenberg, Ms. Phillips and Mr. Hooten exited to the Executive Session room at 9:02 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 or contemplated litigation, Commissioner Plummer convened the Board in Executive Session at 9:05 a.m., regarding the PKF Report and CCEMS Litigation. The persons present in the Executive Session at various times were Commissioners Plummer, Williams, Pinard, Grundmeyer and Brost, Ms. Adams, Ms. Abedinzadeh, Ms. Christensen, Mr. Trachtenberg, Ms. Phillips and Mr. Hooten.

Commissioner Pinard entered the meeting at 9:08 a.m.

RECONVENE IN OPEN SESSION

Those attending Executive Session then re-entered the meeting at 10:28 a.m.

Commissioner Plummer reconvened the meeting in open session at approximately 10:30 a.m. at which time no action was taken by the Board.

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

Ms. Adams stated that the Ambulance financing loan closed on May 27<sup>th</sup>.

**ADMINISTRATION, DISPATCH AND LOGISTICS FACILITIES REPORT, INCLUDING STATUS OF CONSTRUCTION OF PHASE I REDEVELOPMENT OF DISTRICT ADMINISTRATION PROPERTY ("PHASE I PROJECT"), APPROVE CONSTRUCTION PAY APPLICATIONS/CHANGE ORDERS 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 design and construction status report and photographs of the Phase I Project, copies of which are attached hereto. Mr. Martinez next reviewed with the Board Pay Application No. 2 from J.E. Dunn in the amount of \$538,441.00 and Change Order Nos. 1 through 8 collectively totaling \$2,146,708.00 in connection with the Phase I Project. An extensive discussion ensued regarding the status of Phase I Project construction.

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 Pay Application No. 2 and Change Order Nos. 1 through 8 in connection with the Phase I Project and authorize payment to J.E. Dunn for same.

**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 Harris County (the "County") and Texas Department of Transportation ("TXDOT") intersections. Commissioner Brost noted that the preemption equipment for the District's Ambulances is being installed as ambulances are being delivered.

**EXECUTIVE DIRECTOR'S AND DISTRICT'S ADMINISTRATION REPORT,  
INCLUDING**

**STATUS OF HIRING FOR VARIOUS OPEN EMPLOYMENT POSITIONS**

Mr. Hooten stated that the District received approximately 2,000 employment applications for about 170 staff positions in 12 categories. Mr. Hooten went on to introduce the newly hired Customer Engagement Supervisor, Logistics Manager, Compliance Supervisor, Medical Records Coordinator and Human Resource Generalist. Mr. Hooten then reported that he and the District's Executive Staff continue to conduct interviews for the middle-management, EMT, paramedic and other various staff positions. Mr. Hooten noted that new employee training will begin on July 12<sup>th</sup>.

**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 MEDICAID PROVIDER ENROLLMENT**

Mr. Hooten then stated that the District has submitted its application to enroll as a Medicaid provider. Mr. Hooten stated that he anticipates approval of the Medicaid application in July.

**STATUS 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 by the FROs with comments.

**APPROVE AND AUTHORIZE EXECUTION OF MEMORANDUM OF UNDERSTANDING  
("MOU") FROM THE GREATER HARRIS COUNTY 9-1-1 EMERGENCY NETWORK  
("HARRIS COUNTY 9-1-1")**

Mr. Hooten then presented to and reviewed with the Board the MOU from Harris County 9-1-1, which memorializes the transition of 9-1-1 emergency communication services for emergency medical services ("EMS") from CCEMS to the District on September 1<sup>st</sup>. An extensive discussion ensued regarding whether the date in which CCEMS ceases services to the District and the District begins providing EMS is September 1<sup>st</sup> or September 4<sup>th</sup>. Mr. Hooten went on to report that he and Mr. Chebra have made numerous attempts over the last couple of months to schedule meetings with Mr. Nealy to discuss transitional matters, but such attempts have been unsuccessful. Mr. Hooten stated that his office needs to coordinate with CCEMS to ensure a safe and orderly transition of the EMS from CCEMS to the District. In response to a question from Commissioner Brost, Mr. Nealy committed to meeting with Mr. Hooten and Mr. Chebra on June 25<sup>th</sup> at 2:00 p.m. at CCEMS' office to discuss transitional matters. Mr. Hooten stated that he will coordinate with Mr. Nealy and Harris County 9-1-1 to finalize the date when 9-1-1 calls will transfer to the District's Dispatch/Communications Center.

Ms. Adams noted that her office had reviewed the MOU. 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 MOU by Mr. Hooten, subject to finalization of the transition date of 9-1-1 calls. A copy of the executed MOU is attached hereto.

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

**RADIO/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. Mr. Hooten then presented to and reviewed with the Board the Interlocal Agreement for Radio/Communications Infrastructure (the "Interlocal Agreement") with the MCHD and a Nondisclosure Agreement with MCHD. A discussion ensued. Ms. Adams noted that her office reviewed the Interlocal Agreement and Nondisclosure Agreement and provided comments on same. 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 and authorize execution of the Interlocal Agreement and Nondisclosure Agreement with MCHD, copies of which are attached hereto.

**NARCOTICS SAFE SALES AGREEMENT WITH ESSC, INC./MEDIXSAFE ("MEDIXSAFE AGREEMENT")**

Mr. Hooten then reviewed with the Board the MedixSafe Agreement and cost estimate for two (2) controlled substance (narcotic) medication safes, copies of which are attached hereto. Ms. Adams stated that her office reviewed the proposed MedixSafe Agreement 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 MedixSafe Agreement and authorize payment to MedixSafe in the amount of \$16,810.00 for the safe hardware and software.

**MANAGEMENT SOFTWARE SERVICE AGREEMENT WITH NINTH BRAIN ("NINTH BRAIN AGREEMENT")**

Mr. Hooten then reviewed with the Board the Ninth Brain Agreement and cost estimate for a learning management system ("LMS"), copies of which are attached hereto. Ms. Adams stated that her office reviewed the proposed Ninth Brain Agreement and provided comments on same. 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 Ninth Brain Agreement and authorize payment to Ninth Brain in the amount of \$28,350.00/year for the purchase of the LMS.

INSULATED STORAGE LEASE AGREEMENT WITH MOBILE MODULAR PORTABLE SOLUTIONS ("MOBILE MODULAR")

Mr. Hooten next reviewed with the Board the Mobile Modular Storage Lease Agreement, Addendum to same and cost estimate for the District's lease of a mobile storage unit, copies of which are attached hereto. Ms. Adams stated that her office reviewed the proposed Mobile Modular Storage Lease Agreement and provided comments on same. 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 approve and authorize execution of the Mobile Modular Storage Lease Agreement and Addendum to same and authorize payment to Mobile Modular in the amount of \$841.97 (\$450.11 per month and a one-time fee of \$391.86).

ADDENDUM TO SERVICE AGREEMENT WITH PRIORITY DISPATCH CORP ("PRIORITY DISPATCH")

Mr. Hooten then presented to and reviewed with the Board an Addendum to the previously approved Implementation and Software and Licensing Agreement with Priority Dispatch in connection with the District's purchase of dispatching software, implementation of same and training services, a copy of which is attached hereto. Ms. Adams next reported that her office reviewed the Addendum to the Priority Dispatch Implementation Agreement and the Software and Licensing Agreement and provided comments on same. 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 and authorize execution of the Addendum to the Priority Dispatch Implementation Agreement and the Software and Licensing Agreement.

GENERATOR MAINTENANCE SERVICE CONTRACT WITH STEWART & STEVENSON

Mr. Hooten next reported that his office is awaiting receipt of the revised Generator Maintenance Service Contract between the District and Stewart & Stevenson.

COMMUNICATIONS MASTER SERVICES AGREEMENT WITH COMCAST ENTERPRISE SERVICES ("COMCAST COMMUNICATIONS AGREEMENT")

Mr. Hooten then reviewed with the Board the proposed Comcast Communications Agreement and Addendum to same, copies of which are attached hereto. Ms. Adams stated that her office is in the process of reviewing the proposed Comcast Communications Agreement. 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 approve and authorize execution of the Comcast Communications Agreement, subject to final review by RBAP.

PROFESSIONAL SERVICES AND BILINGUAL LANGUAGE TESTING SERVICE AGREEMENT AND STATEMENT OF WORK ("BILINGUAL LANGUAGE TESTING AGREEMENT") WITH BERLITZ LANGUAGES, INC. ("BERLITZ")

Mr. Hooten then reviewed with the Board the Bilingual Language Testing Agreement with Berlitz and Addendum to same, copies of which are attached hereto. Ms. Adams stated that her

office reviewed the proposed Bilingual Language Testing Agreement and provided comments on same. 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 approve and authorize execution of the Bilingual Language Testing Agreement and Addendum for same and authorize payment to Berlitz for same.

INTERPRETATION AND TRANSLATION SERVICES CONTRACT (THE "INTERPRETATION SERVICES CONTRACT") WITH VOIANCE LANGUAGE SERVICES, LLC ("VOIANCE")

Mr. Hooten then reviewed with the Board the Voiance Interpretation Services Contract, a copy of which is attached hereto. Ms. Adams stated that her office reviewed the proposed Voiance Interpretation Services Contract and provided comments on same. 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 approve and authorize execution of the Voiance Interpretation Services Contract and Addendum for same and authorize payment to Voiance for same.

PURCHASE REQUEST OF MEDICAL SAFETY MOUNTS FROM TECHNIMOUNT, A SOLE SOURCE PROVIDER

Mr. Hooten next reviewed with the Board a purchase request and cost estimate for 40 safety mounts from Technimount, copies of which are attached hereto. Mr. Hooten stated that the total cost for the components for 40 safety mounts is \$91,440.00. 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 approve the request to purchase 40 safety mounts and authorize payment for same to Technimount.

PURCHASE REQUEST OF EMERGENCY CHILD RESTRAINTS FROM BOUNDTREE

Mr. Hooten next reviewed with the Board a purchase request and cost estimate for 45 emergency child restraints from Boundtree, copies of which are attached hereto. Mr. Hooten stated that the total cost for the emergency child restraints is \$32,287.50. 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 approve the request to purchase 45 emergency child restraints and authorize payment for same to BoundTree.

PURCHASE REQUEST OF AUTOMATED EXTERNAL DEFIBRILLATOR ("AED") SLING BAGS FROM BOUNDTREE

Mr. Hooten next reviewed with the Board a purchase request and cost estimate for 45 AED sling bags from Boundtree, copies of which are attached hereto. Mr. Hooten stated that the total cost for the AED sling bags is \$9,301.50. 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 approve the request to purchase 45 AED sling bags and authorize payment for same to BoundTree.

PURCHASE REQUEST OF RECORDING SYSTEM FROM EXACOM, A HOUSTON-GALVESTON AREA COUNCIL BUY

Mr. Hooten next reviewed with the Board a purchase request and cost estimate for an enterprise-grade audio recording system (the "Recording System") from Exacom, copies of which are attached hereto. Mr. Hooten stated that the total cost for the Recording System is \$116,238.15. 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 approve the request to purchase the Recording System and authorize payment for same to Exacom.

PURCHASE REQUEST FOR LAPTOPS AND EQUIPMENT FROM PARANET SOLUTIONS, LLC ("PARANET") FOR OFFICE PERSONNEL

Mr. Hooten then reviewed with the Board a purchase request and cost estimate for 20 laptops and related equipment from Paranet, copies of which are attached hereto. Mr. Hooten stated that the total cost for the laptops and related equipment is \$44,239.00. 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 approve the request to purchase laptops and related equipment for office personnel from Paranet and authorize payment for same to Paranet.

PURCHASE REQUEST FOR DISPATCH WORK STATIONS FROM CDW GOVERNMENT, LLC ("CDW")

Mr. Hooten next reviewed with the Board a purchase request and cost estimate for dispatch work stations from CDW, copies of which are attached hereto. Mr. Hooten stated that the total cost for the purchase of the dispatch work stations is approximately \$8,000.00. 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 approve the request to purchase the necessary dispatch work stations and authorize payment, not to exceed \$9,500.00, for same to CDW.

PURCHASE REQUEST FOR TABLETS FOR EMS OPERATIONS

Mr. Hooten next reviewed with the Board a purchase request and cost estimate for 100 tablets for use by EMS Operations staff, copies of which are attached hereto. Mr. Hooten stated that the District procured proposals for such goods and received two (2) proposals in response with Optimum Computer Services being the best value due to the offer of free pre-configuration and training for a cost of \$88,294.00. 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 approve the request to purchase 100 tablets and authorize payment, not to exceed \$92,000.00, for same.

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

Mr. Trachtenberg next reminded the Board that the second (2<sup>nd</sup>) 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 and explanations as well as responses to outstanding requests. Mr. Trachtenberg reported that PKF has become frustrated with CCEMS regarding the flow of responsive information and lack of direct answers or responses. After an extensive discussion, and upon the request of Commissioner Pinard, Mr. Nealy agreed to a cut-off date of one (1) week prior to the next regular Board meetings in which no more requests, responses, and data dumps will be made.

**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 hours of operation of certain ambulances, Mr. Nealy reported Medic 528 is currently in service 12-hours per day and Medic 563 is currently in service 24-hours per day.

In response to a question from Commissioner Brost regarding whether CCEMS is running non-emergency transfers, Mr. Nealy reported that CCEMS is only making non-emergency transfers when specifically requested by a hospital.

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 and believes CCEMS will maintain the appropriate staffing levels until September. Mr. Nealy then reported that CCEMS is experiencing difficulties with some field staff completing their shifts prior to their departure from CCEMS to work for the District. Mr. Hooten stated that he would be happy to help with such situations if and when Mr. Nealy informs him of such issues.

Regarding the status of the CCEMS audit for FYE December 31, 2020, Mr. Vie reported that CCEMS is hopeful to receive the audit prior to its Board meeting on June 30<sup>th</sup>.

In response to a question from Commissioner Brost, Mr. Vie stated that there is no update on the CCEMS Maintenance Facility investigation. A brief discussion ensued, after which Mr. Vie agreed to provide Ms. Adams with the contact information for the investigator at Harris County District Attorney's Office handling the CCEMS Maintenance Facility investigation.

Upon motion by Commissioner Pinard, 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.

**FINANCIAL REPORT FROM DISTRICT BOOKKEEPER AND TREASURER, INCLUDING:**

**APPROVE PAYMENT OF BILLS AND ISSUANCE OF CHECKS, REVIEW BUDGET COMPARISON AND REVIEW 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 May, the District received \$82,840.31 in property tax revenue and \$5.83 in investment interest. Ms. Linn also reported that there had been several transfers from the District's TexPool account (capital projects) in the last month.

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) authorize payment of the bills as submitted, with the exception of the CCEMS operations payment for June 2021, which would be considered under a separate motion; and 3) adopt a Resolution Authorizing Messrs. Hooten and Snavelly to make necessary transfers from the District's TexPool account(s).

STATUS OF DISTRICT BANK ACCOUNTS AT BBVA AND TAKE NECESSARY ACTIONS ON SAME

Ms. Linn next reported that BBVA, the District's depository bank, recently informed MCI that with its recent merger with PNC Financial, BBVA will no longer be providing investment options for the investment of public funds. Ms. Linn stated that MCI is currently researching other banks for options for the investment of public funds and the collateralization of same. A discussion ensued.

AMEND BOOKKEEPING SERVICES AGREEMENT WITH MCI, IF NECESSARY, AND TAKE ANY NECESSARY ACTIONS ON SAME

Ms. Linn then presented to and reviewed with the Board the proposed Addendum to the Agreement for Bookkeeping Services, a copy of which is attached hereto. Ms. Linn stated that MCI is willing to provide continued investment consulting services for the District and provide the necessary bookkeeping and related transition services to the District. 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 the Addendum to the Bookkeeping Services Agreement with MCI, subject to final review and revision of same by RBAP.

An extensive discussion then ensued regarding payment to CCEMS for services provided in June 2021. A motion was made by Commissioner Williams and seconded by Commissioner Brost to authorize payment to CCEMS in the amount of \$1,359,283 for services provided in June 2021, under protest and duress and subject to: 1) Mr. Nealy attending a transition meeting with Mr. Hooten that is satisfactory to Mr. Hooten; 2) the District's receipt of CCEMS' audit for FYE December 31, 2020; and 3) CCEMS' continued cooperation with PKF's inspection of CCEMS' financial records and physical inventory. Further discussion ensued regarding the potential for continued substantial delay in delivery of CCEMS' audit. Commissioner Williams then withdrew his motion.

Commissioner Plummer then stated that the Board would be going into Executive Session at this time on this item to discuss matters of attorney-client privilege and pending or contemplated

litigation as it relates to the PKF Report and the CCEMS Litigation pursuant to Section 551.071, Texas Government Code.

All members of the Board present, Ms. Adams, Ms. Abedinzadeh, Ms. Christensen, Mr. Trachtenberg, Ms. Phillips and Mr. Hooten exited to the Executive Session room at 12:31 p.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 or contemplated litigation, Commissioner Plummer convened the Board in Executive Session at 12:31 p.m., regarding the PKF Report and the CCEMS Litigation. The persons present in the Executive Session at various times were Commissioners Plummer, Williams, Pinard, Grundmeyer and Brost, Ms. Adams, Ms. Abedinzadeh, Ms. Christensen, Mr. Trachtenberg, Ms. Phillips, Ms. Cheek and Mr. Hooten.

Ms. Cheek entered the Executive Session at 12:47 p.m. and exited at 12:52 p.m.

#### RECONVENE IN OPEN SESSION

All Executive Session attendees re-entered the meeting at 12:55 p.m.

Commissioner Plummer then reconvened the meeting in open session at approximately 12:58 p.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 three (3) votes in favor and two (2) votes in opposition with Commissioners Brost and Pinard opposing, to authorize payment to CCEMS in the amount of \$1,359,283 for services provided in June 2021, under protest and duress and subject to: 1) Mr. Nealy attending a transition meeting with Mr. Hooten that is satisfactory to Mr. Hooten; 2) the District's receipt of a statement from CCEMS' auditor, Weaver and Tidwell, LLP, received prior to or concurrent with the transitional meeting described in this motion, stating the approximate date CCEMS FYE December 31, 2020 audit will be available; and 3) CCEMS' continued cooperation with PKF's inspection of CCEMS' financial records and physical inventory.

#### TAX ASSESSOR/COLLECTOR'S REPORT

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

#### DISTRICT COMMUNICATIONS REPORT, INCLUDING 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:**

**ENGAGE ARBITRAGE COMPLIANCE SPECIALISTS ("ACS") TO PERFORM ARBITRAGE COMPLIANCE REVIEWS IN CONNECTION WITH SERIES 2021 REAL ESTATE IMPROVEMENT LOAN AND SERIES 2021-A AMBULANCE FINANCING LOAN**

Ms. Adams then reviewed the Engagement Letter from ACS related to the District's issuance of its Series 2021 and Series 2021-A loan financings and related arbitrage and yield restriction review for same, a copy of which is attached hereto. 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 engage ACS to prepare the arbitrage compliance reports in connection with the District's tax-exempt debt.

**REVIEW PROPOSALS FROM ELECTION SYSTEMS AND SOFTWARE ("ES&S") AND HART INTERCIVIC ("HART") FOR PURCHASE OF ELECTION EQUIPMENT AND TAKE NECESSARY ACTIONS ON SAME**

It was the consensus of the Board to table this item until the next regular meeting.

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

Ms. Adams noted that no PIA requests were received since the May 20<sup>th</sup> Board meeting. Ms. Adams then reported on the status of the outstanding PIA requests, including responses to and requests for Texas Attorney General rulings on same.

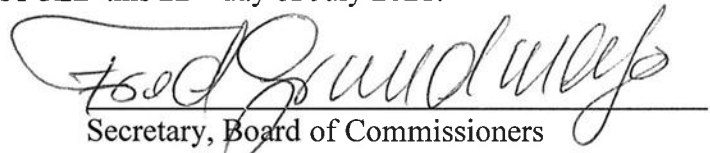
After a brief discussion, it was the consensus of the Board to hold a special meeting on July 8<sup>th</sup> and the next regular meeting on July 22<sup>nd</sup>.

**REVIEW DISTRICT CONSULTANT CONTRACTS AND TAKE NECESSARY ACTIONS ON SAME**

There was no discussion on this matter at this time.

There being no further business to come before the Board, the meeting was adjourned at 1:04 p.m.

PASSED, APPROVED AND ADOPTED this 22<sup>nd</sup> day of July 2021.

  
Secretary, Board of Commissioners

