

MINUTES OF MEETING OF THE
BOARD OF COMMISSIONERS

August 27, 2020

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 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, August 27, 2020, at 6:00 p.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. Regina D. Adams and Ms. Monica A. Garza, attorneys, and Ms. Carla Christensen, paralegal, of Radcliffe Bobbitt Adams Polley PLLC, attorneys 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 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 public relations consultant; 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., 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 made a statement regarding the District's use of the Bridgestone MUD administration building. The President reminded the members of the public that the Board and members of the public are guests at such facility and everyone should treat every part of the facility like it is their home by keeping it clean.

There were no public comments at this time.

STATUS UPDATE FROM MEDSTAR, INCLUDING PROPOSED DISTRICT ORGANIZATIONAL CHART

Ms. Adams reminded the Board that they previously approved and authorized execution of the Consulting Agreement with MedStar. Ms. Adams stated that her office coordinated with Medstar and has obtained a fully executed Consulting Agreement.

Mr. Zavadsky reported that MedStar has begun developing the District's proposed organizational structure.

STATUS OF OBTAINING TEXAS DEPARTMENT OF STATE HEALTH SERVICES ("DSHS") EMERGENCY MEDICAL SERVICES ("EMS") PROVIDER LICENSE

Mr. Zavadsky next reported that MedStar is proceeding with the application preparation in order to obtain the District's DSHS EMS Provider license.

STATUS OF OBTAINING DISTRICT EXECUTIVE DIRECTOR, BUSINESS MANAGER, MEDICAL DIRECTOR AND ANY OTHER EMPLOYEES OR CONTRACTORS DEEMED ADMINISTRATIVELY NECESSARY, JOB DESCRIPTIONS FOR SAME AND AUTHORIZE POSTING OF SAME

Mr. Zavadsky then reported that the Board previously authorized MedStar to assist the District in its employment of an Executive Director, Medical Director and Business Manager, as well as other employees. Mr. Zavadsky stated that MedStar has started to compile the District's options in an effort to recommend potential qualified candidates.

Mr. Zavadsky then reported that in order to complete the scope of work for which MedStar was engaged, MedStar has provided a summary of requested information from the District, a copy of which is attached hereto. A discussion ensued regarding certain information requested by MedStar.

STATUS OF 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 then reminded the Board that they previously authorized PKF to conduct an investigation and prepare a report, which will 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/documents for her review. Ms. Cheek reported that CCEMS uploaded some of the requested financial records/documents via the secure portal earlier in the day. Ms. Cheek stated that it appears that CCEMS has provided some budget, District expenditure, inventory and asset-related information. A brief discussion ensued. Ms. Adams and Mr. Trachtenberg noted that this matter may be further discussed in executive session.

REVIEW MATTERS TO PREPARE FOR DISTRICT'S TOWN HALL MEETING BENEFITING CCEMS EMPLOYEES

Ms. Adams then reported that the Board has scheduled a town hall meeting for the benefit of the CCEMS employees on Saturday, August 29th at 2:00 p.m. at the Bridgestone MUD administration building. Commissioner Plummer stated that the Board will be able to address any questions and/or concerns from CCEMS' employees.

REVIEW POTENTIAL ADDITIONAL STATION LOCATIONS AND ACQUISITION OF ADDITIONAL AMBULANCES

Ms. Adams stated that she would further review matters pertaining to station locations in Executive Session.

REVIEW FINANCING OPTIONS FOR VEHICLE AND REAL ESTATE ACQUISITIONS AND TAKE NECESSARY ACTION ON SAME

Ms. Adams stated that she would further review matters pertaining to real estate negotiations/acquisitions in Executive Session.

REVIEW MATTERS RELATED TO SERVICE AGREEMENT WITH CCEMS AND TAKE NECESSARY ACTIONS ON SAME

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

REVIEW EMS PROVIDER CANDIDATE INFORMATION AND TAKE ANY NECESSARY ACTIONS ON SAME

It was noted that the Board had not yet had further discussions with the three (3) remaining EMS provider candidates.

REVIEW STATUS OF HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 17 ("ESD 17") CONSIDERATION OF INTERLOCAL AGREEMENT FOR HOUSING EMS PERSONNEL (the "ILA") AT LITTLE YORK FIRE DEPARTMENT STATION NOS. 83 AND 84

Ms. Adams next reminded the Commissioners that, at the August 20th meeting, they approved and authorized execution of the ILA with ESD 17 for the lease of bays to house ambulances servicing the District at the LYFD Station Nos. 83 and 84. Ms. Adams went on to report that she recently spoke to ESD 17's attorney regarding the ILA and was informed that the ESD 17 Board of Commissioners approved the ILA at its meeting on August 25, 2020.

Ms. Adams stated that her office is coordinating with the ESD 17 attorney to obtain signatures for same.

Ms. Adams noted that Mr. Nealy previously stated that CCEMS plans to mobilize ambulances to LYFD Station Nos. 83 and 84 on September 4, 2020.

Commissioner Pinard then reported on his recent ride-along with a CCEMS supervisor as well as his visit to the CCEMS Communications Center (the "Comm Center"). Commissioner Pinard recommended that, in the future, the Comm Center and field staff be provided the opportunity to select the necessary equipment/supplies for the Comm Center and ambulances.

All meeting attendees, with the exception of all members of the Board present, Ms. Adams, Ms. Garza, Ms. Christensen, Ms. Cheek, Mr. Trachtenberg and Ms. Phillips exited the meeting at 6:15 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, personnel matters, and real estate Commissioner Plummer convened the Board in Executive Session at 6:17 p.m., to consult with the District's attorney regarding legal matters pertaining to the Service Agreement with CCEMS, real estate negotiations/acquisitions and personnel matters. The persons present in the Executive Session were Commissioners Plummer, Williams, Pinard, Grundmeyer and Brost, Ms. Adams, Ms. Garza, Ms. Christensen, Mr. Trachtenberg, Ms. Phillips and Ms. Cheek.

Ms. Cheek exited the Executive Session at 6:30 p.m.

Mr. Trachtenberg and Ms. Phillips exited the Executive Session at 6:32 p.m. and re-entered Executive Session at 6:38 p.m.

Messrs. Zavadsky and Hooten entered the Executive Session at 7:53 p.m.

RECONVENE IN OPEN SESSION

All meeting attendees re-entered the meeting at 8:11 p.m.

Commissioner Plummer then reconvened the meeting in open session at approximately 8:11 p.m. at which time the following discussion/action was taken:

STATUS OF PREPARATION OF SPECIAL DISTRICT EXAMINATION BY PKF, INCLUDING RECONCILIATION OF DISTRICT FUNDING VS. CCEMS EXPENDITURES; AND PHYSICAL INVENTORY OF DISTRICT AND CCEMS ASSETS (CONT.)

The Board then reviewed correspondence from Mr. Vie dated August 25, 2020, which outlines CCEMS' plan for providing PKF access to review 22 categories of various CCEMS financial records/documents pursuant to the District's July 2nd request, a copy of which is attached hereto. Mr. Trachtenberg stated that Mr. Vie's letter proposed allowing PKF access to

all requested information to perform the District's requested examination of CCEMS' records in order to prepare a written report and analysis for the Board, but prohibiting PKF from releasing or disclosing the underlying data, books, records and working papers to any person including the Commissioners and the District's attorneys. In response to a question from Mr. Trachtenberg regarding which of the 22 categories of documents requested contain proprietary information and which PKF will not be able to release with its financial examination report, Mr. Vie stated that the information CCEMS will not release includes private personnel information as well as account information not related to CCEMS expenditures of District funds. Commissioners Pinard and Brost then stated that the District has already stated that they are not requesting any private personnel information and expressed their continued frustration with the lack of transparency by CCEMS. Commissioner Brost went on to state that the District's taxpayers have the right to review the documentation provided to PKF for the examination of CCEMS' records since they are funding such examination. Mr. Trachtenberg again asked what requested information is proprietary to CCEMS, to which he received no response. Additionally, Ms. Cheek stated that, in accordance with PKF's engagement by the District, and Certified Public Accountant ethics requirements, PKF cannot agree to CCEMS' proposal because she would be unable to provide evidence to support her conclusions presented in the financial examination.

Commissioner Brost reminded Mr. Nealy and Mr. Vie that the Board voted unanimously at the August 20th meeting to cease all payments to CCEMS if, at the September 17th Board meeting, PKF reports that they still have not received all requested records/documentation from CCEMS required to prepare her financial examination.

REVIEW FINANCING OPTIONS FOR VEHICLE AND REAL ESTATE ACQUISITIONS OF ADDITIONAL AMBULANCES (CONT.)

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: 1) pursuing acquisition of a real estate broker to perform necessary brokerage services for the District; 2) entering into an earnest money contract upon engagement of a broker; and 3) obtaining a property appraisal, all as discussed in Executive Session for a particular property.

STATUS OF OBTAINING DSHS EMS PROVIDER LICENSE (CONT.)

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 acquisition/purchase of a used ambulance in an amount not to exceed \$50,000 for the sole purpose of the District acquiring the District's DSHS EMS Provider license.

REVIEW MATTERS RELATED TO SERVICE AGREEMENT WITH CCEMS AND TAKE NECESSARY ACTION ON SAME (CONT.)

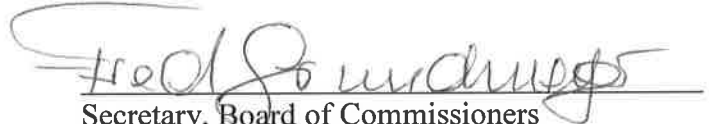
Upon motion by Commissioner Williams, seconded by Commissioner Grundmeyer, after full discussion and the question being put to the Board, the Board voted unanimously to authorize the remittance, under protest, of the previously withheld 70% (\$927,500) of the monthly payment to CCEMS for August operations, less the amount of the District's remaining share of the paid Hurricane Harvey Federal Emergency Management Association reimbursement (\$115,341.06) with such payment amount totaling \$812,158.94.

Ms. Adams stated that she will prepare the appropriate transmittal correspondence and have the check delivered to CCEMS August 28th.

It was the consensus of the Board to begin meeting weekly on Thursdays at 9:00 a.m. at the Bridgestone MUD administration building beginning on Thursday, September 3rd.

There being no further business to come before the Board, the meeting was adjourned at 8:35 p.m.

PASSED, APPROVED AND ADOPTED this 17th day of September 2020.


Secretary, Board of Commissioners

(DISTRICT SEAL)

