

MINUTES OF MEETING OF THE
BOARD OF COMMISSIONERS

March 16, 2017

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 7111 Five Forks Drive, Spring, Texas 77379, a meeting place inside the boundaries of the District, on Thursday, March 16, 2017, at 9:00 a.m.; whereupon, the roll was called of the members of the Board, to-wit:

Tommy Ripley	President
Karen Plummer	Vice President
Fred Grundmeyer	Secretary
Robert Pinard	Treasurer
Lynn LeBouef	Asst. Treasurer

All members of the Board were present, except Commissioners Grundmeyer and Pinard, thus constituting a quorum. Also attending the meeting were: Ms. Robin S. Bobbitt and Mr. Joshua Ellery, attorneys, and Ms. Carla Christensen, paralegal, of Radcliffe Bobbitt Adams Polley PLLC ("RBAP"), attorneys for the District; Mr. Bill Russell of Myrtle Cruz, Inc. ("MCI"), bookkeeper for the District; the following representatives of the Cypress Creek Emergency Medical Services (the "CCEMS") were in attendance at the meeting: Messrs. Ruben Gonzales and Dave Billings, members of the Board of Directors of CCEMS; Mr. Brad England, Executive Director; and Mr. Norm Uhl, Public Information Officer. Other persons attending the meeting included the following: Mr. Chad Joiner of Joiner Architects, Inc. ("Joiner"), architects for CCEMS Station No. 513 building; and Mr. Ricardo Martinez of Martinez Architects ("Martinez"), architects for CCEMS Station No. 52 building.

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.

After a 30 second moment of silence for prayer and reflection, the Board conducted the Pledge of Allegiance to the United States' Flag.

APPROVAL OF THE MINUTES

The Board first considered approval of the minutes of the regular meeting of February 16, 2017, previously distributed to the Board. Upon motion by Commissioner LeBouef, seconded by Commissioner Plummer, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the regular meeting of February 16, 2017, as presented.

Ms. Bobbitt then noted that she is in the process of finalizing the certified agenda of the regular meeting of February 16, 2017 and, therefore, approval of such certified agenda will be deferred to the Board's April meeting.

REVIEW AND TAKE NECESSARY ACTION ON MONTHLY OPERATIONS AND FINANCIAL REPORT FROM CCEMS, INCLUDING CONSIDERATION OF MONTHLY OPERATIONS FUNDING REQUEST AND CAPITAL FUNDING REQUESTS

President Ripley then recognized Mr. England, who presented and reviewed with the Board the Executive Director's Report, the monthly CCEMS Operations and Financial Reports, including the operations statistics for the month of February 2017 and the 2017 CCEMS budget comparison, copies of which are attached hereto. Mr. England went on to report that during the month of February there had been 2,291 transports, seven (7) Life Flight transports, and that 26% of the calls during the month were "no transports." Mr. England added that during February, the CCEMS received 21 mutual aid assists and provided 18 mutual aid assists outside of the CCEMS's boundaries.

Mr. England next reported that Martinez had completed the plans for the new CCEMS Station No. 52 ("Station 52") and that such plans had been approved by the Harris County Permit office. Mr. Martinez added that that construction has commenced on Station 52 and then presented to and reviewed with the Board a status summary of the construction, a copy of which is attached hereto.

Mr. England then reported that the CCEMS was featured on the cover and in articles in the March 2017 edition of the *EMS World* magazine.

Mr. England went on to state that the CCEMS' St. Patrick's Day parade was very successful.

Mr. England next reminded the Board that Wolfies is holding a benefit for the CCEMS on March 24th, 25th and 26th.

Mr. England further reported that Mr. Gregory Marwill was elected to serve as the President of the CCEMS Board of Directors for 2017 and that Mr. Gonzales is the President-Elect for 2018.

Mr. England next noted that there are no new requests for capital funding from CCEMS being presented at today's meeting.

Mr. Joiner entered the meeting at this time.

Upon motion by Commissioner Plummer, seconded by Commissioner LeBouef, after full discussion and the question being put to the Board, the Board voted unanimously to approve the CCEMS Operations and Financial Report and approve the monthly CCEMS Operations payment in the amount of \$1,162,925 for the month of March.

PRESENTATION AND REVIEW OF REPORTS FROM CCEMS REQUIRED PURSUANT TO VARIOUS PROVISIONS OF THE CONTRACT FOR PROVIDING EMERGENCY MEDICAL SERVICES BY AND BETWEEN THE DISTRICT AND CCEMS, DATED JUNE 30, 2013 (THE "SERVICE CONTRACT")

Ms. Bobbitt next reminded the Board that, at the last Board meeting, Mr. England had provided certain CCEMS reports to the District pursuant to the Service Contract, including the following: Executive Director's Annual Report, the Annual Performance Review and Planning Report for the years 2011 through 2016, the Annual Manpower/Staffing Report for 2016, and the five (5) year Cypress Creek Growth Plan Report.

A brief discussion then ensued regarding the various reports required to be filed with the District pursuant to the Service Contract.

REVIEW AND TAKE NECESSARY ACTION ON FINANCIAL MATTERS, INCLUDING FINANCIAL REPORT FROM DISTRICT TREASURER AND BOOKKEEPER

Mr. Russell then presented 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 today's meeting, copies of which are attached hereto.

Mr. Russell reported that during the prior month, the District had received \$1,247,983.46 in property tax revenue, \$1,581.81 in penalties and interest and \$1,653.53 in investment interest. Mr. Russell also noted that the District had received a refund check from Coveler & Peeler (previously Coveler & Katz), the District's previous legal counsel, in the amount of \$6,155.24 for shared election costs owed to the District in connection with the May 2016 election. Mr. Russell further reported that all such revenue was deposited into the District's Compass Bank Operating Account. Ms. Bobbitt also noted that she will be coordinating with Mr. John Peeler to obtain possession of the election equipment purchased by the District.

Mr. Russell went on to report that the District had received two (2) invoices from HTS, Inc. ("HTS"), dated February 28, 2015 and April 30, 2015 in the amounts of \$2,232.75 and \$1,014.50. Mr. Joiner explained that such invoices are related to lab testing services for CCEMS Station No. 513 ("Station 513"), copies of which are attached hereto. A discussion ensued regarding the circumstances relating to the substantial delay in the submission of such invoices by HTS to the District. Mr. Joiner reminded the Board that the District had previously refunded the Station 513 construction contract balance for lab testing to the contractor with the close-out of the construction contract.

Mr. Billings entered the meeting at this time.

Mr. Russell went on to report that MCI is currently researching investment options for the District.

Upon motion by Commissioner LeBouef, seconded by Commissioner Plummer, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Bookkeeper's Report and to authorize payment of the checks reflected therein, including check

number 1084 to SAFE-D in the amount of \$1,100 for the District's annual membership dues and check number 1085 to HTS, in the amount of \$3,247.25.

REPORT ON PROPOSALS FROM ACCOUNTING FIRMS FOR PREPARATION OF RECONCILIATION AUDITS FOR THE FISCAL YEARS ENDING ("FYE") DECEMBER 31, 2015 AND DECEMBER 31, 2016 AND TAKE ANY NECESSARY ACTIONS ON SAME

Ms. Bobbitt next explained to the Board that the District had previously engaged Ubernosky and Majeres, PLLC ("Ubernosky") to prepare a reconciliation audit for the FYE December 31, 2014 in connection with the review of CCEMS accounts funded through District payments. Ms. Bobbitt then presented to and reviewed with the Board a proposal from McCall Gibson Swedlund Barfoot PLLC ("McCall Gibson") for the preparation of reconciliation audits for FYE December 31, 2015 and December 31, 2016, a copy of which is attached hereto. Ms. Bobbitt noted that after numerous requests to Ubernosky for submission of a proposal for the preparation of the reconciliation audits, her office had received an emailed cost estimate in the amount of \$6,500-\$7,000, a copy of which is attached hereto. Ms. Bobbitt stated that Ubernosky also had informed her office that they would not be able to begin the audits until after May 1st. Ms. Bobbitt noted that McCall Gibson's estimated fee range for preparation of the reconciliation audits is \$11,000-\$13,000 and Ubernosky's estimated fee range for preparation of the reconciliation audits is \$6,500-\$7,500. In response to a question, Ms. Bobbitt stated that her office will confirm that Ubernosky's proposed fee range is the total amount for performing both reconciliation audits and not a per audit amount. An extensive discussion ensued regarding the proposals. It was the consensus of the Board to obtain a proposal from Mr. Mark Eyring the auditing firm of Roth & Eyring, CPA ("Roth & Eyring") for the preparation of reconciliation audits for FYE December 31, 2015 and December 31, 2016. Upon motion by Commissioner LeBouef, seconded by Commissioner Plummer, after full discussion and the question being put to the Board, the Board voted unanimously to authorize Commissioner Ripley to review and approve one (1) of the proposals for the preparation of reconciliation audits upon receipt of the additional proposal from Roth & Eyring.

STATUS OF DISTRICT CONSTRUCTION, IMPROVEMENTS, REPAIRS AND RENOVATIONS TO DISTRICT REAL PROPERTY, STATIONS AND BUILDINGS, INCLUDING LEED CERTIFICATION, CONSTRUCTION PAYMENTS, CHANGE ORDERS AND ENGAGEMENT OF PROFESSIONAL SERVICES AND CONTRACTORS

Mr. Joiner then reminded the Board that all of the necessary LEED documentation had been submitted to the Green Council in late November in connection with obtaining the LEED Certification for the CCEMS Station No. 513 ("Station 513"). Mr. Joiner noted that the Green Council has assigned the Station 513 building with 49 points, which qualifies the building for LEED accreditation. Mr. Joiner further explained that obtaining two (2) additional points would allow the Station 513 building reach Silver LEED status.

Regarding previous questions and discussion in connection with the required level of LEED certification for the Station 513 building and Springwoods Village/Coventry's ("Springwoods Village") request that the District pay its pro-rata share of the SV Green Community Fund tree removal fee, in the amount of \$200,000. Mr. Ellery explained that, back in

2008, Springwoods Realty, Inc. ("Springwoods") filed a Declarations of Architectural, Height and Use Restrictions (the "Declarations") in the Harris County Real Property Records, which encumbered all of Springwoods' property, including the Springwoods Village/Coventry development, with various height, use and building requirements. Mr. Ellery went on to explain that the Declarations include a requirement that all improvements/buildings be reviewed and approved by the Design Review Committee (the "DRC"). Mr. Ellery added that, based on his review of the Declarations, the Station 513 building was only required to register with the DRC and "target" strategies to attain Green Council Gold LEED status.

Ms. Bobbitt went on to explain that based on her discussions with Mr. Joiner. Gold LEED status is not attainable, but that Silver LEED status can be achieved for Station 513 by obtaining an amendment to CCEMS' current electric service contract in order for the electric service to the building be "green energy." Mr. Joiner added that the Green Council would increase Station 513 building's LEED status by two (2) points if the electric service for the building obtains at least 70% of its electricity from green energy sources, thereby qualifying for Silver LEED certification. Mr. England then stated that the CCEMS had just recently entered into a three (3) year electric service contract with MP2 and that it is his understanding that it would cost the CCEMS an additional \$1,250 per year in electric service costs to switch electric service providers and obtain "green energy" for Station 513. An extensive discussion ensued regarding pursuing Silver LEED status by either: 1) the District acquiring the electric service contract from CCEMS for Station 513 for a period of two (2) years; or 2) CCEMS amending their current electric service contract with MP2 in order for Station 513 to obtain at least 70% of its electricity from green energy sources and the District paying CCEMS for any penalties associated with the contract amendment and for any difference in electric service costs for Station 513 for a period of two (2) years.

Mr. Ellery further reported that he has reviewed the Declarations, the Springwoods Village's Development Standards & Guidelines and the District's Cost Sharing Agreement with Emergency Services District No. 7 ("ESD 7"). Mr. Ellery stated that based on that review, the District is only required to pay its pro-rata share of the \$200,000 tree removal fee requested in the correspondence dated November 17, 2016 from Mr. Clayton Benedict of Springwoods Village to the District and ESD 7 regarding the re-vegetation plant/tree survey and the costs associated with same in connection with the construction of Station 513. Mr. Ellery noted that, based on the District's Cost Sharing Agreement with ESD 7, the District's pro-rata share of such \$200,000 reforestation fee is 26% or \$52,000. Mr. Ellery added that, Mr. Joiner's representative had previously informed the Board at their July 14, 2016 meeting that the District would likely incur "reforestation fees" in connection with the removal of trees during construction of the Station 513 building within the Springwoods Village/Coventry development. Ms. Bobbitt stated that she will contact ESD 7's attorney to discuss and make arrangements for payment of the reforestation fee to Springwoods Village.

Upon motion by Commissioner LeBouef, seconded by Commissioner Plummer, after full discussion and the question being put to the Board, the Board voted unanimously to authorize: 1) RBAP to coordinate with CCEMS to amend the current electric service contract with MP2 in order for Station 513 to obtain at least 70% of its electricity from green energy sources; 2) payment to CCEMS for any penalties associated with amending the electric service contract

with MP2 and for the difference in electricity costs for Station 513 for a period of two (2) years; and 3) Joiner to request Silver LEED certification for Station 513 building.

STATUS OF EMERGENCY VEHICLE PREEMPTION ("EVP") DEVICES ON SIGNALIZED ROAD AND PAYMENT OF BILLS RELATED TO SAME.

Mr. England reminded the Board that they had previously received a request from the Chief of the Spring Fire Department for the installation of an EVP device at the traffic signal located in front of Station 513. Mr. England stated that the District's EVP Device Committee (Commissioners Plummer and Grundmeyer and Mr. Rich Jones) has not yet had the opportunity to meet to review/approve such request.

REVIEW, DISCUSS AND TAKE ACTION ON MISCELLANEOUS MEDIA MATTERS, INCLUDING UPDATE BY NRG MARKETING GROUP ("NRG") ON STATUS OF DISTRICT'S WEBSITE, CREATION OF A DISTRICT LOGO

Commissioner Plummer reported that she is coordinating with Mr. Kerry Johnson of NRG, the District's website service provider, regarding the transfer of control of the District's Facebook page.

DISCUSS PROPOSED ESTABLISHMENT AND IMPLEMENTATION OF DISTRICT/BOARD GOALS FOR 2017 AND TAKE ANY NECESSARY ACTIONS ON SAME

Commissioner Ripley reminded the Board that they had previously discussed the proposed establishment of goals for the District and Board for 2017, including: 1) continuing education (i.e. attendance at the Safe-D Conference and/or online seminars); 2) Board representation/attendance at the monthly CCEMS meetings; and 3) touring the District's EMS stations and other EMS facilities. Commissioner Ripley added that he plans to start the process of visiting CCEMS stations and other facilities after today's Board meeting.

Commissioner Ripley also reminded the Board that they had previously authorized Commissioner Pinard to have a District logo designed at a cost not to exceed \$200.

ATTORNEY'S REPORT

Ms. Bobbitt next reported that her office has substantially completed the process of reviewing, organizing and indexing the District's records and files received from the District's previous attorney. Ms. Bobbitt added that her staff still needs to review and organize the District's May 2016 Election records.

Mr. Ellery next presented and reviewed with the Board copies of the RBAP Legislative Update of the 85th Legislature (2017), copies of which are attached hereto.

Mr. Ellery then reported on his attendance at the recent SAFE-D conference.

UPDATE ON STATUS OF PUBLIC INFORMATION ACT ("PIA") REQUESTS

Ms. Bobbitt next reported that there have been no PIA requests received since the Board's last meeting.

DISCUSS PROPOSED UPDATES/REVISIONS TO THE SERVICE CONTRACT AND AUTHORIZE ATTORNEY TO INITIATE WORK WITH CCEMS ATTORNEY ON SAME

A discussion next ensued regarding proposed updates/revisions to the District's Service Contract with CCEMS. Ms. Bobbitt reminded the Board that she and Mr. Ellery have identified several areas of concern and ambiguity in the current Service Contract and that Andrew McKinney, the CCEMS attorney, has proposed and requested that the Service Contract be reviewed and updated, as may be determined to be appropriate. Ms. Bobbitt added that she will coordinate with Mr. McKinney to initiate review of the Service Contract for any updates and/or revisions.

DISCUSS PROPOSED IMPLEMENTATION OF POLICIES AND PROCEDURES FOR COMPLIANCE WITH VARIOUS SERVICE CONTRACT PROVISIONS AND TAKE NECESSARY ACTION ON SAME

A discussion then ensued regarding the implementation of policies and procedures for compliance with various provisions of the current Service Contract. Ms. Bobbitt stated that, once the Service Contract is updated, her office will schedule a future special workshop meeting with the Board to further review various provisions in the Service Contract and further discuss proposed implementation of policies and procedures for compliance with the terms of the Service Contract.

PUBLIC COMMENTS AND MISCELLANEOUS MATTERS

There were no comments from the public at this time.

Mr. England then reported that the CCEMS audit for the FYE December 31, 2016 has been completed and will be presented to the CCEMS Board for approval at the March 29th meeting. Mr. England stated that, once the audit is approved by the CCEMS Board, he will provide the District and RBAP with a copy of same.

Mr. England next stated that he will provide a copy of CCEMS's current electric service contract with MP2 to both RBAP and Mr. Joiner.

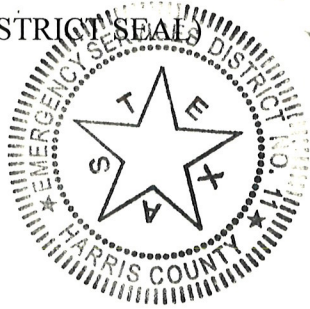
Mr. Russell then reported that unless Third Coast Bank, one of the District's investment banks for Certificates of Deposit ("CD"), can match the current interest rates being received on the District's CDs, MCI will not renew the District's CD at Third Coast Bank that recently expired March 14th and will, instead, purchase a one (1) year CD at Texas Exchange Bank with an interest rate of 1.16%.

Ms. Bobbitt then reminded the Board that the next regular meeting is scheduled for Thursday, April 20, 2017, at 9:00 a.m.

There being no further business to come before the Board, the meeting was adjourned at approximately 10:03 a.m.

PASSED, APPROVED AND ADOPTED this 20th day of April, 2017.

(DISTRICT SEAL)



A handwritten signature in blue ink, appearing to be "J. R. ...", written over a horizontal line.

President, Board of Commissioners