

MINUTES OF MEETING OF THE
BOARD OF COMMISSIONERS

February 15, 2018

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, February 15, 2018, 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
Josh Fetner	Asst. Treasurer

All members of the Board were present, thus constituting a quorum. Also attending the meeting were: Mr. Bill Russell of Myrtle Cruz, Inc. ("MCI"), bookkeeper for the District; Mr. Kerry Johnson of NRG Marketing Group ("NRG"), the District's website service provider; Mr. Larry Kirk of Dolcefino Consulting; Ms. Robin S. Bobbitt, attorney, and Ms. Carla Christensen, paralegal, of Radcliffe Bobbitt Adams Polley PLLC ("RBAP"), attorneys for the District; In addition, the following representatives of Cypress Creek Emergency Medical Services (the "CCEMS") were in attendance at the meeting: Messrs. Dave Billings and Rueben Gonzales, members of the Board of Directors of the CCEMS; and Mr. Norm Uhl, Public Information Officer ("PIO") for the CCEMS.

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.

This meeting was video recorded by Mr. Kirk.

STATUS OF PROPOSED ADMINISTRATIVE AND OPERATIONAL POLICIES AND PROCEDURES OF THE BOARD AND TAKE ANY NECESSARY ACTIONS ON SAME

Commissioner Pinard stated that he has nothing to report on this item at this time.

APPROVAL OF THE MINUTES

The Board next considered approval of the minutes of the regular meeting of January 18, 2018, previously distributed to the Board. Upon motion by Commissioner Fetner, 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 January 18, 2018, as presented.

REVIEW AND TAKE ANY NECESSARY ACTIONS ON MONTHLY OPERATIONS AND FINANCIAL REPORT FROM CCEMS, INCLUDING CONSIDERATION OF MONTHLY OPERATIONS FUNDING REQUESTS, CAPITAL FUNDING REQUESTS AND PROPOSALS FOR THE PURCHASE OF TWO (2) SUPERVISOR VEHICLES

The President then recognized Mr. Gonzales, who, on behalf of Mr. Brad England, presented to 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 January 2018, the 2018 CCEMS budget comparison and reports from the CCEMS PIO, copies of which are attached hereto. Mr. Gonzales further reported that during the month of January there had been 2,457 transports, six (6) Life Flight transports, and that 28% of the calls made during the month were "no transports." Mr. Gonzales went on to report that during the month of January, the CCEMS had received 23 mutual aid assists and had provided 25 mutual aid assists outside of the CCEMS's boundaries.

Mr. Gonzales next reminded the Board that CCEMS had recently re-implemented the Community Wellness and Paramedic Program (the "Wellness Program"), which allows a physician's assistant to respond directly to less urgent patients that do not require an ambulance. Mr. Gonzales noted that CCEMS has seen a reduction in the number of calls to 911 from patients that do not require an ambulance since the implementation of the Wellness Program. Mr. Gonzales went on to report that necessary vehicles and equipment have been ordered for the Wellness Program.

Mr. Gonzales then reported that the CCEMS audit for the fiscal year ended (the "FYE") December 31, 2017 should be completed by the end of the month. Mr. Gonzales stated that a copy of the finalized CCEMS audit will be provided to the District, upon completion and approval by the CCEMS Board.

Regarding the CCEMS "Child Car Seat Check Program," Mr. Gonzales reported that CCEMS performed 202 car seat checks and provided 45 car seats to area residents in 2017.

Upon motion by Commissioner Fetner, seconded by Commissioner Grundmeyer, after full discussion and the question being put to the Board, the Board voted unanimously to approve the CCEMS Operations and Financial Report and to approve the monthly CCEMS Operations payment in the amount of \$1,213,558.33 for the month of February.

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 then explained that CCEMS is required to provide certain reports to the District pursuant to the Service Contract. At this time, Mr. Gonzales then presented to and reviewed with the Board the Executive Director's Annual Report, which includes the following items: 1) the Annual Performance Review and Planning Report for the years 2012 through 2017; and 2) the five (5) year Cypress Creek Growth Plan Report, copies of which are attached hereto.

Ms. Bobbitt then requested that the CCEMS Annual Manpower Report be provided to the District. Extensive discussion ensued.

In response to a question from Commissioner Grundmeyer, Mr. Gonzales stated that CCEMS prepares for emergency situations (i.e. hurricanes) through: 1) training/education; 2) maintenance of current equipment and the purchase of new rescue equipment; 3) continued improvements at the communications/dispatch center; 4) coordination with the Department of Homeland Security and other law enforcement agencies; and 5) continued updates to emergency plans and procedures. A brief discussion then ensued.

Upon motion by Commissioner Fetner, seconded by Commissioner Grundmeyer, after full discussion and the question being put to the Board, the Board voted unanimously to acknowledge and accept the various CCEMS Executive Director's Annual Reports.

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

Mr. Russell then presented to and reviewed with the Board the Bookkeeper's Report, including the revenues and expenses of the District, the budget comparison, the adopted budget for the FYE December 31, 2018, the investment report and the checks being presented for payment at today's meeting, copies of which are attached hereto.

Mr. Russell next reported that during the prior month, the District had received \$6,343,074.39 in 2017 property tax revenue, \$6,324.46 in penalties and interest, \$20,675.00 in insurance claim proceeds and \$1,644.33 in investment interest. Mr. Russell further reported that all such revenue had been deposited into the District's Compass Bank Operating Account.

Mr. Billings entered the meeting at this time.

Upon motion by Commissioner Plummer, seconded by Commissioner Fetner, 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.

CONSIDER COMMISSIONER AND FORMER COMMISSIONER REQUESTS FOR REIMBURSEMENT OF DEFENSE COSTS AND ADOPTION OF REIMBURSEMENT RESOLUTION REGARDING SUCH REQUESTS

There were no requests for reimbursement at this time.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Bobbitt then reviewed with the Board the monthly Tax Assessor/Collector's Reports for the months of December 2017 and January 2018, copies of which are attached hereto. Ms. Bobbitt reported that 82.99% of the District's 2017 tax levy has been collected as of January 31, 2018 with \$3,089,159.62 remaining to be collected. Mr. Russell noted that, as of today's date, approximately 90% of the District's 2017 tax levy has been collected.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION FOR 2018 TAX YEAR

Ms. Bobbitt then explained that pursuant to the Texas Property Tax Code, as amended, the District is authorized to grant exemptions relative to the District's property tax levy.

The Board next considered approval of tax exemptions for the 2018 tax year, including homestead exemptions, exemptions for residents 65 years of age and older, and exemptions for disabled residents.

Ms. Bobbitt explained that in 2017, the Board did not grant a general residential homestead tax exemption, but granted an exemption of \$50,000 for residents 65 years of age and older and for disabled residents. Mr. Russell then explained the possible effects that implementation of a homestead tax exemption would have on the District's revenues. Further discussion ensued regarding general residential homestead tax exemptions. Commissioner Fetner recommended that the Board consider lowering the District's tax rate at the appropriate time rather than implementing a homestead tax exemption.

In response to a question from Commissioner Plummer, Mr. Russell stated that the District should see the effects, if any, of Hurricane Harvey on home values in the District once the Harris County Appraisal District releases the 2018 preliminary certified tax rolls in late May or early June.

The Board decided to grant the same exemptions for the 2018 tax year as were granted for the 2017 tax year. Upon motion by Commissioner Fetner, seconded by Commissioner Plummer, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Resolution Concerning Exemptions from Taxation for the 2018 Tax Year reflecting an exemption of \$50,000 for residents 65 years of age and older and for disabled residents, a copy of which is attached hereto.

CONSIDER AUTHORIZING PREPARATION OF RECONCILIATION AUDIT REPORT FOR THE FYE DECEMBER 31, 2017 (DISTRICT FUNDING VS. CCEMS EXPENDITURES)

Ms. Bobbitt next explained to the Board that the District had previously engaged Roth & Eyring, CPA ("Roth & Eyring") to prepare reconciliation audits for the FYE December 31, 2015 and the FYE December 31, 2016 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 Roth & Eyring for the preparation of the reconciliation audit for the FYE December 31, 2017, a copy of which is attached hereto. Ms. Bobbitt noted that Roth & Eyring's estimated fee range for preparation of the reconciliation audit is \$5,500-\$6,500, which is the same fee range for the FYE 2015 and 2016 reconciliation audits. It was the consensus of the Board to further discuss this matter later in the meeting.

COMMISSIONER'S MONTHLY FACILITIES INSPECTION/TOUR REPORT

Commissioner Ripley stated that he has not conducted any recent facility inspections and would not be conducting any facility inspections/tours after today's Board meeting.

STATUS OF DISTRICT CONSTRUCTION, REPAIR IMPROVEMENT, OR RENOVATION PROJECTS, AND TAKE ANY NECESSARY ACTIONS ON SAME

Mr. Gonzales next reported that the renovations at CCEMS Station No. 54 are nearing completion.

In response to a question from Ms. Bobbitt, Mr. Gonzales stated that the repairs to the septic pumps at CCEMS Station No. 511 are complete and he will check on the status of CCEMS's request for reimbursement from FEMA for such repairs.

UPDATE ON E-VIEWS PREEMPTION SYSTEM DEVICES, INCLUDING STATUS OF INSURANCE CLAIM FOR DAMAGE TO VARIOUS SAFETY SYSTEM, INC., E-VIEWS DEVICES DURING HURRICANE HARVEY, STATUS OF REPAIR/REPLACEMENT OF DAMAGED E-VIEWS DEVICES AND TAKE ANY NECESSARY ACTIONS ON SAME

Commissioner Fetner reported that he has no update regarding the damaged E-Views devices or the distribution of the appropriate pro-rata share of the insurance proceeds to the proper entities. Commissioner Fetner added that he will be working with the various stakeholders and Mr. Russell to get the insurance proceeds received to date.

REVIEW, DISCUSS AND TAKE ACTION ON MISCELLANEOUS MEDIA MATTERS, INCLUDING UPDATE BY NRG ON STATUS OF DISTRICT'S WEBSITE

Mr. Johnson next reported on the status of the re-design of the District's website, <http://www.esd11.com> and reviewed the various updates with the Board.

APPROVAL OF NON-DISCLOSURE AGREEMENT WITH NRG

Ms. Bobbitt then reported that Mr. Johnson had previously provided her office with a draft of the proposed Non-Disclosure Agreement between NRG and the District for her review. Ms. Bobbitt stated that she has reviewed the draft agreement and will provide Mr. Johnson with any comments on same prior to the March Board meeting. Upon motion by Commissioner Fetner, seconded by Commissioner Plummer, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Non-Disclosure Agreement with NRG, subject to RBAP's requested revisions. Ms. Bobbitt stated that the Board can execute such agreement at the March meeting.

DISCUSS AND CONSIDER ENGAGEMENT OF CONSULTANT TO REVIEW/RESEARCH CCEMS BUDGET AND EXPENDITURE ITEMS AND OTHER DISTRICT RELATED ITEMS AND TAKE ANY NECESSARY ACTIONS ON SAME

An extensive discussion then ensued regarding the possible engagement of an accountant/forensic auditor to perform a forensic audit (in addition to a reconciliation audit) of the District's payments to CCEMS and the use of such payments by CCEMS. Commissioner Pinard stated that he is currently coordinating with two (2) firms regarding their capabilities and availability to conduct the proposed audit. Mr. Ripley requested that Ms. Bobbitt contact both Roth & Eyring and McCall Gibson Swedlund Barfoot PLLC and inquire whether such firms could conduct a forensic audit of the District's payments to CCEMS and the use of such payments by CCEMS.

Mr. Russell then recommended that, in the near future, CCEMS consider opening an account specifically for District payments, which will make it significantly easier to track CCEMS' use of payments that are made with District funds. Ms. Bobbitt concurred with Mr. Russell's recommendation and noted that she is including a provision requiring such in the

draft Amended and Restated Emergency Medical Services Agreement between the District and CCEMS that her office is working on.

It was the consensus of the Board to defer action on the reconciliation/forensic audit item until the March Board meeting.

DISCUSS PROPOSED ENGAGEMENT OF PUBLIC RELATIONS ("PR") CONSULTANT AND TAKE ANY NECESSARY ACTIONS ON SAME

An extensive discussion ensued regarding the possible engagement of a PR consultant to assist the District with media matters. It was the consensus of the Board to coordinate with Mr. Johnson and Ms. Bobbitt to obtain names of at least three (3) PR firms for the Board to interview at a future meeting.

DISCUSS PROPOSED ESTABLISHMENT AND IMPLEMENTATION OF DISTRICT/BOARD GOALS FOR 2018 AND TAKE ANY NECESSARY ACTIONS ON SAME

No action was taken on this matter at this time.

ATTORNEY'S REPORT

AUTHORIZE FILING OF FINANCIAL AND TAX-RELATED INFORMATION WITH TEXAS COMPTROLLER PURSUANT TO SENATE BILL 625, 85th TEXAS LEGISLATURE, AND TEXAS LOCAL GOVERNMENT CODE SECTION 203.061, ET SEQ., FOR THE IMPLEMENTATION OF THE SPECIAL PURPOSE DISTRICT PUBLIC INFORMATION DATABASE

Ms. Bobbitt then reported that Senate Bill 625, 85th Texas Legislature, requires the implementation of a special purpose district Public Information Database. Ms. Bobbitt explained that the Texas State Comptroller's (the "Comptroller") office is creating the required database and is, therefore, requiring the annual filing of certain financial and tax-related information by all Special Purpose Districts. Ms. Bobbitt noted that such information must be filed with the Comptroller annually by May 1, 2018. Upon motion by Commissioner Plummer, seconded by Commissioner Fetner, after full discussion and the question being put to the Board, the Board voted unanimously to authorize the Attorney to file the required financial and tax-related information with the Comptroller by May 1, 2018.

UPDATE/REVIEW OF RECENT PUBLIC INFORMATION ACT ("PIA") REQUESTS AND STATUS OF RESPONSES TO SAME

Ms. Bobbitt next reported that there were two (2) PIA requests received since the January Board meeting, such requests being received from: 1) Dolcefino Consulting ("Dolcefino") and dated January 30, 2018; and 2) KPRC, dated January 30, 2018, copies of which are attached hereto. A brief discussion ensued. Ms. Bobbitt added that her office has provided an initial response to the Dolcefino request and submitted a request to the Office of the Attorney General asking for a determination on certain requested items, as required by the provisions of the PIA. Ms. Bobbitt further reported that her office had responded to the KPRC request on February 6, 2018, in accordance with the applicable PIA provisions.

ELECTION AGENDA

Ms. Bobbitt next explained that the 2018 Commissioner's Election will be held on Saturday, May 5, 2018 (the "Election"), and noted that the terms of office of Commissioners Grundmeyer and Fetner are expiring at such time. Ms. Bobbitt further informed the Board that the first day to file an Application for a Place on the Ballot (the "Application") was Wednesday, January 17th, and that Applications must be received by Radcliffe Bobbitt no later than 5:00 p.m. on Friday, February 16th and that the Application for Write-in Candidates must be received by Tuesday, February 20th.

Ms. Bobbitt next reported that her office has not received any further communication from Mr. John Peeler of Coveler & Peeler, P.C., the attorney for several of the other Emergency Services Districts ("ESDs") in the area that had participated in the 2016 Joint Election with the District regarding sharing of polling locations.

Ms. Bobbitt then presented to and reviewed with the Board a map depicting the polling locations used for the District's last election held in 2016, a copy of which is attached hereto. Ms. Christensen noted that the red and green lines on the map depict three (3) and four (4) equidistant sections of the District for purposes of identifying early voting polling locations for District voters. Ms. Bobbitt further noted that in accordance with the provisions of the Texas Election Code, voters in the upcoming Election will be allowed to vote at any early voting polling location within the District, but will only be able to vote at their precinct's polling location on Election day. A discussion then ensued regarding whether the District should have three (3) or four (4) early voting polling locations should the District hold the Election.

Ms. Christensen next reported that the District will need to purchase an Electronic Poll Pad Book ("Poll Pad") plus software, from Hart Intercivic for each early voting location so that the early voting machines can communicate and inform Election officials if a voter has previously cast a vote at another early voting location. Ms. Christensen stated that each Poll Pad will cost approximately \$1,200 and that there will be one-time software cost of approximately \$2,500. Further discussion ensued regarding how many early voting locations the District should have for the Election. Upon motion by Commissioner Fetner, seconded by Commissioner Plummer, after full discussion and the question being put to the Board, the Board voted unanimously to authorize RBAP to request a formal proposal from Hart Intercivic for the District's purchase of four (4) Poll Pads (plus the required software) for early voting locations to be utilized should the District hold the Election. Ms. Bobbitt noted that the order for the purchase of the Poll Pads will not be placed until it is determined if the District will have the Election.

Ms. Bobbitt then presented to and reviewed with the Board a proposal from Hart Intercivic ("Hart") in the amount of \$3,235.75 for election equipment and ballot programming should the Election be held, a copy of which is attached hereto. Upon motion by Commissioner Fetner, seconded by Commissioner Grundmeyer, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Hart proposal and authorize payment to Hart, subject to a determination that the District will be required to hold the Election.

Ms. Bobbitt then presented a draft Order Calling Commissioner's Election scheduled for Saturday, May 5, 2018. Extensive discussion ensued. Upon motion by Commissioner Plummer, seconded by Commissioner Grundmeyer, after full discussion and the question being put to the

Board, the Board voted unanimously to adopt the Order Calling Commissioner's Election for May 5, 2018, a copy of which is attached hereto.

Ms. Bobbitt next asked the Board to select a date for canvassing the Election, should the Election be held explaining that such date must be no earlier than three (3) days following the Election date, such date being May 8, 2018, and no later than 11 days following the Election date, such date being May 16, 2018. Ms. Bobbitt reminded the Board that only two (2) members of the Board need to be present for the canvassing of the Election results. The Board agreed to hold the canvassing meeting on Tuesday, May 15, 2018 at 1:00 p.m.

Ms. Bobbitt then stated that she had nothing further to report at this time.

PUBLIC COMMENTS AND MISCELLANEOUS MATTERS

There were no comments from the public at this time.

CONFIRM NEXT REGULAR MEETING DATE AND MEETING ADJOURNMENT

Ms. Bobbitt then reminded the Board that the next regular meeting is scheduled for Thursday, March 15, 2018, at 9:00 a.m.

All meeting attendees, with the exception of all members of the Board, along with Ms. Bobbitt and Ms. Christensen, exited the meeting at 10:30 a.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(2), Commissioner Ripley convened the Board in Executive Session at 10:40 a.m., to consult with the District's attorney and discuss and deliberate on certain matters concerning attorney-client privilege. The persons present in the executive session were Commissioners Ripley, Pinard, Plummer, Grundmeyer and Fetner and Ms. Bobbitt and Ms. Christensen.

Commissioner Pinard exited the Executive Session at approximately 11:03 a.m.

RECONVENE IN OPEN SESSION

Commissioner Ripley then reconvened the meeting in open session at approximately 11:05 a.m.

There being no further business to come before the Board, the meeting was adjourned at approximately 11:06 a.m.

PASSED, APPROVED AND ADOPTED this 15th day of March, 2018.




Secretary, Board of Commissioners