

**MINUTES OF THE NOVEMBER 15, 2012 MEETING OF THE
HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 9**

A meeting was duly called of the **HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 9**, which was held on November 15, 2012, at the administrative offices of the District, 9630 Telge Drive, Houston, Texas 77095.

The meeting was called to order at 7:36 p.m. by **MICHAEL LARRIVEE**, President. Those Commissioners present were **MICHAEL LARRIVEE, SUZANNE DAVIS, KEVIN KYLE, JACK BODMAN** and **ROBERT JANUSAITIS**. Also present were **JENNIFER WALLS** and **JOE DAVIS**, President and Chief, respectively, of the **CY-FAIR VOLUNTEER FIRE DEPARTMENT** (the "Department), chief officers and members of the Department, **AMY RAMON**, the District's General Manager, **HOWARD KATZ**, of **COVELER & KATZ, P.C.**, the District's Counsel, and **BILL RUSSELL**, of **MYRTLE CRUZ, INC.**, the District's bookkeeper. Also presented were Carl Joiner and Ricardo Ramirez, architects with Joiner Partnership who are the architects for the District's buildings renovation project.

Mr. **LARRIVEE** first invited public comment. Ernest Powell and other representatives of Station 5 asked to speak and spoke in opposition to the Department Fire Chief's decision to relocate Rescue 5 to Station 6. They said it was a bad idea. They said Station 5 has manned Rescue 5 for 25 years and had all the experience in operating Rescue 5 and the type of calls to which Rescue 5 was dispatched. Mr. **LARRIVEE** said this was a matter to be referred to Mr. Bodman because he was acting as the outreach committee coordinator to the Department members.

Without objection the Board then addressed Agenda Item 20 and addressed traffic preemption and the E-View program in the Klein/Spring/Ponderosa areas. Rich Jones, Executive Director of Klein VFD presented a power point on the E-View program implemented in the referenced area along various Louetta and FM 1960 intersections. Ms. **DAVIS** asked about the cost for such a program and if the Department wanted to look at such a program. The Chief said it was a big cost and is not currently in the Department

or District budget and there were other big projects that the Department was focusing on. Mr. Jones talked about a common interest and continuation of the FM 1960 route because the fire departments and CCEMS respond into the Cy-Fair VFD service area. The Chief said that was true but such a program had to be District-wide not just where those agencies respond. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **BODMAN** to approve looking into the program and authorized Ms. Davis and Mr. Larrivee to do so. After discussion, the Motion was approved by a vote of 5 to 0.

The Board reviewed the Minutes of the October 18, 2012 regular meeting. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **BODMAN** to approve the Minutes of the prior meeting. After discussion, the Motion to approve the Minutes was approved by a vote of 5 to 0.

The Board then received a Financial Report from **BILL RUSSELL, of MYRTLE CRUZ, INC.**, the District's bookkeeper. Mr. **RUSSELL** noted the operating account balance following the prior meeting of \$3,139,576.41, the receipt of tax revenue in the amount of \$3,691.64, tax penalty and interest in the amount of \$3,837.81, interest of \$2,397.54, and ambulance reimbursement for the Department emergency medical services of \$359,229.00. Mr. **RUSSELL** said that dispatching fees of \$-0- were also received. He also noted the balance sheet showed total District assets at \$44,993,373.52 (\$18,044,816.44 cash/cash equivalents) short-term liabilities of \$ -0-, long term liabilities of \$ -0-, and equity of \$44,993,373.52. Mr. **RUSSELL** said that the District's dispatch equipment loan (\$749,302.00) will be reflected as a long-term liability on the next month report. Thereupon, after review, Motion was made by Ms. **DAVIS**, seconded by Mr. **BODMAN** to approve the Financial Report as presented. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed District investments. The Board reviewed the investment reports. Mr. **RUSSELL** asked for approval to transfer \$1,000,000.00 to the new Texas Star pool account. Thereupon, after review, Motion was made by Mr. **KYLE**, seconded by Ms. **DAVIS** to approve the transfer and the

investment schedules and recommendations. After discussion, the Motion was approved by a vote of 5 to 0.

Mr. **RUSSELL** delivered the compliance certification for the District investments showing compliance with the District's investment strategy/policy, and that all banks had returned security pledge agreements for the District's excess deposits.

The Board then received a report from Amy Ramon, the General Manager. She reported on developing a Performance Plan including evaluation form for District employees. She also discussed the office maintenance company and said that non-English speaking workers and supervisors was a problem in performance and communicating with the company. Ms. Ramon said that generally that District activities were going well. Ms. Ramon said there were still some problems with the Department POs and invoices and the station by station adherence to the policy. She reported the incidents to the Department and the Department officers were trying to resolve the problems. Mr. **LARRIVEE** asked for a report from the Department on a plan to resolve these ongoing issues.

The Board then addressed the payment of District administrative bills and commissioner fees as set forth in the Financial Report. After review, Motion was made by Mr. **BODMAN**, seconded by Ms. **DAVIS** to approve the payment of District administrative bills and commissioner fees as presented in the Financial Report. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed engagement of a law firm to collect 2012 and prior delinquent taxes. The Board noted that the firm of Linebarger Goggan Blair and Sampson collected the Harris County delinquent taxes and the District taxes were part of the consolidated county tax bill. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **BODMAN** to approve the engagement of the law firm of Linebarger Goggan Blair and Sampson to collect 2012 and prior delinquent taxes at the penalty rate of 20%. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed imposition pursuant to Section 33.07, Texas Tax Code, of a 20% penalty for delinquent 2012 property taxes. After review,

Motion was made by Ms. **DAVIS**, seconded by Mr. **BODMAN** to approve the imposition pursuant to Section 33.07, Texas Tax Code, of a 20% penalty for delinquent 2012 property taxes. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed imposition pursuant to Section 33.08, Texas Tax Code, of a 20% penalty for delinquent 2012 property taxes. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **BODMAN** to approve the imposition pursuant to Section 33.08, Texas Tax Code, of a 20% penalty for delinquent 2012 property taxes. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed imposition pursuant to Section 33.11, Texas Tax Code, of a 20% penalty for delinquent 2012 business personal property taxes. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **BODMAN** to approve the imposition pursuant to Section 33.11, Texas Tax Code, of a 20% penalty for delinquent 2012 business personal property taxes. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed the payment of Department Operations and Capital funding as set forth in the Financial Report. Ms. Ramon noted that Operations funding was due at this meeting in the amount of \$1,349,869.00. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **JANUSAITIS** to approve the payment of Department Operations in the amount of \$1,349,869.00. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed the payment of Department Capital funding as set forth in the Financial Report. Ms. Ramon noted that Capital funding was due at this meeting in the amount of \$113,158.32 (previously scheduled budgeted capital funding). After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **BODMAN** to approve the payment of Department Capital in the amount of \$113,158.32. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed the Long Range Planning. Carl Joiner and Ricardo Ramirez, architects with Joiner Partnership who are the architects for the District's buildings renovation project presented a report. The Board addressed

the proposed Guaranteed Maximum Price submitted last month by the CMAR, Durotech, Inc. Mr. Martinez said the GMP was \$3,216,756.00. Mr. **LARRIVEE** discussed value engineering with the architects. Mr. Joiner said the concept was included in the plans and pricing. Mr. Martinez said that actually through that concept the GMP is about \$200,000.00 under the prior estimate. There was discussion about additional cameras and other items. Assistant Chief-Facilities Scott Mullins said all the additions were needed. Mr. **KYLE** asked if the Department was on board with the renovations program. Both the Chief and Assistant Chief-Facilities Mullins said yes. The Chief said the plans were reviewed closely and Station member input was received and reviewed. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **BODMAN** to approve the proposed Guaranteed Maximum Price proposed by the CMAR, Durotech, Inc. of \$3,216,756.00. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed financing for the District's buildings renovation project. Counsel presented a report. He presented financing proposals for the loan amount equal to the GMP with proposed terms of 5 years, 14 months at a 3.18% fixed rate and 10 years, 14 months at a 3.28% fixed rate. Counsel said the collateral will be the land/buildings owned by the District and possibly the Department and possibly cash collateral. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **BODMAN** to approve financing with Houston Community Bank for the District's buildings renovation project of \$3,216,756.00 for 10 years, 14 months at a 3.28% fixed rate. Counsel said there was no pre-payment penalty. After discussion, the Motion was approved by a vote of 5 to 0.

Assistant Chief-Support Services Mark Braswell and communications coordinator Michael Hebert presented a Report on the radios and communications systems and towers. Assistant Chief-Support Services Braswell said so far there were 4 interested bidders. Counsel asked what if the pricing is too high or the frequencies are not available. Assistant Chief-Support Services Braswell said there were other options.

Mr. **LARRIVEE** asked if the Long Range task force had a report. Mr. **JANUSAITIS** said there were no reports but there was a good first meeting.

The Board then addressed engagement of a “Facilitator” to assist the Long Range task force. Mr. **LARRIVEE** presented the engagement of Steve Ferguson for the project, subject to an approved contract. The Board discussed the matter. Mr. **KYLE** said that there were three candidates interviewed and Mr. Ferguson presented the best qualifications for the task and had an expertise in organizational design. After review, Motion was made by Mr. **BODMAN**, seconded by Ms. **DAVIS** to approve the engagement of Steve Ferguson for the project, subject to an approved contract. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed the Bridgeland development and the prospect of building facilities there for the fire and EMS service. There was discussion about the growth in the area with homes and major roads. Assistant Chief-Facilities Mullins said the next meeting was after January 1.

The Department then presented its Quarterly Reallocation report and revised 2012 budget. The Chief said the Department budget was under budget for 2012. Mr. **LARRIVEE** asked what was the budget process. The Chief and Ms. Walls said that the Department budget based on past expense history and future projections, such as for EMS billing. The Chief said there were unknowns also, such as the prospect of the Department becoming subject to TCFP, which could drive up training and membership costs. Mr. **KYLE** asked about a huge change in the training expense. The Chief said that was an error and they would fix that adjustment. The Chief said that IT was the only section that grew, from \$693,000.00 to \$832,000.00. The Department explained that the increase for IT was due to the Mitel contract carry-over. Mr. **LARRIVEE** asked if Ms. Ramon and Ms. Walls were okay with the Department’s revised 2012 budget. Both said yes, but Ms. Ramon added that she was not very involved with the budget preparation. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **BODMAN** to approve the Quarterly Reallocation report and revised 2012 budget. After discussion, the Motion was approved by a vote of 5 to 0.

(Mr. Kyle exited the meeting at 9:30 p.m.)

The Department requested approval to sell two old ambulances for a minimum price of \$10,000.00 each. After review, Motion was made by Mrs. **DAVIS**, seconded by Mr. **JANUSAITIS** to approve to sell two old ambulances for a minimum price of \$10,000.00 each. After discussion, the Motion was approved by a vote of 4 to 0.

(Mr. Kyle returned to the meeting at 9:33 p.m.)

The Department said there were no 30-day requests for this meeting.

(Mr. Larrivee exited the meeting at 9:33 p.m.)

The Board then received the monthly report from the Cy-Fair Volunteer Fire Department.

The Board received written reports from the Department.

The Board received the report on apparatus movement.

The Department presented the EMS billing report.

Ms. Walls delivered the status change report.

Ms. Walls said that the monthly TexFir reports were filed with the State Fire Marshall's office.

Ms. Walls delivered the over-time report and the accident/injury log.

Ms. Walls said that the Department employee count was 233 (110 full-time, 123 part-time), and the active volunteer membership was 374, with 4 new members.

The Board then reviewed the Department's Purchase Requisition Report.

The Board reviewed page 1, emergency requests. After review, Motion was made by Mr. **BODMAN**, seconded by Mr. **KYLE** to approve page 1. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then reviewed budgeted capital expenditures and non-budgeted capital expenditures on page 2 of the report. After review, Motion was made by Mr. **BODMAN**, seconded by Mr. **KYLE** to approve page 2. After discussion, the Motion was approved by a vote of 4 to 0.

The Board next reviewed the Within Budget purchase requests as set forth on pages 3-4 of the report. After review, Motion was made by Mr.

BODMAN, seconded by Mr. **KYLE** to approve the Within Budget purchase requests, as set forth on the top part of the report on page 3. After discussion, the Motion was approved by a vote of 4 to 0.

(Mr. Larrivee returned to the meeting at 9:36 p.m.)

The Department delivered an IT report. IT coordinator, Danny Corgiat, reported that IT was catching up on work orders. The Mitel phone system was installed in all stations although some cabling issues remained. He also delivered a Department Web update.

Ms. Walls noted the LOSAP report.

The Department requested approval to create a new position of Assistant System Tech (hourly). After review, Motion was made by Mr. **JANUSAITIS**, seconded by Mr. **KYLE** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

Assistant Chief-EMS Kenny Grayson reported that Ambulances 4 and 10 were in service. He also said that both ambulances were shown at recent EMS conferences.

Assistant Chief-EMS Grayson and Ms. Ramon reported on a possible HIPPA breach on confidentiality at the offices of the Department's EMS billing vendor, Intermedix that may have involved Department records. He said that the Department has had other issues with Intermedix over the past couple of years involving communications and collection records. Mr. **JANUSAITIS** said that the Department may want to consider that Intermedix send a notice to all Department EMS billing patients that a breach may have occurred. Assistant Chief-EMS Grayson also reported that the current Intermedix contract ends in March 2013. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **JANUSAITIS** to approve for the Department to solicit proposals for EMS billing services. After discussion, the Motion was approved by a vote of 5 to 0.

The Department requested approval to solicit bids for tools and protective gear. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **KYLE** to approve for the Department to solicit bids for tools and protective gear. After discussion, the Motion was approved by a vote of 5 to 0.

The Board reviewed College matters. The Chief said there was little activity at present. He said the Department and College were reviewing building a space for a pumper.

The Board then addressed the District website. There was discussion about incorporating new capabilities. Mr. **JANUSAITIS** said it was important to be able to punch out information onto the website quickly. Mr. **LARRIVEE** said that Mr. Janusaitis will serve, if he agrees, on the IT committee. Ms. Walls said that would be fine. Ms. **DAVIS** said next month she will take pictures of the Board for the website.

The Board entered executive session at 10:40 p.m. pursuant to Section 551.074 Government Code, to discuss and consider District personnel matters. The Board re-entered open session at 11:00 p.m.

There being no further business brought before the Board nor any further public comment, upon Motion made the meeting adjourned at 11:05 p.m.

Secretary of the Board