

**MINUTES OF THE SEPTEMBER 20, 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 September 20, 2012, at the administrative offices of the District, 9630 Telge Drive, Houston, Texas 77095.

The meeting was called to order at 7:35 p.m. by **MICHAEL LARRIVEE**, President. Those Commissioners initially present were **MICHAEL LARRIVEE**, **SUZANNE DAVIS**, **KEVIN KYLE**, and **JACK BODMAN**. 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.

Mr. **LARRIVEE** first invited public comment. There was none.

The Board reviewed the Minutes of the August 23, 2012 regular meeting. After review, Motion was made by Mr. **BODMAN**, seconded by Mr. **KYLE** to approve the Minutes of the prior meetings. During discussion, Mr. **LARRIVEE** said the Minutes should reflect that the committee to meet with the Bridgeland people was composed of Mr. Larrivee and Mr. Janusaitis and reps of the Department. After discussion, the Motion to approve the Minutes as corrected was approved by a vote of 4 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 \$8,431,880.54, the receipt of tax revenue in the amount of \$14,195.85, tax penalty and interest in the amount of \$5,070.37, interest of \$2,554.90, and ambulance reimbursement for the Department emergency medical services of \$386,091.45. Mr. **RUSSELL** said that dispatching fees of \$-0- were also received. He also noted the balance sheet showed total District assets at \$47,374,864.60 (\$20,426,307.52 cash/cash equivalents) short-term liabilities of \$ -0-, long term liabilities of \$ -0-, and equity of \$47,374,864.60. Thereupon, after review, Motion was made by Ms. **DAVIS**,

seconded by Mr. **KYLE** to approve the Financial Report as presented. During discussion Mr. **KYLE** inquired about the trend line for Department emergency medical services billing. The Chief responded to explain the trend and referred to report prepared by Assistant Chief-EMS Kenny Grayson that explained the variances and timing of EMS billing receipts. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then addressed District investments. The Board reviewed the investment reports. Thereupon, after review, Motion was made by Mr. **KYLE**, seconded by Ms. **DAVIS** to approve the investment schedules and recommendations: renew all maturing CDs and CEDARS investment program (\$1,000,000.00) for like terms. Mr. **RUSSELL** noted that \$3,000,000.00 in T-Bills were purchased after the prior meeting. After discussion, the Motion was approved by a vote of 4 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 addressed renewing the engagement with Municipal Information Services and Dr. Ron Welch to prepare the annual review of property valuations, population growth and development, along with an HCAD verification of the District tax accounts. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **BODMAN** to approve renewing the engagement with Municipal Information Services and Dr. Ron Welch based on the same terms as the prior agreement. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then received a report from the General Manager. She reported that District activities were going well. Ms. Ramon said she was working on the employee evaluation forms. Mr. **LARRIVEE** asked about any issues with purchasing and supporting the Department and the District. Ms. Ramon said there were still some problems with the Department POs and invoices. She said they were usually tied into the credit card purchasing, but things were much better than last month and she thought the Department administration was doing

better in these areas. Mr. **LARRIVEE** asked Ms. Ramon if she had a plan on keeping these activities going well. Ms. Ramon said not really other than working with the Department to keep up the good work with the PO process and invoice back-up. Mr. **LARRIVEE** also asked if the Department has a credit card policy. The Department reps said there was a policy. The Chief thanked Ms. Ramon for her assistance and recognizing the Department was trying to watch over these matters. He said the Department tries to address issues whenever Ms. Ramon raises them.

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 Ms. **DAVIS**, seconded by Mr. **BODMAN** 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 4 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 \$1,351,905.00. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **BODMAN** to approve the payment of Department Operations in the amount of \$1,351,905.00. After discussion, the Motion was approved by a vote of 4 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 \$101,991.21 (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 \$101,991.21. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then addressed the proposed 2013 budget as prepared by District Counsel and Mr. Russell.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 9
BUDGET SUMMARY OF REVENUE & EXPENDITURES
FOR CALENDAR YEAR 2013

REVENUES

Property Taxes	\$14,700,000*
Ambulance Collections	4,000,000

Dispatch Fees	20,000
Interest On Investments	60,000
TOTAL REVENUES	\$18,780,000

* Based Upon 2012 HCAD Certified Tax Rolls
\$25,789,521,932.00x \$.06000 = 15,473,713.00x 95% = \$14,700,028

EXPENSES (Operating and Capital)

Payroll	\$ 170,000
Payroll Taxes	18,000
Pension/Simple Plan	5,000
Commissioner Fees	15,000
Legal Fees	50,000
Election Expenses (notices, workers, etc.)	125,000
Legislative Services	15,000
Bookkeeping	33,000
Rent	-0-
Station Renovation Loan (Est. \$3,000,000)	390,000
Dispatch Equipment Loan (2012)	145,000
Audit Fees	20,000
Professional Consultants (MIS, Business Advisors)	75,000
Long-Range Planning	25,000
Fire & Ambulance Service (CFVFD)	**
Capital Expenditures (CFVFD)	**
Debt Retirement (CFVFD)	**
Harris County Appraisal	140,000
Legal Notices	10,000
Printing & Office Supplies	5,000
Insurance & Surety Bonds	60,000
Employee Simple IRA	5,000
Employee Health Insurance	15,000
Utilities	6,000
Building Maintenance	40,000
Other Expenses	40,000
Web Site development/Community Outreach	5,000
TOTAL EXPENSES	\$ 1,412,000

**** CURRENT YEAR AVAILABLE CASH** **\$ 17,368,000**

(Disbursements subject to replenish/augment reserve, approved Fire Department budget and service agreement and capital projects of the District)

Additional estimated cash resources:

CASH BALANCE AT 2012 YEAR END	\$12,000,000
(LESS HISTORIC ANNUAL RESERVE)	- \$ 1,500,000
(LESS CAPITAL RESERVE)	- \$ 1,500,000

The Board discussed the proposed budget and the requirements of the District and Department. Counsel said the radio/communications cost plan was not included as a line item finance cost. Counsel said that this total number was not yet known, but the Station renovation Phase 1 plan was budgeted. During

discussion, the following revisions were made: Ambulance Collections were increased to \$5,000,000.00 and Total Revenues were thereby increased to \$19,780.00; The Pension/Simple Plan of \$5,000.00 was deleted; Employees Simple IRA of \$15,000.00 and Employees Health Insurance were combined for a \$20,000.00 line item; building maintenance of \$40,000.00 was deleted; Web Site Development/Community Outreach was increased to \$45,000.00, for Total expenses of \$1,407,000.00. Current Year Available Cash was increased to \$18,373,000. After review, Motion was made by Mr. **KYLE**, seconded by Ms. **DAVIS** to approve the proposed 2013 budget as revised. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then addressed the 2012 District tax rate. The Board noted the budget approved at this meeting and the financial demands to provide the fire and EMS services. After review, Motion was made by Mr. **KYLE**, seconded by Ms. **DAVIS** to set the District 2012 tax rate at \$.06000/\$100. After discussion, the Motion was approved by a vote of 4 to 0.

Counsel said there was a question for the budget about which stations were included in the station renovation Phase 1. Assistant Chief- Facilities Scott Mullins said Phase 1 was Dispatch, Admin. Bldg, Station 5, 7, 1, 8, 10.

The Board then received a report from the Department on the Department goals and objectives. The Chief and Ms. Walls presented the report. The report addressed NFPA compliance and asset management with NFPA in mind. The Chief said the various sections were broken out for compliance review. He also said that for CFVFD the NFPA was a minimum objective and CFVFD always plans to exceed that level. Mr. **KYLE** asked what was behind such a huge step. The Chief said this was a Department-wide plan and all members and officers had the opportunity to contribute to the plan and that an action plan was coming. The Chief said part of the goals and objectives was to focus on the 2013-14 budgets. Mr. **LARRIVEE** said this was a perfect tool and he thanked the Department for preparing it. Mr. **KYLE** said he liked how the volunteer membership goal moved up in priority to a Department-wide goal.

Counsel noted the recent LODD of Atascocita VFD Captain Neal Smith and the upcoming honor ceremony. Assistant Chief Tom Linnenkugel said the Department would have an honor contingent at the ceremony.

The Chief said an amended 2012 Department budget would be presented at the next meeting.

The Department said there were 30-day requests for this meeting. Ms. Walls said the price and proposal estimates were expected to be submitted regarding the RCC radio consultation proposal and a PO would be requested at the meeting.

(Commissioner Bob Janusaitis arrived at the meeting at 9:23 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 236 (110 full-time, 126 part-time), and the active volunteer membership was 363, 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 Ms. **DAVIS**, seconded by Mr. **BODMAN** to approve page 1. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then reviewed budgeted capital expenditures and non-budgeted capital expenditures on page 2 of the report Ms. Ramon said there were not items.

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 Ms. **DAVIS**,

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 5 to 0.

Ms. Walls noted the LOSAP report.

(Ms. Davis exited the meeting at 9:25 p.m.)

Ms. Walls asked for approval for Assistant Chief-EMS Kenny Grayson to travel for the final ambulance inspection. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **BODMAN** to approve the request. After discussion, the Motion was approved by a vote of 4 to 0.

Ms. Walls asked for approval for use of the warehouse for the Christmas 2012 Food and Toy Drive. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **BODMAN** to approve the request. After discussion, the Motion was approved by a vote of 4 to 0.

(Ms. Davis re-entered the meeting at 9:35 p.m.)

Ms. Walls requested approval for \$15,000.00 to update the laptops for the Department board members. She explained that the board currently uses netbooks which are small at 4" and the Department wants to go up to 15" laptops. She said the order would be for 12 laptops. Mr. **JANUSAITIS** said that HP has the laptops for \$450.00 each. Ms. Walls said the Department would look into that. After review, Motion was made by Mr. **BODMAN**, seconded by Mr. **KYLE** to approve the request, subject to the recommendation by Mr. Janusaitis. After discussion, the Motion was approved by a vote of 5 to 0.

Ms. Walls requested approval for two Department members to attend the annual Conference for Database Administrators. After review, Motion was made by Mr. **BODMAN**, seconded by Mr. **KYLE** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

Ms. Walls requested for up to \$2,800.00 for Department personnel to attend the annual IAFC-VCOS conference. After review, Motion was made by Mr. **BODMAN**, seconded by Ms. **DAVIS** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

The Chief updated the Board on the F-MAG reimbursement request for the Riley Road fire.

The Chief reported on an honor for Denise Corliss and the S&R dog Brittany for 9/11 work in Pennsylvania.

The Department delivered a revised SOG concerning the Department Lead PIO.

The Department reported on creation of the position of EMS QA coordinator.

The Department reported on commencement of a boat rescue training program on Town Lake.

The Chief reported on the Volunteer Manned Pumper program.

The Board then returned to the Long Range Planning. The Department addressed the renovation Phase 1. Assistant Chief- Facilities Mullins said Phase 1 was Dispatch, Admin. Bldg, Station 5, 7, 1, 8, 10. He said that the plans for Station 7 were revised for a whole bay renovation. Assistant Chief-Facilities Mullins said that the bid notices were to run in later this month and the GMP was expected October 11 and the architect will have the GMP for the Board's review at the October 18 meeting.

Assistant Chief Linnenkugel reported that the volunteer membership was performing well and the cadet classes were graduating and filling the volunteer ranks. Mr. **KYLE** asked about the improved response times. Assistant Chief Linnenkugel said the volunteer manned pumper program was helping with that. Mr. **BODMAN** said this was good information and he appreciated receiving the information. Assistant Chief Linnenkugel said they would keep that information coming. He said the average volunteer shift response times improved by three minutes with the volunteer manning program. Mr. **JANUSAITIS** asked if response times could be broken down by stations. Assistant Chief Linnenkugel said that was hard because not all stations are in the volunteer manning program and responses are more broad based than only by station. But he said he would look into that. Mr. **KYLE** and Mr. **LARRIVEE** asked if there was a way to compare how the Department compared to other VFDs in regard to response

times and effectiveness in fighting fires to help build the story. Assistant Chief Linnenkugel said he would look into that.

Assistant Chief-Support Services Mark Braswell reported on Dispatch and the CAD system. He said the new CAD was scheduled to go live on October 2.

Quartermaster Steve Witt reported that the new AEDs for the boosters were received. He said also the two old units were sold for \$14,500.00 and \$18,000.00. Quartermaster Witt reported on a problem with the new booster truck slides. He said they were too long. He also reported that he was researching possible participation in the Fleet Fuel Card system. Quartermaster Witt also reported that the new Wildlands gear was received.

The Board then addressed creation of standing committees. Mr. **LARRIVEE** said he requested this Agenda Item to discuss committees and which committees the commissioners would like to serve on and who would lead the various committees. He said one purpose was to avoid duplication of effort among commissioners and between the District Board and the Department. He said this will be a process moving forward.

Mr. **LARRIVEE** said one committee that needed to be established was on the Long Range Planning communications to the public and the public discussion on the need for a tax rate increase. The Board had a general discussion on any tax rate increase. There was discussion on when a tax rate election might be called. Ms. **DAVIS** said she thought the matter was tabled. Mr. **LARRIVEE** said yes, but only for the near term because the Long Range Plan was premised on a tax rate increase. There was discussion that if a tax rate increase was sought then at what rate. Mr. **JANUSAITIS** said he was new on the Board and information was needed to determine what rate might be needed. Ms. **DAVIS** said she was not 100% there yet on a tax rate increase. There was discussion on developing the story and developing a strategy. Mr. **LARRIVEE** said that the Long Range Plan might need to be put on hold after Phase 1 until the tax rate question for the Board is resolved.

The Board then addressed the ESD Strategic Plan and getting the information and messages to the Department membership. There was discussion

about a station by station level presentation by the District and Department boards.

The Board then addressed the District website. Ms. **DAVIS** said she would like to look at other samples to further advance and develop the District website. Mr. **JANUSAITIS** invited her to look at his website. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **BODMAN** to authorize Ms. Davis and Mr. Janusaitis to develop the District website and spend up to \$500.00 in the effort. After discussion, the Motion was approved by a vote of 5 to 0.

There being no further business brought before the Board nor any further public comment, upon Motion made the meeting adjourned at 11:45 p.m.

Secretary of the Board