

**MINUTES OF THE JANUARY 19, 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 January 19, 2012, at the administrative offices of the District, 9630 Telge Drive, Houston, Texas 77095.

The meeting was called to order at 7:40 p.m. by **MICHAEL LARRIVEE**, President. Those Commissioners present were **MICHAEL LARRIVEE**, **SUZANNE DAVIS**, **DAVID WIGGINS**, **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 and Bill St. Clair, Carl Joiner and John Howell, District consultants on long range planning.

The Board first reviewed the Minutes of the December 15, 2011 regular meeting. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **WIGGINS** 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 \$4,470,971.17, the receipt of tax revenue in the amount of \$7,561,832.39, tax penalty and interest in the amount of \$2,836.30, interest of \$3,044.14, and ambulance reimbursement for the Department emergency medical services of \$450,553.84. Mr. **RUSSELL** said that dispatching fees of \$ -0- were also received. He also noted the balance sheet showed total District assets at \$49,232,230.97 (\$22,283,673.89 cash/cash equivalents; \$1,000,000.00 T-bills) short-term liabilities of \$ -0-, long term liabilities of \$ -0-, and equity of \$49,232,230.97. Thereupon, after review, Motion was made by Mr. **WIGGINS**, 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. Thereupon, after review, Motion was made by Mr. **WIGGINS**, seconded by Mr. **BODMAN** to approve the investment schedules and recommendations: renew the four maturing CDs. 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 addressed adoption of the District 2012 Investment Policy. The Board reviewed the Policy with Mr. Russell. Counsel outlined the proposed 2012 Investment Policy: always maintain liquidity equal to two months average operating costs; always maintain liquidity equal to two months average operating costs that will mature 60 days hence; maintain a maximum maturity of 6 months/180 days on all investments, subject to extending same for up to 12 months on a case-by-case basis; maintain a maximum maturity of 6 months/180 days on all investments for specific capital projects, with discretion to approve twelve months for general/contemplated capital projects. Mr. **WIGGINS** said that the existing investment strategy has worked well for the District. Thereupon, after review, Motion was made by Mr. **WIGGINS**, seconded by Ms. **DAVIS** to approve the proposed 2012 Investment Policy as presented. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed designation of the District Investment Officer. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **BODMAN** to approve the designation of Commissioner David Wiggins as District Investment Officer. After discussion, the Motion was approved by a vote of 5 to 0.

The Board addressed the establishment of a committee to review District investments. Mr. **LARRIVEE** asked Mr. Wiggins and Mr. Kyle to join District

consultant John Howell and Mr. Russell to review District investment opportunities.

The Board then addressed the engagement of the auditing firm of McCall Gibson Swedlove & Barfoot as District auditor for the 2011 District audit. Debbie Gibson of that firm was present to address the proposal. She discussed the services and said the fee proposed was the same as the prior year with an estimated fee of \$15,000.00-\$16,000.00. After review, Motion was made by Mr. **WIGGINS**, seconded by Ms. **DAVIS** to approve the engagement of the auditing firm of McCall Gibson Swedlove & Barfoot as District auditor for the 2011 District audit. After discussion, the Motion was approved by a vote of 5 to 0.

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. **WIGGINS** 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 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 \$2,960,943.00. After review, Motion was made by Mr. **WIGGINS**, seconded by Mr. **BODMAN** to approve the payment of Department Operations in the amount of \$2,960,943.00. 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 \$93,634.31 (previously scheduled budgeted capital funding). After review, Motion was made by Mr. **KYLE**, seconded by Ms. **DAVIS** to approve the payment of Department Capital in the amount of \$93,634.31. After discussion, the Motion was approved by a vote of 5 to 0.

Mr. **LARRIVEE** said there was no quarterly reallocation report for this meeting.

The Board then addressed the Long Range Planning. There was then discussion about the long range plan and the recent workshops. There was a

presentation of the revised long range planning workbook prepared by Carl Joiner, of Joiner Partnership, a District consultant. He presented the revised capital program involving the renovation of 10 stations in the first 5 years of the plan. There was also discussion about adding EMS substations. He said all this was to reduce the cost of building improvements. Mr. **LARRIVEE** said this provides a good road map that can be fine-tuned as the plan progresses. The Chief said the focus was to rehab current buildings rather than building all new facilities. There was extensive discussion about the plan and the timing and projected cost. Mr. **LARRIVEE** said that in three months the District and Department have created a good plan, which was phenomenal. He thanked the participants and consultants. Ms. **DAVIS** said the focus has changed a lot. Mr. **KYLE** said that the annual expense under the revised plan is \$4 million per year. He said there was still a problem with needed funding down the road. Mr. **LARRIVEE** said that was true but with a modest increase in the tax rate the funding was feasible without having to go to ten cents. There was discussion about funding and different sources of funding for the long range plan.

The Board then addressed the Department 2012 budget. There was discussion about the format of the budget report and the ability to move budget line items around. There was discussion about moving numbers “horizontally” versus “vertically”. The Board consensus was that moving budgeted numbers horizontally made sense, such as moving up or back a particular expense because that did not change the over-all budgeted numbers, but that moving numbers horizontally did actually change the budget as presented and approved by the District Board. Mr. **KYLE** said the issue was cash flow versus budget and that it was okay for cash flow to advance an expense from the third quarter to the first, for instance, but changing the line item value was a budget change that should have District Board approval. Counsel said that the new service agreement was presented to the Department but was not ready to approve, but the 2011 contract was extended for 90 days. After review, Motion was made by Mr. **KYLE**, seconded by Ms. **DAVIS** to approve funding $\frac{1}{4}$ of the Department 2012 budget. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed the 2012 service agreement with the Department. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **WIGGINS** to table the 2012 service agreement with the Department. After discussion, the Motion was approved by a vote of 5 to 0.

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

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 TexFirs reports were filed with the State Fire Marshall's office.

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

Ms. Walls said that the Department employee count was 228 (112 full-time, 116 part-time), and the active volunteer membership was 372, with 2 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. **WIGGINS**, 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. There were none.

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. **WIGGINS**, 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. Walls requested approval to award contracts for protective gear. She said that the low most appropriate bidder was selected in all cases. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **WIGGINS** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

Ms. Walls requested approval to award contracts for tools and equipment. She said that the low most appropriate bidder was selected in all cases. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **WIGGINS** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

The Department delivered its IT report. Department IT coordinator Danny Corgiat delivered the report. He said that the new phone installation was moved to February 27 to allow Mitel and AT&T to work on the project. He also said the exchange upgrade bid was too high so the Department planned to handle the work in-house.

Ms. Walls requested approval to ___ for \$20,000.00. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **KYLE** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

Mr. Corgiat requested approval for a contract to purchase a Barracuda back-up server for \$7,300.00. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **BODMAN** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

The Chief reported a nice thank you letter from an MVA victim treated by the Department.

The Chief addressed ISO. He said that the Department proposed a contract for \$20,800.00 with Mike Pietsch for ISO consulting services to start in April. Mr. **LARRIVEE** asked if there were other companies who did this service to compare prices and value. He asked if a RFP should be pursued. Mr. **BODMAN** said that was okay, but Mr. Pietsch's track record is excellent with the Department and he is well regarded in Texas. After review, Motion was made by Mr. **BODMAN**, seconded by Mr. **WIGGINS** to approve the request. During discussion, Ms. **DAVIS** asked if Mr. Pietsch helped with the review after consulting. The Chief said he does and works with the ISO and assists with map

presentation and communications. The Chief said this was a one-year process. After discussion, the Motion was approved by a vote of 5 to 0.

The Department presented for approval a contract with Bill St. Clair. Without objection the item was tabled.

The Department requested approval for \$45,000.00 budget for the annual Department awards banquet. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **WIGGINS** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

The Department requested approval for an expenditure of up to \$35,000.00 for Department members and personnel to attend the FDIC conference in Indianapolis April 15-21. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **WIGGINS** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

The Board addressed long range planning funding. Mr. Joiner and the Board and Department reviewed the materials. The Board reviewed page 145 of the report, Facility Renovations 2012. The Board reviewed a cost of \$184,000.00 for renovation to Admin.; Station 1 (Design), Stations 5 and 7 (construction), Stations 8 and 10 (Design) and Dispatch (construction). The Board also reviewed page 199 regarding energy savings for 2012-13, for a total cost of \$67,500.00. Ms. **DAVIS** asked if the Board is putting the cart before the horse by committing before the whole long range plan is approved. Mr. **KYLE** said he thought that too, but the Board needs to start here to begin to address the total cost. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **KYLE** to approve the funding up to \$175,000.00 for design work as outlined on pages 145 and 199 of the report. After discussion, the Motion was approved by a vote of 5 to 0.

The Department requested approval for funding 6 Department members to attend a TEEKS swift water rescue class for up to a cost of \$6,500.00. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **KYLE** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

Assistant Chief-Support Services Mark Braswell said the TriTech dispatch Phase 2 system contract was underway. Assistant Chief-Support Services

Braswell gave a report on Phase 1. He thanked Ms. Ramon for assistance in making the required payment for Phase 1. He said that Phase 2 was ready to proceed. The Board agreed that a special meeting and workshop to address the RCC contract for Phase 2 was needed.

Assistant Chief-EMS Kenny Grayson delivered the EMS report. He said Ambulance 19 was moved to Station 8 permanently. Assistant Chief-EMS Grayson said that Medicare collections were slow. He said that Intermedix was doing better. He added that for 2011 the Department collected \$4.5 million with the budget set at \$3.7 million.

The Department requested approval for attendance at an annual HR conference for the cost of up to \$1,500.00. After review, Motion was made by Mr. **WIGGINS**, seconded by Mr. **KYLE** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

The Chief reported that an hourly IT employee was changed to a salaried employee.

The Board then addressed College matters. The Chief said the February meeting was scheduled for Montgomery County.

The Board then received a report from the General Manager. Ms. Ramon said she was working on filling the receptionist position.

There being no further business brought before neither the Board nor any further public comment, upon Motion made the meeting adjourned at 10:40 a.m.

Secretary of the Board