

**MINUTES OF THE DECEMBER 19, 2013 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 December 19, 2013, at the administrative offices of the District, 9630 Telge Drive, Houston, Texas 77095.

The meeting was called to order at 7:38 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 RODNEY JANCZAK**, President and Interim Fire 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, **BILL RUSSELL, of MYRTLE CRUZ, INC.**, the District's bookkeeper, **JOE DAVIS**, the District's emergency services consultant, **HOWARD KATZ, of COVELER & KATZ, P.C.**, the District's Counsel, and members of the public. Also present was **RICARDO MARTINEZ** from Joiner Partnership, the District's architects on various construction projects.

The Board first received public comment. None was offered.

The Board then addressed the Minutes of the November 21, 2013 regular meeting. After review, Motion was made by Mr. **JANUSAITIS**, seconded by Ms. **DAVIS** to approve the Minutes as presented. 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 \$148,774.41, the receipt of tax revenue in the amount of \$1,090,478.32, tax penalty and interest in the amount of \$4,019.30, interest of \$1,390.50 and ambulance reimbursement for the Department emergency medical services of \$335,028.10, and Cy-Fair Chamber rental income of \$1,186.98. Mr. **RUSSELL** said that dispatching fees of \$4,920.00 were also received. He also noted the balance sheet showed total District assets at \$47,733,068.73 (\$20,784,511.65 cash/cash equivalents; \$2,999,830.95 T-bills) short-term liabilities of \$ -0-, long term liabilities of \$4,221,136.00, and equity of

\$43,511,932.73. Thereupon, after review, Motion was made by Mr. **KYLE**, 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. There was discussion about investment instrumentalities. None at this time.

The compliance certification was delivered 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 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 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 \$1,446,173.00. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **KYLE** to approve the payment of Department Operations the amount of \$1,446,173.00. 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 \$132,919.86 (previously scheduled budgeted capital funding). After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **JANUSAITIS** to approve the payment of Department Capital in the amount of \$132,919.86. After discussion, the Motion was approved by a vote of 5 to 0.

The Board addressed revisions to the Department 2013 budget. Ms. Walls and Ms. Ramon reported that the Department proposed that \$38,840.98 be moved from Ops to Dispatch to cover the new Toughbooks and modems and \$39,182.00 be moved from Training to IT to cover Microsoft Dynamics. After review, Motion

was made by Mr. **BODMAN**, seconded by Mr. **JANUSAITIS** to approve the budget revisions. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed sales tax matters. Mr. **LARRIVEE** introduced Bob Taylor of Sales Tax Assurance who presented sales tax information. There was discussion about engagement of a sales tax consultant. Mr. Taylor discussed a possible format based on a set fee plus a percentage of sales tax revenue recovered by his firm for the District. There was Board discussion about how much sales tax revenue was expedited. Mr. Taylor said he was surprised by the first Comptroller check of almost a million dollars. He said that was a concern because his firm's initial review showed the expected amount to be about half that. He said a consultant was necessary to make sure the Comptroller has it right because any excess payment will have to be refunded back to the Comptroller. There was discussion about accepting a proposal from Mr. Taylor without seeking other proposals. Mr. **KYLE** said he preferred proposals because he did not know Mr. Taylor and was unsure about who else is out there to perform such services. He said he did not know how much research Mr. Larrivee had done. Counsel said he can do a solicitation of proposals for sales tax consulting services. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **JANUSAITIS** to approve for Counsel to do a solicitation of proposals for sales tax consulting services. After discussion, the Motion was approved by a vote of 5 to 0.

The Board received a report from Amy Ramon, the District General Manager. Ms. Ramon reported on the new accounting software and purchasing program and related purchasing matters. She thanked Mr. Janusaitis for his assistance with the transition. Ms. Ramon said the Motorola project was progressing. She reported on certain civil engineering and infrastructure work. She reported on the committee trip to Chicago to review the staging by Motorola and also review the system design review. Mr. **JANUSAITIS** said the trip was very worthwhile and the Motorola operation and design was impressive. She presented geotech and other reports regarding the planned communication towers to be located at Station 1 (Rodney Ray), 4 (Huffmeister), and 12 (Keith Harrow).

the Board then received a report on from committees. Ms. **DAVIS** requested also to address Agenda Item 22 (Cy-Fair Chamber lease) under this item. There was no objection. She presented a District brochure that would be available at the chamber offices at the District Operations building. Ms. **DAVIS** said the chamber paid for the recent lunch at the Ops building and is paying for it prorate portion of the new signage.

The Board then addressed Station No. 7 regarding access/easement matters for adjoining property owner, Walgreens. The Board received reports from the department and District Counsel. Counsel said he reviewed matters from the District standpoint and corresponded with the attorney for the developer and the department's attorney. There was discussion about the revised access and easement locations and proposal from the developer to build an additional bay to make up for the reduced access for the Department to the site. The Department expressed reservations about the plan. Assistant Chief-Facilities Scott Mullins said they were still reviewing options and alternatives. He said a main concern was safety regarding the access easement and public use along with the Department. The Board said that safety was a prominent matter and expressed support for the re-development of Station 7 access if the Department was satisfied and the safety concerns were eliminated.

The Board held and tabled the Bridgeland development and the prospect of building facilities there for the fire and EMS service

The Board then address Agenda Items 14, 16-17 and received a report from Ricardo Martinez from Joiner Partnership, the District's architects on various construction projects regarding Phase 2 of the long range planning. He said the project had about a 3-month time frame. He said the contractor Durotech obtained bids to determine the Guaranteed Maximum Price. Mr. Martinez said the GMP for the Phase 2 project was \$2,423,693.00. After review, Motion was made by Mr. **BODMAN**, seconded by Mr. **JANUSAITIS** to approve GMP for the Phase 2 project was \$2,423,693.00. After discussion, the Motion was approved by a vote of 5 to 0.

The District then considered quarterly re-allocations. Ms. Walls said there were four: move Training (CapEx Fire Field) of \$13,000.00 to IT November payroll; move from Training (IT Training) of \$12,182.00 to cover IT December payroll; move from Training (EMS Continuing Ed) of \$14,000.00 to IT Outside services; move from Operations (Admin. Aides) of \$36,000.00 to Dispatch MDC. After review, Motion was made by Mr. **BODMAN**, seconded by Mr. **JANUSAITIS** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

The District then considered Department 30-day requests. Ms. Walls said there were none this month.

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

The Board received written reports from the Department.

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 256 (116 full-time, 140 part-time), and the active volunteer membership was 374, with 1 new member.

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

The Board reviewed page 1, emergency requests. After review, Motion was made by Mr. **KYLE**, 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. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **BODMAN** to approve page 2. After discussion, the Motion was approved by a vote of 5 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. **KYLE**, seconded by Mr. **BODMAN** 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.

The Department delivered an IT report. IT coordinator Danny Corgiat reported on the status of computer replacement and printers. He reported on the status of network switches with Mr. Janusaitis. IT coordinator Corgiat reported on the status of the security cameras and security systems.

IT coordinator Corgiat and the Department requested approval for the following: contract programmer hours for 2014 of \$30,000.00; Great Plains Accounting install final installation of 96 hours @\$185/hr (\$17,760.00); memory upgrade with larger memory sticks not to exceed \$7,000.00; Mitel phone system labor not to exceed \$10,000.00; I am Responding annual charge not to exceed \$8,000.00. After review, Motion was made by Mr. **JANUSAITIS**, seconded by Ms. **DAVIS** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

Assistant Chief Tom Linnenkugel requested approval attendance at TEEK Fire Officer II Classes for up to \$1,500.00; approval for 5 people to attend Texas Assoc. of Firefighters in San Antonio for up to \$4,000.00; participation in annual LODD task force, for up to \$2,500.00 for the motorcycle event. 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.

Interim Fire Chief Janczak reported on a MOU regarding apparatus between the Department and Stafford FD.

The Board then addressed the status of the implementation of the transition team and related activities. Ms. Walls said the team was working and the Department board was on task and on schedule. She said that the Department engaged McGrath & Co. to assist with transition and leading up to the solicitation of applicants for fire chief.

The Board then addressed action on District CFO and related resources. Mr. **LARRIVEE** asked Mr. Kyle what activities were done since the prior meeting. Mr. **KYLE** said he had engaged consultants, including Bill St. Clair and Joe Davis

to assist with planning for identifying the position the District Board needs to develop for financial, Department oversight and long range planning. Mr. **KYLE** said he had committed fund to these consultants. Mr. **LARRIVEE** said that he thought Mr. Kyle went beyond what the directions were in November. Counsel was asked to read back the motion from November on the matter. Counsel read the excerpt:

“The Board then addressed action on District Department CFO and related resources. Ms. **DAVIS** said this is important especially to assist with the interim committee. The Board discussed engaging such a consultant or creating such a position. Ms. **DAVIS** said that perhaps a workshop was needed to create the details. Mr. **KYLE** said he was not looking to hire a CFO, but said he feels that such a consultant is necessary. Mr. **JANUSAITIS** said that a part of this process should be what is known as a “gap analysis”. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **JANUSAITIS** to approve allocating \$20,000.00 for development of a District service plan and operations analysis for review in January, including a financial analysis. Mr. **KYLE** said his intent was to identify a commissioner to develop a contract and process with the consultant for this review. Mr. **KYLE** said he would like to offer his services in the task. Mr. **LARRIVEE** said that he would designate Mr. Kyle as a committee of one to develop the plan and identify the consultant and report back for January workshop. After discussion, the Motion was approved by a vote of 5 to 0.”

Mr. **LARRIVEE** said he did not know what commitments were made to these consultants and he believed any formal engagement should have been brought back to the Board at this meeting leading up to the January 18 workshop. Mr. **KYLE** said he was tasked with developing a plan and he needed the assistance of these consultants to do that. Mr. **LARRIVEE** said he was unsure about who else is out there to perform such services. He said he did not know how much research Mr. Kyle had done. Mr. **KYLE** said he relinquishes the task assigned to him and Mr. Larrivee can take it up. Mr. **LARRIVEE** said he would.

There being no further business brought before the Board nor any further public comment, upon Motion made the meeting adjourned at 10:32 p.m.

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Secretary of the Board

