

**MINUTES OF THE OCTOBER 24, 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 October 24, 2013, at the administrative offices of the District, 9630 Telge Drive, Houston, Texas 77095.

The meeting was called to order at 7:45 p.m. by **MICHAEL LARRIVEE**, President. Those Commissioners initially present were **MICHAEL LARRIVEE**, **SUZANNE DAVIS**, **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, **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 and long range planning.

The Board addressed the Minutes of the September 19, 2013 regular meeting. After review, Motion was made by Mr. **BODMAN**, seconded by Mr. **JANUSAITIS** to approve the Minutes as presented. After discussion, the Motion to approve the Minutes was approved by a vote of 4 to 0.

Ms. **DAVIS** requested approval to take out of order Agenda Item 21, to discuss District personnel matters in executive session. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **JANUSAITIS** to approve the request to take out of order Agenda Item 21, to discuss District personnel matters in executive session. After discussion, the Motion was approved by a vote of 4 to 0.

The Board entered executive session at 7:40 p.m. pursuant to Section 551.074 Government Code, to discuss and consider District personnel matters. (Commissioner Kyle entered the meeting and executive session at 8:35 p.m.) The Board re-entered open session at 9:00 p.m.

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 \$103,532.03, the receipt of tax revenue in the amount of \$4,701.15, tax penalty and interest in the amount of \$6,856.35, interest of \$1,568.35 and ambulance reimbursement for the Department emergency medical services of \$512,757.05. Mr. **RUSSELL** said that dispatching fees of \$ -0- were also received. He also noted the balance sheet showed total District assets at \$46,036,626.01 (\$19,088,068.93 cash/cash equivalents; \$5,998,755.22 T-bills) short-term liabilities of \$ -0-, long term liabilities of \$4,221,136.00, and equity of \$41,815,490.01. Thereupon, after review, Motion was made by Mr. **BODMAN**, seconded by Mr. **KYLE** 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. Mr. **KYLE** recommended renewal of the CD that matures prior to the District November 21 regular meeting. Thereupon, after review, Motion was made by Mr. **BODMAN**, seconded by Mr. **KYLE** to approve that the CD that matures prior to the District November 21 regular meeting be renewed for a like term. After discussion, the Motion was approved by a vote of 5 to 0.

There was discussion about the CEDARS investment instrumentalities. Mr. **KYLE** recommended moving the CEDARS CD to the District money market account. Thereupon, after review, Motion was made by Mr. **KYLE**, seconded by Ms. **DAVIS** to approve moving the CEDARS CD to the District money market account. After discussion, the Motion was approved by a vote of 5 to 0.

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. **KYLE**, 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 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 \$1,424,088.00. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **BODMAN** to approve the payment of Department Operations the amount of \$1,424,088.00. 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 \$128,225.82 (previously scheduled budgeted capital funding). After review, Motion was made by Mr. **BODMAN**, seconded by Mr. **KYLE** to approve the payment of Department Capital in the amount of \$128,225.82. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed and determined no action was required on revisions to the Department 2013 budget.

The Board received a report from Amy Ramon, the District General Manager. Ms. Ramon reported on warehouse issues. She said that construction was going slow and equipment for the warehouse was already on order. She said the timing will likely be affected. She reported on matters concerning the consulting firm of McGrath & Co. She reported she worked with Commissioner Janusaitis on the accounting software and purchasing program. Ms. Ramon said she was looking into the audit of the ESD-VFD operations. Mr. **KYLE** said that could help improve the operation. The Board discussed developing a KPI criteria for the financial operation of the organizations.

The Board then addressed the proposed lease between the Cy Fair Chamber of Commerce and the District regarding providing lease space to the Chamber at the District's Operations Office. Counsel presented the final version of the Agreement. He noted the various findings in the Agreement. There was discussion about the benefit to the District in doing the one-year lease for the rent plus the community exposure and improved outreach to the community. After

review, Motion was made by Mr. **KYLE**, seconded by Mr. **JANUSAITIS** to approve entering into the proposed lease between the Cy Fair Chamber of Commerce to provide lease space to the Chamber. After discussion, the Motion was approved by a vote of 5 to 0.

Without objection, the Board addressed Agenda Items 11 (long range planning of the District and Department, including evaluation of various project costs and appropriate financing) and Agenda Item 13 (receive a report from Joiner Partnership regarding the re-visited 5 year study for the District as it relates to station and equipment housing needs). There was discussion about Station 5, where construction activity has resumed. The Board discussed the warehouse. The discussion was to stop work on the warehouse remodel for now and resume in January to accommodate the new equipment for the warehouse. There was discussion about ADA requirements including the requirement for an elevator for multi-story facilities. There was discussion about renovations and a plan for projects through 2020. Mr. **LARRIVEE** said a workshop was needed on this discussion. There was discussion about tabling this discussion until after the holidays. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **KYLE** to table any discussion and workshop about new construction projects until after the holidays. Mr. **LARRIVEE** said that as far as the current phase, the number of omissions and defects were very small for such a large project. He thanked Ricardo Martinez from Joiner Partnership, the District's architects on various construction projects and long range planning and the Station captains for their input. After discussion, the Motion to table any discussion and workshop about new construction projects until after the holidays 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. Counsel said that with the he hoped to meet with the Bridgeland group soon.

The District then considered quarterly re-allocations. Ms. Ramon said there were none.

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 253 (114 full-time, 139 part-time), and the active volunteer membership was 384, 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 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. After review, Motion was made by Mr. **JANUSAITIS**, 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. **BODMAN**, seconded by Mr. **JANUSAITIS** 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 that Aaron Mueller left the Department. IT coordinator Corgiat said he was valuable employee. He said he would propose to contract with a vendor to work with developers until a programmer decision is made. He said the contract

price would not exceed \$10,000.00 and was budgeted. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **JANUSAITIS** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

IT coordinator Corgiat also requested approval to change vendors for the Mitel phone system from HTIS to ICS. He said there was about a \$3,000.00 savings annually in the cost and improve service. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **JANUSAITIS** to approve the request. During discussion, Mr. **JANUSAITIS** asked Mr. Corgiat about the number of records to be handled and if there was any risk to those files during the transition or afterwards. Mr. Corgiat said no and that the current contract will not be cut loose until the transfer was completed. There was also discussion about the 1,700 Application Records. After discussion, the Motion was approved by a vote of 5 to 0.

The Department requested approval to contract with Tribridge for an assessment of the accounting program for a fee of \$8,800.00. 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 5 to 0.

The Department requested approval for Assistant Chief Scott Mullins to attend a course on additional training for building maintenance, for a cost of up to \$2,200.00. After review, Motion was made by Mr. **JANUSAITIS**, seconded by Ms. **DAVIS** to approve the request. During discussion, Mr. **LARRIVEE** said the cost seemed like a lot and suggested the Department review the travel cost for savings. After discussion, the Motion was approved by a vote of 5 to 0.

The Department requested approval for gate repair work at the Operations building. Ms. Ramon said the cost was estimated at \$2,725.35 (Holliday Door). After review, Motion was made by Mr. **KYLE**, seconded by Mr. **JANUSAITIS** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

The Department requested approval to hire 8 additional paramedics for the two new ambulances. Counsel asked which budget year this was for and Ms. Ramon said this was a 2013 budget item. After review, Motion was made by Mr.

KYLE, seconded by Mr. **JANUSAITIS** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

The Department requested approval for two persons to attend the inspection of the new ambulances in N.C. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **JANUSAITIS** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

The Department requested approval for the purchase of two new Tahoes or Fords for chief's cars. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **JANUSAITIS** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

The Department requested approval to enter into a new contract with NW Waste Water Systems for septic maintenance at Station 3. Ms. Walls said this was a one year contract for 490.00/yr. 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.

The Department presented new policies for training reimbursement, assignment of gear, and disciplinary matters.

The Department presented its proposed 2014 budget. Mr. **KYLE** said he had requested the budget to be looked at by Ms. Ramon. She said she was not sure about the District funding. Counsel said the budget approved on October 16 provided for about \$22,000,000.00-\$23,000,000.00 after District operations. But he reminded the Board that the District budget approved did not provide for Department appropriation. Ms. Ramon said that the Department budget was \$22,297,524.00 in 2014, but that \$2,500,000.00 of that was for capital, so the operating budget was about \$20,000,000.00.

The Board then addressed the go forward task force report and Department action plan response. Mr. **LARRIVEE** said that the Board was presented with an Amendment to the service agreement addressing the go forward task force report and Department action plan. Mr. Larrivee stepped out of the chair and handled the gavel over to Ms. Davis to preside, and after review, Motion was made by Mr. **LARRIVEE**, seconded by Mr. **KYLE** to approve the

Amendment to the service agreement. Counsel said he had prepared a draft last week but that he had not yet reviewed the draft presented tonight to the Board by the Department. Mr. **LARRIVEE** requested with the concurrence of Mr. Kyle that the Motion be withdrawn and substituted the following Motion by Mr. **LARRIVEE**, seconded by Ms. **DAVIS** to table consideration of the Amendment to the service agreement. After discussion, the Motion was approved by a vote of 5 to 0.

Mr. **LARRIVEE** remaining out of the chair moved that Ms. Davis and Mr. Janusaitis work with Counsel and negotiate a final draft of an Amendment to the service agreement addressing the go forward task force report and Department action plan. Mr. **KYLE** seconded and after discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed the CFO position for the District and Department. Mr. **JANUSAITIS** said this was a necessary position. He said it was a necessary position to help with the numbers. Mr. **KYLE** said the job may not be related only to financial but that can be discussed later. Mr. **LARRIVEE** said the position was necessary and that, as an example, the Motorola loan cost may have been better analyzed.

The Board then addressed the District meetings, agenda and length of meetings. After review, Motion was made by Mr. **KYLE** that the Board president hold District meetings to a maximum of 2.5 hours, and that if an item was not ready or the Board was not prepared that the item be tabled. He said as an aside that at 10 p.m. he planned to exit the meetings. The Motion was seconded by Mr. **LARRIVEE**. During discussion, Mr. **LARRIVEE** said that all Board members have to commit to the effort and try to keep questions and comments to a minimum. After discussion, the Motion was approved by a vote of 5 to 0.

The Board reviewed College matters. Ms. **DAVIS** said things were starting to pick up.

Ms. **DAVIS** said she intended to discuss the signage for the Operations building, and moved to re-opened Agenda Item 10 and the lease with the Cy-Fair Chamber of Commerce. Mr. **JANUSAITIS** seconded the Motion and after discussion, the Motion was approved by a vote of 5 to 0.

The Board discussed the proposed signage at the Operations building. Ms. **DAVIS** said she was working with a sign company. Ms. Walls said she had not seen the renderings. Ms. **DAVIS** said she could work with Ms. Walls and the Chamber. She said the Chamber was paying for part of the sign. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **BODMAN** to approve for Ms. Davis to work on the sign at the Operations building and work with Ms. Walls and the Chamber, with authority to incur expenditure by the District of up to \$9,000.00. 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 11:25 p.m.

Secretary of the Board