

MINUTES OF THE SEPTEMBER 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 September 19, 2013, 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 **SUZANNE DAVIS** Vice-President. Those Commissioners 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 L. KATZ** and **IRA A. COVELER**, of **COVELER & KATZ, P.C.**, the District's Counsel, **BILL RUSSELL**, of **MYRTLE CRUZ, INC.**, the District's bookkeeper, **CARL JOINER** and **RICARDO MARTINEZ** from Joiner Partnership as well as **DR. RON WELCH**, and members of the public.

The Board addressed public comment. There was no public comment.

The Board then addressed the review of the minutes of the August 22, 2013, regular meeting. After review, Motion was made by Mr. **JANUSAITIS**, seconded by Mr. **LARRIVEE** to approve the Minutes as presented. After discussion, the Motion to approve the Minutes 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 \$3,475,101.69, the receipt of tax revenue in the amount of \$28,950.63, tax penalty and interest in the amount of \$3,260.50, interest of \$370.59 and ambulance reimbursement for the Department emergency medical services of \$417,213.81. He also noted the balance sheet showed total District assets at \$47,251,294.26 (\$20,302,737.18 cash/cash equivalents; \$25,820,314.08 property/equipment; and \$1,128,243.00 other assets) short-term liabilities of \$-0-, long term liabilities of \$4,221,136.00, and equity of \$43,030,158.26. Thereupon, after review, Motion was made by Mr.

BODMAN, seconded by Mr. **JANUSAITIS** to approve the Financial Report as presented. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then entertained a motion to take the agenda out of order. Such motion was made by Mr. **LARRIVEE** and seconded by Mr. **JANUSAITIS** and was approved by a vote of 4 to 0. The Board next took up agenda items No. 16 and No. 18 to discuss implementation of and planning for Phase 2 of the Long Range plan and to 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.

Mr. Joiner presented the Budget Recap he had prepared which was found at page 74 of the Joiner prepared Five Year Plan – Update Report dated 9-19-2013 (the "Joiner Report") and outlined the expected costs going forward to implement the plan, which are found at page 81 of the Joiner Report. Mr. Joiner stated that Dr. Welch or some other financial person needed to verify and confirm the financial projections made in the report. Additionally, Mr. Joiner stated that Mike Pietsch needed to verify the proposed station locations for purposes of maximizing ISO points as well as planning for the future needs of the District based upon anticipated growth within the District territory.

Mr. **KYLE** joined the meeting at 8:25 p.m.

At this meeting, Mr. Joiner stated he was requesting approval for the planning of the renovation of stations 2, 3, 6 9 and 11. The Board discussed the matter and Mr. **LARRIVEE** stated that he was willing to expend the \$235,000 for design and plans related to the renovation. Mr. **KATZ** commented that the District was operating under the March 2013 Long Range Plan and that there were not funds for a \$30,000,000 project. All of the Commissioners were questioning the needed funding for all of the stations to be constructed and stated that more financial planning was needed prior to beginning the new station projects. Mr. **BODMAN** stated that he and Mr. **KYLE** are wanting to seek the input of a financial advisor. The question that arose among the commissioners was is there consensus for the plan at all. Mr. Joiner believes that Page 81 of

the Joiner Report is the consensus plan. Mr. Joe Davis stated that he believed all parties agree that stations 2, 3, 6 9 and 11 need renovation.

At this point Mr. **KATZ** stated that a report was necessary to show the status of the facilities and equipment and that it was hard to make a decision about what to do without a better understanding of knowing where we are now.

Mr. **LARRIVEE** made a motion to commence with the planning of the renovations needed for stations 2, 3, 6 9 and 11. Said Motion was seconded by Mr. **JANUSAITIS**. After further discussion, the Board voted to approve 5-0 completion of the planning phase of the renovations including the preparation of plans, specifications and bid documents. The cost of the work, per the request in Joiner Report is approved to a maximum amount of \$235,000.

Additionally, under long range planning there was a Motion to approve the Second Amendment of the Lease Agreement for Station 5. Mr. **KYLE** made such Motion and Mr. **LARRIVEE** seconded same. The Motion was approved 5-0.

There was also a Motion to authorize Mr. Larrivee to execute the Lease Amendment. Said Motion was made by Mr. **KYLE** made such Motion and Mr. **JANUSAITIS** seconded same. The Motion was approved 5-0.

The Board then entertained a motion to take the agenda out of order again. Such motion was made by Mr. **KYLE** and seconded by Mr. **JANUSAITIS** and was approved by a vote of 5 to 0.

The Board next took up agenda items No. 14 to review radio/communications and radio tower project for RFP No. 29-12-01 Trunked Radio System. There were various financing options presented related to the financing of the radio project. The Board discussed the 5 year, 7 year and 10 year amortizations and the corresponding rates for each term. After further discussion the Board entertained a Motion to approve and authorize the execution of the 10 year financing proposal at a rate of 3.78% received from Motorola's financing division. Said Motion was made by Mr. **KYLE** and seconded by Mr. **LARRIVEE** and was approved by a vote of 5 to 0.

The Board next reviewed the payment of the initial milestone payment under pursuant to the Agreement with Motorola for the radio/communications and radio tower project Trunked Radio System. The payment amount is for \$2,600,000. The Board stated that if financing could not be placed in time to satisfy the payment, Mr. Russell was authorized to issue the necessary check so that payment could be timely made. Said Motion was made by Mr. **KYLE** and seconded by Mr. **LARRIVEE** and was approved by a vote of 5 to 0.

The Chairwoman of the Board resumed the normal order of the agenda with agenda item No. 4.

The Board then addressed District investments. The Board reviewed the investment reports. There was no investment instrumentalities to review or approve.

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 Mr. **KYLE** 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 again entertained a motion to take the agenda out of order. Such motion was made by Mr. **KYLE** and seconded by Mr. **JANUSAITIS** and was approved by a vote of 5 to 0.

The Board next took up agenda item No. 15 regarding the Long Range Planning District/Department task force, wherein such motion was made by Mr. **KYLE** and seconded by Ms. **DAVIS** and was approved by a vote of 5 to 0.

The Board discussed and asked the Department if they knew how far apart the Department and the District were with respect to the Task Force report. Jennifer Walls stated that the next Cy-Fair VFD Board meeting would be held before the Districts September 29, 2013. Mr. **KYLE** stated that "it is critical

to figure out how we get the two organizations together." The Board entertained a motion to delay decisions on the District's Budget and Tax Rate until after the September 29, 2013 District meeting. Such Motion was made by Mr. **KYLE** and seconded by Mr. **JANUSAITIS** and was approved by a vote of 5 to 0.

The Board next made the following Motion regarding the Taskforce Report. The ESD agrees with the general recommendations of the Taskforce in principle and while the results of the report are subject to fine tuning, the District accepts the report and its recommendations. Such Motion was made by Mr. **KYLE** and seconded by Mr. **JANUSAITIS**. Mr. **LARRIVEE** abstained from voting on the Motion. Mr. **BODMAN** stated that there should not be a line in the sand, but that everyone needed to understand in what direction the Department and the ESD were headed. Mr. **BODMAN** stated that everyone needs to "find a path that forces us to move together down the road." Said Motion was approved by a vote of 3 to 1, wherein Mr. **LARRIVEE** abstained and Mr. **BODMAN** opposed the Motion.

The Chairwoman of the Board resumed the normal order of the agenda with agenda item No. 6.

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 \$1,169,472.00. After review, Motion was made by Mr. **BODMAN**, seconded by Mr. **LARRIVEE** to approve the payment of Department Operations for the month of October in the amount of \$1,169,472.00. 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 \$23,773.08. After review, Motion was made by Mr. **BODMAN**, seconded by Mr. **LARRIVEE** to approve the payment of Department Capital in the amount of \$23,773.08. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then reviewed the Department's 2013 operating and capital budget revisions. No action was taken by the Board.

The Board tabled agenda items No. 9 and No. 10.

The Board then received a report from Amy Ramon, the District General Manager. She reported that Motorola radios have already been received. Meetings are scheduled to monitor progress of the Motorola progress. She is actively participating with the transition of the EMS billing companies. She is also working with the Department on developing a new budget structure for 2014. Joe Davis, the Emergency Services Consultant discussed that two trees have already been removed and the area around the sidewalk has been reviewed. It was requested to remove one additional tree at a cost of \$350.00. After review, Motion was made by Mr. **JANUSAITIS**, seconded by Mr. **LARRIVEE** to remove the one additional tree at a cost of \$350.00. After discussion, the Motion was approved by a vote of 5 to 0.

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 Operation Office. After review, Motion was made by Mr. **LARRIVEE**, seconded by Mr. **BODMAN** to approve entering into the proposed lease between the Cy Fair Chamber of Commerce to provide lease space to the Chamber subject to final revisions and approval by District counsel. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then reviewed any revisions to the District and/or Department's operating and capital budgets pursuant to quarterly re-allocations and/or other matters. No action was taken by the Board.

The District then considered Department 30-day requests. A request was made by Steve Witt, Assistant Chief, to purchase 2013 replacement Steff vehicles. Purchase would be made off HGAC or BuyBoard. Cost not to exceed \$183,000 for three vehicles. After review, Motion was made by Mr. **BODMAN**, seconded by Mr. **JANUSAITIS** to approve the Department 30-day request. After discussion, the Motion was approved by a vote of 5 to 0.

The Board took a recess at 2210. Meeting called back to order at 2217.

The Board then entertained a motion to take the agenda out of order. Such motion was made by Mr. **BODMAN** and seconded by Mr. **JANUSAITIS** and was approved by a vote of 4 to 0. Mr. Kyle was out of the room. The Board next took up agenda items No. 13 to discuss long range planning of the District and Department, and to receive a report from Dr. Welch regarding evaluation of the annual Comprehensive Review.

Dr. Welch then presented the annual comprehensive review. He stated the report was not complete at this time. He had received conflicting information from the Appraisal District regarding the West side of the territory. Dr. Welch requested a description of the territory metes and bonds to verify. This will be addressed with the Appraisal District and a report will be ready for the October meeting.

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

The Board received written reports from the Department.

Ms. Walls said that the Department employee count was 247 (114 full-time, 133 part-time), and the active volunteer membership was 384, with 2 new members.

The Board reviewed page 25, emergency requests. After review, Motion was made by Mr. **BODMAN**, seconded by Mr. **KYLE** to approve page 25. 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 26 of the report. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **BODMAN** to approve page 26. After discussion, the Motion was approved by a vote of 5 to 0.

The Board next reviewed the Within Budget purchase requests (\$263,398.00) as set forth on page 27 of the report. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **LARRIVEE** to approve the Within Budget purchase requests (\$263,398.00). After discussion, the Motion was approved by a vote of 5 to 0.

The Board next reviewed the list of purchases over \$500 as set forth in CFVFD report.

The Department requested an amount not to exceed \$900 for expenses related to the hotel and per diem for 4 members to attend the Boat Operator Class (previously approved by the Board) in New Braunfels, TX. After review, Motion was made by Mr. **LARRIVEE**, seconded by Ms. **JANUSAITIS** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

The Department requested approval for CFVFD to enter into two (2) "Memorandum of Understanding" regarding (1) Village Fire Department specifically listing a Reserve Ladder Truck and a Reserve Engine and (2) Katy Fire Department specifically listing a Reserve Engine. 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 \$4,000 for Katy Rescue School being held in November. After review, Motion was made by Mr. **LARRIVEE**, seconded by Mr. **JANUSAITIS** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

The Department requested the Board to approve \$18,153.90 to Zoll Medical Corporation to extend the warranties on AutoPulse. After review, Motion was made by Mr. **JANUSAITIS**, seconded by Mr. **LARRIVEE** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

The Department requested the Board to approve the Memorandum of Understanding Between The Willowfork Fire Department and CFVFD that CFVFD agrees that if they have an available reserve ladder truck that CFVFD will provide a reserve ladder truck to the Willowfork Fire Department upon their request only when an in-service Willowfork Fire Department ladder truck is not able to perform as a first line response ladder truck. After review, Motion was made by Mr. **JANUSAITIS**, seconded by Mr. **LARRIVEE** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

The Department requested the Board to approve the Department to go out and obtain bids for protective gear and equipment. 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.

The Department requested the Board to approve the Insurance Renewal in the amount of \$47,225. After review, Motion was made by Mr. **LARRIVEE**, seconded by Mr. **KYLE** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

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.

The Board received committee reports.

The Board received a report from the committee on the fire/college project.

The Board discussed the 2013 Banquet. The Banquet will be held at the Berry Center on January 25, 2014. The requested budget for this year is \$41,000. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **LARRIVEE** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

The Department requested an adjustment to the pay scale for the Engine Officer Operator and the Lieutenant position within the Department. The Duty Crew Rate for the Engine Officer Operator was requested at \$17.67 per hour. Fro the Lieutenant position, if the crew member has less than 8 years experience, they will earn \$18.71 per hour. If the crew member has more than 8 years experience, they will earn \$19.57 per hour.

The Board reviewed the interim Fire Chief position and permanent Fire Chief position, including the Department's recruitment plan to hire a permanent Fire Chief. No action was taken by the Board.

The Board received District committee reports.

No executive session was taken.

There being no further business brought before the Board nor any further public comment, upon Motion made the meeting adjourned at 11:07 p.m. Motion was made by Mr. **KYLE**, seconded by Mr. **BODMAN** to adjourn the meeting. The Motion was approved by a vote of 5 to 0.

Secretary of the Board