

**MINUTES OF THE APRIL 18, 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 April 18, 2013, 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, KEVIN KYLE, JACK BODMAN** and **ROBERT JANUSAITIS**. 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 members of the public. Also present was Debbie Gibson, of McCall Gibson Swedlund & Barfoot, CPAs, the District's auditors.

Due to the large number of people present in the audience, at the order of the Harris County Fire Marshal, the meeting moved from the conference room to the maintenance area to accommodate the number of persons.

The Board first addressed Agenda item 1 and reviewed the called May 11, 2013 sales tax election. Mr. **LARRIVEE** said the election committee and the election consultants had met and discussed strategies. He said that the mailings would be started soon along with direct outreach to local groups.

Counsel reported on the issue with the Bridgeland Management District which has a current 1% sales tax and is planning on annexation of additional area. Counsel said that he and Mr. Janusaitis met with representatives of the Bridgeland Management District to discuss the potential boundary conflict. Counsel reported that no action was required by the District while the Bridgeland Management District was proceeding with its annexation and consent from the city.

The Board then received public comment. Among those expressing public comment were Wade Wilson, Paul Foster, David Molina, David Manley, Jessie

Cline, Stephanie Cline, Melissa Bierwirth, Brian Dyer, Sybil Ford, Daniel Corgiat, Trevor Wright. Commissioner Suzanne Davis and Kevin Kyle also stepped away from the dais to express public comment. Most of the speakers spoke about the Department Board decision not to extend the employment contract of Chief Joe Davis. Most expressed support for the Department board and for board president Jennifer Walls. Most expressed the sentiment that Chief Davis was a good person but they said they had serious concerns about the Department's leadership. Some said that the issue was not about Chief Davis, just about who runs the Department; that the Department board should have complete control over who they hire to be Chief, and the District should not interfere. Most also expressed disapproval of the District Board plan to hire an emergency service consultant. Some said that the District Board was out of line and rude in the way they treated Ms. Walls in the recent workshop regarding the fire chief position issue. Commissioner Suzanne Davis said that she understood the sentiments of the speakers, but that they all needed to remember that the district Board members are elected by the people and the commissioners have an obligation to speak about how the public funds are used and what policies the Department and District implement. She also stated that the District Board members are people too and should be treated with respect. Commissioner Kyle said that the speakers are expressing a lot of the thoughts that the Board has and the District tried to initiate a task force to study the very problems they were expressing, but the Department board pulled out of the task force before it was completed.

Mr. **LARRIVEE** concluded the public comment session at 9:15 p.m. and the meeting returned to the conference room.

Without objection, the Board took up Agenda Item 7 and the Board addressed the District 2012 audit. Debbie Gibson, of McCall Gibson Swedlund & Barfoot, CPAs, the District's auditors, presented the audit. She said the audit was clean and without any qualifications or reservations. After review, Motion was made by Mr. **KYLE**, seconded by Ms. **DAVIS** to approve the audit. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then took up Agenda Item 3 and addressed the Minutes of the March 21, 2013 regular meeting. Mr. **LARRIVEE** said that on page 3 the comments concerning the Bridgeland Management District annexation within the District and the Bridgeland 1% sales tax should reflect that the Board acknowledged the Bridgeland annexation. After review, Motion was made by Mr. **BODMAN**, seconded by Mr. **JANUSAITIS** to approve the Minutes of the prior meeting as corrected. After discussion, the Motion to approve the Minutes as corrected 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 \$11,482,056.42, the receipt of tax revenue in the amount of \$158,534.29, tax penalty and interest in the amount of \$3,527.29, interest of \$4,010.19 and ambulance reimbursement for the Department emergency medical services of \$926,331.25. Mr. **RUSSELL** said that dispatching fees of \$1,360.00 were also received. He also noted the balance sheet showed total District assets at \$54,376,524.43 (\$25,820,314.08 cash/cash equivalents; \$2,999,241.67 T-bills) short-term liabilities of \$ -0-, long term liabilities of \$4,221,136.00, and equity of \$50,155,388.43. 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. There was discussion about further diversification of investments. Mr. **KYLE** and the Board discussed opening up Wells Fargo investment accounts. Counsel said he was reviewing the proposed Depository Pledge Agreement form with Wells Fargo. Thereupon, after review, Motion was made by Mr. **KYLE**, seconded by Ms. **DAVIS** to approve opening up investment accounts at Wells Fargo with initial deposits of \$250,000.00 until the DPA is in place for more investments, and approve the balance of the investment schedules and recommendations. 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 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 5 to 0.

The Board then addressed granting exemptions for 2013. Without objection, the Board tabled this item for the May meeting.

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 \$1,174,460.00. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **BODMAN** to approve the payment of Department Operations in the amount of \$1,174,460.00. 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 \$176,151.19 (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 \$176,151.19. After discussion, the Motion was approved by a vote of 5 to 0.

Without objection, the Board reviewed Agenda Item 8 and addressed amendments to the Department budget. The Board took no action.

The Board then received a report from Amy Ramon, the General Manager. She reported the accounting program and software was a work in progress. She discussed the proposed establishment of a work group of ESD GMs in the local area. There was discussion about the accounting program delay. Department IT coordinator Daniel Corgiat said there was a change in personnel at the vendor. Ms. Ramon said she was trying to finish with the vendor

because of the specialized software. Mr. **JANUSAITIS** said maybe it was time to pull the plug on the vendor. Department IT coordinator Corgiat said he would give them one last try.

The Board then addressed the Long Range Planning (Agenda Item 13(a).) Assistant Chief-Support Services Mark Braswell presented a report on the radios and communications systems and towers. He said the proposals were received and were under review with the vendor and Department consultant. There was discussion about a vendor wanting to present alternate product and pricing for certain aspects of the communications proposal at the live presentation. Counsel said that was oaky as long as all vendors are given the same option. After review, Motion was made by Mr. **KYLE**, seconded by Mr. **BODMAN** to approve for a vendor to present alternate product and pricing for certain aspects of the communications proposal at the live presentation as long as all vendors are given the same option. After discussion, the Motion was approved by a vote of 5 to 0.

Without objection, the Board tabled Long Range Planning Agenda Items 13(b)-(c).

The Board then addressed the election consultants and outreach regarding the District May 11, 2013 sales tax election. Mr. **LARRIVEE** said he reported on that earlier, and that the mailings would be started soon along with direct outreach to local groups. He said if anyone had questions they could contact any individual commissioner.

The Board then addressed the Bridgeland development and the prospect of building facilities there for the fire and EMS service. Assistant Chief-Support Services Braswell said the committee met but there was no action at present.

There were no Department budget revisions to review.

The District then considered Department 30-day requests. The Chief said there were was a request made for two ambulances, but now there is a need for three. Assistant Chief-EMS Kenny Grayson said the current third ambulance had 100,000 miles and is 7-years old. He said the cost is \$20,000.00 to update the engine to keep it fully functional, so it was more cost effective to buy new. Mr.

**KYLE** questioned the finances. He said there is a long range plan in place and the third ambulance is later in the program. He said this year calls for two ambulances and that was approved. Mr. **KYLE** said the budget is tight and the long range planning financing option is very tight. He said he could approve this request only if there was no negative budget impact. Counsel suggested that this could be accomplished based on the quarterly reallocations, that if the Department returned enough unused funds those funds could be reallocated to the ambulance purchase and the District funding to the Department would remain the same. The Chief said that was a good idea and there should be funds to do that. After review, Motion was made by Mr. **BODMAN**, seconded by Mr. **JANUSAITIS** to approve the purchase of the third ambulance, increasing the prior order of two, using reallocated funds returned to the District, subject to a zero sum change to the District's approved funding to the Department. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then received the monthly report from the Cy-Fair Volunteer Fire Department. The Chief said due to the late hour the Department would present highlights.

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 246 (116 full-time, 130 part-time), and the active volunteer membership was 370, with -0- 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. **KYLE**, seconded by Mr. **JANUSAITIS** 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 Ms. **DAVIS**, seconded by Mr. **BODMAN** to approve the Within Budget purchase requests, as set forth on the top part of the report on page 3. Mr. **JANUSAITIS** asked about the Microsoft license. He asked if there are alternatives, such as Office 365. He said that could open up licensing and enlarge the product pool. He also said the cost of \$12,000.00 for two years could be beat. Department IT coordinator Corgiat said he was concerned about the use of cloud-based technology for the Department. Mr. **KYLE** said it worth at least investigating. Mr. **JANUSAITIS** agreed, especially because the current and proposed program was disc based and that meant limited space and continuing licensing costs. Ms. Walls said she agreed and the Department would look into this and could get by on the current licensing for the remainder of the year. After discussion, the Motion was approved by a vote of 5 to 0, in accordance with the discussion about limiting the license to the remainder of the year.

Ms. Walls noted the LOSAP report. She presented a proposal for inclusion of the auxiliary in the LOSAP program with no cost to the Department or District. After review, Motion was made by Mr. **JANUSAITIS**, seconded by Mr. **BODMAN** to draft of a proposal regarding the auxiliary. After discussion, the Motion was approved by a vote of 5 to 0.

Assistant Chief-EMS Kenny Grayson reported on EMS and said that all ambulances now have auto pulse devices. He reported that Ambulance 5 was at the Chevrolet dealership for repairs after a recent wreck.

Assistant Chief-EMS Grayson reported that the Department's Medicare review was completed and a big back log of Medicare EMS funds has been received.

There was no report on EMS billing collections alternatives or a request for action on vendor proposals.

The Board reviewed College matters. The Chief said there was little activity at present.

The Board then addressed the fire chief position. Ms Walls said April 30 was the target date for the end of Chief Davis' contract and the date an interim Fire Chief would be appointed by the Department board. Mr. **LARRIVEE** asked if the Department was prepared to present a succession plan and Fire Chief selection process. Ms. Walls said this was being worked on.

There was then extensive discussion on the fire chief position. Ms. **DAVIS** said she has been on the District Board for over 4 years and she does not ever remember hearing about a fire chief issue until the summer. Ms. Walls said that there has not been any action by the District Board since the issue came up in June and July and there was a meeting and then the task force was formed and there was still no resolution. She said the Department board felt it was time for them to make a decision. Mr. **LARRIVEE** said there was not real evaluations done except for a Monkey Survey. Ms. Walls said she disagreed and said reviews were done. She said each Station expressed its views through its board rep. Some in the audience said there was no real discussion at the station level. Some said they never saw the task force information. Department board member David Manley said the Department has worked with the District. Mr. **KYLE** asked how they could say that. He said there were three groups on the task force and no single group controlled the conversation, but then during the process the Department board acted alone regarding the fire chief position. Ms. Walls and Mr. Manley said the fire chief issue was not part of the task force program. Mr. **KYLE** said it was right there on Slide 14, that the Department leave the fire chief position alone for the remainder of the year while the task force worked on its business. Other Department board members said they never saw that or Slide 14. Mr. **LARRIVEE** said even so he had asked that the fire chief change not be done while the tax election was under consideration. There was discussion about poor communications between the District and Department. The Department

speakers said the District is trying to manage the Department. Ms. **DAVIS** said that is not so, but the District Board has an obligation to make sure the money and services are used right. Mr. **KYLE** said he cannot trust the Department in the way it handled the task force. He said he thought there was buy in but apparently not. Mr. **BODMAN** said there has been a total breakdown in communication. He said all the issues were linked together. Mr. **JANUSAITIS** said there has to be professionalism in the way the Department and District operate. Mr. **LARRIVEE** said the facilitator has identified red flags and green flags in the dealings between the District and Department and there needs to be a commitment to address the red flags. Some Department speakers said they do not know what the red flags are. There was then discussion about how the Department board disseminates information to the members.

On the construction projects, Mr. **LARRIVEE** said IT needed to work on the security cameras for the stations. The Chief said the projects were proceeding.

Without objection, the Board tabled traffic preemption and the E-View program.

There were no committee reports.

The Board tabled and deleted a report on the District website.

There being no further business brought before the Board nor any further public comment, upon Motion made the meeting adjourned at 1:15 a.m.

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Secretary of the Board