

**MINUTES OF THE SEPTEMBER 18, 2014 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 18, 2014, at the administrative offices of the District, 9630 Telge Drive, Houston, Texas 77095.

The meeting was called to order at 7:42 p.m. by **JEREMY M. MARTINSON**, President. Those Commissioners present were **JEREMY M. MARTINSON, SUZANNE DAVIS, ROBERT JANUSAITIS, BETTY BOREN AVERY, and SCOTT DeBOER**. Also present were **JENNIFER WALLS, and AMY RAMON**, Vice President and Fire Chief, respectively, of the **CY-FAIR VOLUNTEER FIRE DEPARTMENT** (the "Department), chief officers and members of the Department, **BILL RUSSELL, of MYRTLE CRUZ, INC.**, the District's bookkeeper, **HOWARD KATZ, of COVELER & KATZ, P.C.**, the District's Counsel, and members of the public. Also present were Ricardo Martinez from Joiner Partnership, the District's architects on various District construction projects.

At 7:44 p.m., the Board entered Executive Session, pursuant to Sections 551.071 and 551.072 Government Code, to conduct a private consultation with the District's legal counsel, and to discuss District real estate matters, including the use and possible sale and/or expansion of District real estate.

The Board re-entered public session at 8:00 p.m.

The Board received public comment. Ms. Avery said she appreciated the Department's recent public event BBQ raising awareness of the Department's activities.

The Board addressed the Minutes of the August 21, 2014 regular meeting. After review, Motion was made by Mr. **JANUSAITIS**, seconded by Ms. **AVERY** to approve the Minutes. 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 \$1,671,001.53, the

receipt of tax revenue in the amount of \$19,665.86, tax penalty and interest in the amount of \$6,964.28, sales tax receipts of \$1,807,049.41, interest of \$4,122.65, and ambulance reimbursement for the Department emergency medical services of \$482,427.84, and Cy-Fair Chamber rental income of \$750.00. Mr. **RUSSELL** said that dispatching fees of \$1,520.00 were also received. He also noted the balance sheet showed total District assets at \$58,566,718.01 (\$20,694,529.00 cash/cash equivalents) short-term liabilities of \$ -0-, long term liabilities of \$11,090,054.00, and equity of \$47,476,664.01. Thereupon, after review, Motion was made by Ms. **AVERY**, seconded by Ms. **DAVIS** to approve the Financial Report. 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 in place security pledge agreements for the District's excess deposits.

The Board then addressed District investments. The Board reviewed the investment reports.

The Board reviewed approving an amendment to District Investment Policy to allow investments as provided under Section 2256.010, subsections (a) and (b), Government Code (PFIA), to allow interstate investing in FDIC insured certificates of Deposit. Counsel discussed the statute amendment allowing these types of investments and bank CD purchases as investments. There was an acknowledgement of the need for increased diversification of District funds. After review, Motion was made by Mr. **JANUSAITIS**, seconded by Mr. **DeBOER** to approve and authorize the amendment to the District Investment Policy as presented. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed administrative bills and commissioner fees as set forth in the Financial Report. After review, Motion was made by Mr. **JANUSAITIS**, seconded by Mr. **DeBOER** 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. Chief Amy Ramon noted that

Operations funding was due at this meeting in the amount of \$1,281,333.00. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **JANUSAITIS** to approve the payment of Department Operations the amount of \$1,281,333.00. 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. Chief Ramon noted that Capital funding was due at this meeting in the amount of \$28,397.88 (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 \$28,397.88. After discussion, the Motion was approved by a vote of 5 to 0.

The Board addressed revisions to the Department 2014 budget. Department board vice president Jennifer Walls said there were none.

The Board then addressed the 2014 property valuations (Agenda Items 9 and 10). Counsel said the certified 2014 HCAD tax rolls were in and showed growth and an over-all increase in values, with the 5% homestead and increased over 65/disability exemptions reflected. The Board then addressed the 2014 tax rate setting process and appraisal reports. Counsel discussed the 2014 appraisal rolls and presented a tax rate scenario.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 9

2014 TAX RATES SCENARIOS (2015 FY)

2013 Rate:	\$.06000/\$100
Tax Base:	\$ 28,044,706,635
Tax Collection:	\$ 16,826,824
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2014 Tax Base (2015 FY):	\$ 28,954,328,531
<u>2013 Tax Rates</u>	
Effective Tax Rate:	\$.06000/\$100
Maximum Tax Levy:	\$17,372,597 (Increase over 2013: \$545,773)

The Board reviewed the information. There was discussion about the budgetary needs of the District and Department going forward and the District's sales tax revenue. Ms. **DAVIS** discussed the capital requirements of the District

and Department in the upcoming year. Counsel said the effective tax rate exceeded the maximum District tax rate of \$.06000/\$100, and therefore special public hearings to adopt a tax rate were not required.

The Board then addressed the proposed District 2015 budget. Counsel presented a proposed budget prepared by Counsel with input from Mr. Russell and Commissioners.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 9
BUDGET SUMMARY OF REVENUE & EXPENDITURES
FOR CALENDAR YEAR 2015

REVENUES

Property Taxes	\$ 16,500,000*
Sales Tax Revenue	18,000,000
Ambulance Collections	5,000,000
Dispatch Fees	20,000
Interest On Investments	<u>60,000</u>
TOTAL REVENUES	\$ 39,580,000

* Based Upon 2014 HCAD Certified Tax Rolls
\$28,954,328,531.00x \$.06000 = \$17,372,597.00x 95% = \$16,500,000

EXPENSES (Operating and Capital)

Payroll	\$ 220,000
Payroll Taxes	30,000
Commissioner Fees	15,000
Legal Fees	60,000
Election Expenses (notices, workers, etc.)	-0-
Legislative Services	5,000
Bookkeeping	33,000
Rent	-0-
Station Renovation Loan (Phase 1)	390,000
Dispatch Equipment Loan (2012)	145,000
Motorola Radio program loan	1,124,000
Audit Fees	20,000
Professional Consultants	50,000
Long-Range Planning	10,000
Fire & Ambulance Service (CFVFD)	***
Capital Expenditures (CFVFD)	***
Harris County Appraisal	140,000
Legal Notices	10,000
Printing & Office Supplies	5,000
Insurance & Surety Bonds	100,000
Employee Health Insurance/ Simple IRA	30,000
Utilities	40,000
Building Maintenance	-0-
Website/Community Outreach	10,000
Other Expenses	<u>40,000</u>
TOTAL EXPENSES	\$ 2,477,000

CURRENT YEAR AVAILABLE CASH **\$ 37,103,000**

After review, Motion was made by Mr. **DeBOER**, seconded by Mr. **JANUSAITIS** to approve the proposed 2015 District budget. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed proposing and setting the District 2014 tax rate. After review, Motion was made by Ms. **DAVIS**, seconded by Ms. **EVERY** to propose a 2014 District tax rate at \$.06000/\$100. After discussion, the Motion was approved by a vote of 5 to 0.

The Board addressed sales tax matters. Counsel said he had filed the telecommunications exemption order with the State Comptroller last month.

Karina Martinez, the District Temporary General Manager was not in attendance for a report.

The Board discussed the District General Manager vacancy. Ms. **DAVIS** and Ms. **EVERY** gave a committee report regarding development of the job profile and description for the District permanent General Manager position and District administrative aide position. They presented the proposed job descriptions, scope of duties and job application forms. After review, a series of motions were made:

(1) Motion was made by Mr. **JANUSAITIS**, seconded by Ms. **EVERY** to approve the proposed job descriptions, scope of duties and job application forms. After discussion, the Motion was approved by a vote of 5 to 0.

(2) Motion was made by Ms. **DAVIS**, seconded by Mr. **JANUSAITIS** to approve the creation of the District position of District administrative aide. After discussion, the Motion was approved by a vote of 5 to 0.

(3) Motion was made by Ms. **DAVIS**, seconded by Ms. **EVERY** to approve soliciting applications for the District positions of District General Manager and District administrative aide. After discussion, the Motion was approved by a vote of 5 to 0. Counsel was requested to prepare the notice of job openings and advertise same in the Houston Chronicle.

(Ms. Davis exited the meeting at 9:01 p.m.)

The Board then addressed the Motorola radio system implementation. Chief Ramon provided an update.

(Ms. Davis re-entered the meeting at 9:03 p.m.)

The Board addressed long-range planning Phase 2 and future stations and apparatus requirements. The Board reviewed the Phase 2 project results. Mr. **DeBOER** said the complaints about some of the work from prior months seem to have been addressed and corrected or are being corrected. The Department's report on the Bridgeland fire station indicated a new site was located for the fire station which actually seemed to be a better site for the Department.

The Board then addressed development of a usage policy for Station facilities, particularly 9520 Telge. Ms. **AVERY** presented a proposed Indemnification and Hold Harmless Agreement for use when third parties use District facilities. There was discussion about development of the usage policy. Counsel said some districts and fire departments limit usage to non-profit entities, such as HOAs and MUDs. He said others permit usage only by residents for events like children's birthday parties. After review, Motion was made by Ms. **AVERY**, seconded by Ms. **DAVIS** to approve development of a District facilities usage policy and approval of the Indemnification and Hold Harmless Agreement. After discussion, the Motion was approved by a vote of 5 to 0.

Counsel said there Durotech presented two applications for payment 7 (\$218,212.68) and 8 (\$284,049.43) on the Phase 2 station renovation. After review, Motion was made by Mr. **JANUSAITIS**, seconded by Mr. **DeBOER** to pay the applications for payment 7 (\$218,212.68) and 8 (\$284,049.43). After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed the possible enlargement of Station 7 to accommodate a 100' ladder truck and an ambulance. Counsel said there is an existing Lease Agreement between two Fairfield MUDs and the Department and District regarding the use of the facility, with a term to 2034. Counsel also said the two MUDs paid for the original construction of Station 7 and the Lease Agreement has apparatus terms to follow. The Board discussed developing a concept for the renovation. Mr. **MARTINSON** asked Ricardo Martinez from Joiner Partnership, the District's architects on various District construction projects, an

estimated cost to prepare a schematic of the possible Station 7 renovation. Mr. Martinez said he has talked with the Department and estimated the cost at \$8,500.00. After review, Motion was made by Ms. **AVERY**, seconded by Mr. **DeBOER** to approve for Mr. Martinez to prepare a schematic of the possible Station 7 renovation for a cost not to exceed \$8,500.00. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed the Station 9 construction options. There was discussion about the project and communication with the WCID that owns the property and its attorney. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **DeBOER** to approve for Counsel to communicate directly with the WCID attorney regarding the possible land transfer of the Station 9 site to the District. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed transition matters and implementation. Counsel said he prepared proposed revisions to the service agreement based on the addendum and had delivered same to the Department for review.

The Board addressed revisions to the Department 2014 budget. Chief Ramon said there were none.

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

The Board then addressed approval of the following items under Agenda Item 27:

- a. Emergency Request - Cool Tech Ice – Station 4 Ice Machine \$2600.00
- b. Heitman Truck Repair – E-12 repairs \$4507.85
- c. Stewart & Stevenson Services – M-501 Transmission repair \$1381.93
- d. Boundtree – King Vision Laryngoscopes w/ case \$20,650.00
- e. Honeywell – Bunker coats and pants (28 sets) \$53,718.00
- f. MES – Eagle Imager (1), Eagle Attack (2) \$22,430.00
- g. Hudson Building Systems – Teccrete high pressure laminate raised panels for the radio & IT room at 9101 Wheatcross (Dispatch) \$3,293.00
- h. CDW-G – APC UPS Equipment replacing older failing equipment that powers the IT equipment per station (12) \$14,906.00
- i. Payroll taxes 9/3/14 \$105,000.00
- j. Payroll taxes 9/17/14 \$110,000.00
- k. Cy Fair Medical Center – workers comp self-pay DOI 7/8/14 \$2,513.00
- l. Cy Fair Medical Center – workers comp self-pay DOI 7/2/14 \$2,478.00
- m. MES – thermal imager repair \$2,500.00

- n. Powerbrake – Powerbrake drums and rotors \$5,879.00
- o. IAED – EFD Re-accreditation application fee \$2,250.00
- p. Stewart & Stevenson – Replace turbo on E-5 \$4,154.00
- q. Trittech – Annual licenses for workstations, software support renewal agreement 10/1/2014 – 09/30/2015 \$119,291.00
- r. Dooley Tackaberry – Helmets (31), Gloves (30) \$12,120.00
- s. Honeywell – Suspenders (61) \$2,029.00
- t. Delta Airlines – Prepay w/ reimbursement from Robert Rasa, airline ticket to FEMA Advanced Public Information Officer \$340.00
- u. JWC Publishing – Firefest Full page ad in Your Community Magazine \$2,700.00
- v. Netmotion Wireless – Two day certification class + one day advanced class 11/11/14 – 11/13/14, one participant \$2,995.00
- w. VCOS Symposium – Symposium in the Sun, 2 attendees, conference, hotel, per diem, airfare, baggage, taxi, shuttle \$3,800.00
- x. Holmatro USA – Holmatro training service technician class Baltimore, MD 10/9 – 10/10 2 attendees, conference, hotel, per diem, airfare, baggage, taxi, shuttle \$2,300.00
- y. Comcast – Move fiber connection at station 1 from station 1 to back up dispatch building, install 10Mbps internet at this location (recurring charges of \$615.00 per month for remaining 41 months of 60 month contract) \$25,215.00
- z. Storm –Tex Services – 2014 HC SWQ Expired permit fees, 2014 engineering certification and permit renewal, monthly monitoring and inspections until 2015 renewal, cleanout of SWST-095, including labor and disposal (9/2014 – 8/2015) \$2,700.00
- aa. The Schubot Law Firm, P.C. – 8/2014 legal services \$3,251.00
- bb. Berry Center Annual banquet 1/17/2015 Deposit \$2,667.00

There was discussion concerning items (d) and (s) which were to be held for separate consideration. After review, Motion was made by Mr. **JANUSAITIS**, seconded by Ms. **DAVIS** to approve the items under Agenda Item 27, except (d) and (s). After discussion, the Motion was approved by a vote of 5 to 0.

The Board addressed Agenda Item 27(d) regarding Boundtree – King Vision Laryngoscopes w/ case \$20,650.00. Ms. **AVERY** asked if the purchase came with training and would the members be trained on the devices. Chief Ramon said there would be training by qualified instructors before the devices were deployed. After review, Motion was made by Ms. **AVERY**, seconded by Mr. **JANUSAITIS** to approve Item 27(d). After discussion, the Motion was approved by a vote of 5 to 0.

The Board addressed Agenda Item 27(s) regarding Honeywell – Suspenders (61) \$2,029.00. Ms. **AVERY** asked why 61 suspenders. Department

Quartermaster Steve Witt said that the order is to have a stock in reserve because suspenders need to be of different sizes and always on hand. After review, Motion was made by Ms. **EVERY**, seconded by Mr. **JANUSAITIS** to approve Item 27(s). After discussion, the Motion was approved by a vote of 5 to 0.

The Board addressed development of a Department EMS patient satisfaction program. Chief Ramon said the development was under way.

The Department requested approval to solicit IT assessment services. Chief Ramon asked for that matter to be held for the next meeting.

The Board then addressed adoption of a District program and policy for an awards program for the Department cadet classes. The consensus of the Board was that there should be such a program. Ms. **DAVIS** said this was an area that she would like to chair. After review, Motion was made by Mr. **DeBOER**, seconded by Mr. **JANUSAITIS** to approve the program development with Ms. Davis as the chair. After discussion, the Motion was approved by a vote of 5 to 0.

The Board addressed and tabled discussion on the District Records Retention Policy.

The Board then addressed the District website. There was general discussion about updating the site and placing a newsletter on the website. There was discussion about who has access to the website for maintenance and updating. Ms. **DAVIS** said the website needs to be for all the commissioners and should reflect policies adopted by the whole Board. Mr. **JANUSAITIS** said he had updated the website, and said the Board should settle on the format it wishes to follow.

The Board then noted receipt of the monthly report from the Cy-Fair Volunteer Fire Department, including written reports from the Department, the EMS billing report, status change report, the monthly TexFir reports were filed with the State Fire Marshall's office, the over-time report and the accident/injury log, the LOSAP report, and the Department employee count.

There being no further business brought before the Board nor any further public comment, upon Motion made the meeting adjourned at 10:05 p.m.

Secretary of the Board