

**MINUTES OF THE APRIL 24, 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 April 24, 2014, 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 **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 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, **HOWARD KATZ**, of **COVELER & KATZ, P.C.**, the District's Counsel, District consultants and members of the public. Also present were Ricardo Martinez from Joiner Partnership, the District's architects on various construction projects, Richard Fletcher, of Sales Tax Assurance, the District's consultant on sales tax matters, and candidates for the upcoming District commissioner election, Tom Bazan, Betty Boren Avery, Wilma Matthews, Scott DeBoer, Jeremy Martinson.

The Board first received public comment. None was offered.

The Board addressed the commissioner election for May 10, 2014 for three seats. Counsel said that the election precinct lists from the county were finalized. He reported that the Winchester Swim Center was not available and following discussion with Ms. Davis that near-by Station 10 was substituted. He also noted that the election notice was scheduled to run in the newspaper and was posted. After review, Motion was made by Mr. **JANUSAITIS**, seconded by Mr. **BODMAN** to approve for Station 10 to be substituted for the polling location at the Winchester Swim Center. After discussion, the Motion was approved by a vote of 5 to 0.

The Board addressed the Minutes of the March 20, 2014 regular meeting. After review, Motion was made by Mr. **BODMAN**, seconded by Mr. **KYLE** to

approve the Minutes. 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 \$11,304,099.21, the receipt of tax revenue in the amount of 218,031.97, tax penalty and interest in the amount of \$3,534.92, sales tax receipts of \$1,398,711.55, interest of \$4,178.73, and ambulance reimbursement for the Department emergency medical services of \$369,068.57, and Cy-Fair Chamber rental income of \$750.00. Mr. **RUSSELL** said that dispatching fees of \$ -0- were also received. He also noted the balance sheet showed total District assets at \$63,197,495.84 (\$36,248,938.76 cash/cash equivalents) short-term liabilities of \$ -0-, long term liabilities of \$4,221,136.00, and equity of \$58,976,359.84. Thereupon, after review, Motion was made by Mr. **BODMAN**, seconded by Ms. **DAVIS** to approve the Financial Report as presented. 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 District investments. The Board reviewed the investment reports. Thereupon, after review, Motion was made by Mr. **KYLE**, seconded by Mr. **BODMAN** to approve the Financial Report. After discussion, the Motion was approved by a vote of 5 to 0.

The Board tabled investment activities until after the election.

The Board tabled an RFP for investment advisor services.

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 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 \$1,812,255.00. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **BODMAN** to approve the payment of Department Operations the amount of \$1,812,255.00. 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 \$114,636.41 (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 \$114,636.41. After discussion, the Motion was approved by a vote of 5 to 0.

The Board addressed revisions to the Department 2014 budget. Ms. Walls said there were none.

The Board then addressed sales tax matters. Richard Fletcher, of Sales Tax Assurance, the District's consultant on sales tax matters presented a report. He said the company discovered that 500 businesses were not reporting sales taxes to the District's account. He said otherwise the accounts and collections appeared correct. He said he would have a more detailed report at the May meeting, possibly with better mapping.

The Board received a report from Amy Ramon, the District General Manager. She reported on that renovations were under way at the admin. building. She also reported that the Department/District appeal of the county's initial rejection of the Station 1 communication tower was successful. Ms. Ramon asked if the Board would take out of order Agenda Item 15, to review and take action on Motorola radio system implementation. She and Mr. **JANUSAITIS** reported on a change order for the Station 1 tower height. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **JANUSAITIS** to approve the change order. After discussion, the Motion was approved by a vote of 5 to 0.

(Mr. Kyle exited the meeting at 8:02 p.m.)

The Board then addressed the committee appointments by the Board President. Mr. **LARRIVEE** said he was replacing Ms. Davis as committee chair with the District General Manager for the College, IT, PR and the Chamber.

(Mr. Kyle re-entered the meeting at 8:05 p.m.)

The Board then received reports from committees. Mr. **KYLE** said he had no report on investments. Mr. **JANUSAITIS** reported on transition and said the new Department board took office and transition was wrapping up. Ms. **DAVIS** reported on the College and fire field. She said she has a good relationship with the College and the maintenance issue needs to be addressed. There was discussion about the scope of the Interlocal Agreement and the original intent and where things stood now. There was discussion about priority use of the facility. Mr. **KYLE** said there was more work that needed to be done..

(Ms. Davis exited the meeting at 8:18 p.m.)

Mr. **LARRIVEE** reported on Facilities.

(Ms. Davis re-entered the meeting at 8:20 p.m.)

Mr. **LARRIVEE** said the current utilities contract with the State GLO was working well and it should be continued when the current contract expired.

The Board then re-opened the Motorola radio system implementation. Mr. **JANUSAITIS** said the recent meeting with the Station 1 area HOA went well concerning the area and the new tower.

Assistant Chief-Support Services Mark Braswell reported that Station 1 was back on track. He said other agencies have made contact wanting to get on the Department's communication system. Mr. **JANUSAITIS** said that was an interesting option, so long as the other agencies reimburse the District's taxpayers.

The Board addressed a change order for the Durotech Phase 1 project. The architect certified the amount of \$7,000.00 was credited back to the District.

The Board addressed long-range planning Phase 2. Ricardo Martinez, from Joiner Partnership, the District's architects on various construction projects, discussed the Phase 2 projects and delivered a report. He reported that pay apps 1 and 2 were due in the total amount of \$141,475.16. After review, Motion was

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

(Ms. Davis exited the meeting at 8:39 p.m.)

The Board addressed payment under Durotech Phase 1 project. Mr. Joiner said the amount due was \$83,030.86. After review, Motion was made by Mr. **JANUSAITIS**, seconded by Mr. **BODMAN** to approve the payments. After discussion, the Motion was approved by a vote of 4 to 0.

(Ms. Davis re-entered the meeting at 8:41 p.m.)

The Board then received a report from Joiner Architects regarding Station 9 construction options. Ricardo Martinez from Joiner Partnership, the District's architects on various construction projects, delivered the report. Mr. Martinez said the report showed drawings of a re-designed station. Ms. **DAVIS** asked what the cost was to repair the existing station. She said the report only showed drawings for a new station. Mr. Martinez said the estimate for repair was \$1.3 million. Mr. **KYLE** asked why there were only drawings and a report for a new station when the report was to provide options. Mr. Martinez said repairs would not require re-configuration so that was why he did not detail the layout, but the current station is drawn and depicted in the report. Mr. **KYLE** said he saw that but there is no detail on repairing the station or what would be required. Assistant Chief-EMS Kenny Grayson said verification was needed that the station could be replaced because the WCID still owned the land and building. He said this presented an opportunity to approach WCID to see if the Department or District could obtain ownership. Mr. **KYLE** said why was there an assumption that the Station 9 site was permanent and maybe it should be relocated, at least as an option. Mr. **LARRIVEE** said the Department and District should approach the WCID. Mr. **JANUSAITIS** said he was a resident of that WCID.

The Board tabled Agenda Items 19 (long range planning), 20 (Bridgeland Development), 21 (Phase 2 of the Long Range plan).

The Board then received a status report from consultant Steve Ferguson on implementation of contract matters concerning transition team and task force action plan. Mr. Ferguson presented a power point. Mr. **KYLE** said that the intent

to restructure the Department and District operations should wait until after the election. Mr. Ferguson asked that the Board at least consider the District Board restructure of its operations as presented in the report and discussed at the prior workshops. After review, Motion was made by Mr. **KYLE**, seconded by Ms. **DAVIS** to approve the review of the Ferguson plan for District Board restructuring of its method of operation. After discussion, the Motion was approved by a vote of 3 to 1 (Mr. Bodman abstaining).

The Board then addressed transition matters and implementation. There was discussion about the transition to the new Department board and hiring of a fire chief. Ms. Walls said the new Board was in place and operating. Ms. Walls reported that the fire chief hiring process was under way by the consultant, McGrath Group, and top candidates were selected and an assessment test was scheduled for May 10.

The Board addressed revisions to the Department 2014 budget. Ms. Walls said there were no quarterly reallocations for this meeting.

The District then considered Department 30-day requests. The Department requested approval (1) to purchase a new Velocity Rescue truck, for cost up to \$672,154.00; (2) replace copier for up to \$21,721.00; (3) purchase new Chief's vehicle for up to \$40,000.00; (4) purchase new radio tech vehicle for up to \$80,000.00.

There was discussion about the merits of leasing a copier instead of buying a new one. Ms. Walls said the Department would look at that.

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 noted the LOSAP report.

Ms. Walls said that the Department employee count was 253 (122 full-time, 131 part-time), and the active volunteer membership was 371, 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 Mr. **KYLE**, seconded by Ms. **DAVIS** 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. The Board noted the purchase of 23 sets of bunker gear. After review, Motion was made by Mr. **KYLE**, seconded by Ms. **DAVIS** 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. **KYLE** 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.

The Department requested approval for a Heavy Rescue Class. 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 approval for two employees to attend an EMS billing course (\$1,900.00). 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 requested approval to purchase a new ice machine (low bid-\$3,500.00). After review, Motion was made by Mr. **JANUSAITIS**, seconded by Mr. **BODMAN** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

Ms. Walls said that the SAN system lease apparently included the vendor passing on the property taxes to the Department, even though the Department is

tax exempt. There was discussion on that subject along with a possible buy-out of the lease.

Ms. Walls addressed the transition process and said that the Department board believed the Department satisfied all the requirements of the amended service agreement and transition requirements and requested the Board to acknowledge that.. There was discussion about the process. Mr. **LARRIVEE** asked Counsel and Mr. **JANUSAITIS** to review the matter.

The Board addressed Chamber matters. Ms. **DAVIS** said there was no report. Counsel asked for and received permission to review the lease. He noted the lease was done while he was out for back surgery in August-September and wanted to take a fresh look at it.

The Board addressed CFO matters for the District and discussed if it was a full-time or part-time position or a consultant position. Mr. **LARRIVEE** said this was a good discussion but whatever decision is made he believed the District budget process needed to start earlier in the year rather than waiting for September or October when the tax rate process is done. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **KYLE** to approve commencing an evaluation of the District budget process including the start date for budgeting and to approve for Mr. Janusaitis to review recommendations and strategies for District budgeting process, including the start date. After discussion, the Motion was approved by a vote of 5 to 0.

The Board addressed real estate matters and Mr. **LARRIVEE** said there was no report.

The Board entered executive session at 10:00 p.m. pursuant to Section 551.072, 0.74 Government Code, to discuss and consider real estate matters and employee matters. The Board re-entered open session at 10:14 p.m.

Ms. Walls asked to re-open the Department report. She said the Department had a line item for an IT support employee and for Burnett Personnel Services to review applications. She said there were 400 applications and requested approval instead to contract with Burnett for a temp to hire contract for a fee of \$30,000.00. 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.

There being no further business brought before the Board nor any further public comment, upon Motion made the meeting adjourned at 10:20 p.m.

Secretary of the Board