

**MINUTES OF THE JULY 23, 2015 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 July 23, 2015, at the administrative offices of the District, 9630 Telge Drive, Houston, Texas 77095.

The meeting was called to order at 6:08 p.m. by **BETTY BOREN AVERY**, Vice President. Those Commissioners present were **SUZANNE DAVIS**, **ROBERT JANUSAITIS**, **BETTY BOREN AVERY**, and **SCOTT DeBOER**. Also present were **KYLE WILLIAMS**, District Managing Director, **AMY RAMON**, Fire Chief, 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 was Ricardo Martinez, District real estate feasibility consultant.

Ms. Avery delivered an invocation.

The Board received public comment.

The Board addressed the Minutes of the June 18, 2015 regular meeting. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **JANUSAITIS** to approve the Minutes. After discussion, the Motion was approved by a vote of 3 to 0 (Mr. DeBoer abstaining).

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 \$3,904,862.24, the receipt of tax revenue in the amount of \$37,294.08, tax penalty and interest in the amount of \$4,860.46, sales tax receipts of \$2,469,248.59, interest of \$5,519.42, and ambulance reimbursement for the Department emergency medical services of \$504,787.82. Mr. **RUSSELL** said that dispatching fees of \$1,960.00 were also received. He also noted the balance sheet showed total District assets at \$75,896,068.59 (\$53,755,366.59 cash/cash equivalents) short-term liabilities of \$-0-, long term liabilities of \$6,868,918.00, and equity of \$69,027,150.59. Thereupon, after review, Motion was made by Mr. **DeBOER**, seconded by Mr.

JANUSAITIS to approve the Financial Report. After discussion, the Motion was approved by a vote of 4 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 and tabled action on District investments.

The Board then addressed action on District depository pledge agreements. Counsel presented the proposed depository pledge agreement with Compass Bank. Counsel noted that this Agreement provided for letters of credit as permitted collateral. Thereupon, after review, Motion was made by Mr. **JANUSAITIS**, seconded by Mr. **DeBOER** to approve the Financial Report. After discussion, the Motion was approved by a vote of 4 to 0.

Without objection, the Board took up Agenda Item 12, and addressed sales tax matters. Richard Fletcher, of Sales Tax Assurance, the District's sales tax consultant, delivered a report. He reported that his company has recovered \$3.38 million in accounts that were either not reporting the District sales taxes to the State Comptroller or were doing so incorrectly. He said that 95 businesses have been corrected in the allocation process to include the District. He said that the top 10 businesses were accounting for 35% of the District's sales tax revenue, and the Top 100 were accounting for 57% of the District's sales tax revenue.

The Board then addressed engagement of DSF Advisors, and its principal Steve Ferguson, to assist in District financial planning matters. There was discussion about the Steve Ferguson's prior work with the District and acting as a facilitator during the contract and budget reviews. Mr. Ferguson saw his role as assisting with development of certain metrics on financial and related operational matters. He estimated the project would be 3-4 months and would involve a bottom-up process and would involve developing a rolling 4-month roll out for continual budget review. Ms. **AVERY** asked when Mr. Ferguson's discussions started with the District most recently. Mr. Ferguson said he started discussion with Board president Jeremy Martinez during the past month or so

concerning a program development for general financial stewardship in a collaborative effort with the District staff and Board members. Ms. **DAVIS** said that a financial reviewer was necessary. Ms. **EVERY** said this was a holistic approach. Ms. **DAVIS** said this was needed and there were some unknowns that needed to be indentified. The Board discussed the contract price for the project. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **JANUSAITIS** to approve for the engagement of DSF Advisors to assist in District financial matters as a contract service with a contract price of \$30,000.00, with a report due in full within six (6) months. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then addressed the KPI's for the District-Department service evaluation. There was discussion about whether this item is included in the DSF engagement. The Board determined that it was an adjunct to that project, but was not included in the engagement itself. Ms. **DAVIS** said it was important now that the committee work be handled by DSF to bring it all together. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **JANUSAITIS** to approve the separate engagement of DSF Advisors to assist in the KPI process for a maximum cost of \$19,500.00. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then addressed administrative bills and commissioner fees as set forth in the Financial Report. Mr. **DeBOER** said that in addition to the bills listed in the report was pay estimate #2 for the Station fencing project. 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. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then addressed the payment of Department Operations as set forth in the Financial Report. Chief Amy Ramon noted that Operations funding was due at this meeting in the amount of \$1,842,739.00. After review, Motion was made by Mr. **DeBOER**, seconded by Mr. **JANUSAITIS** to approve the payment of Department Operations. After discussion, the Motion was approved by a vote of 4 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 \$134,832.74 (previously scheduled budgeted capital funding). There was discussion about Re-Hab supplies. Paula Lee of the Department auxiliary explained that she draws checks three months at a time to ensure there is never a shortfall on rehab supplies. After review, Motion was made by Mr. **JANUSAITIS**, seconded by Ms. **DAVIS** to approve the payment of Department Capital. After discussion, the Motion was approved by a vote of 4 to 0.

The Board addressed revisions to the Department 2015 budget. Chief Ramon said there were none.

The Board addressed revisions to the District 2015 budget. Mr. **RUSSELL** said there were none.

The Board then addressed and tabled as moot parking area striping.

The Board then addressed the KPI's for the District-Department service evaluation. Ms. **DAVIS** noted the inclusion of this work under a DSF contract. She said the timing for the KPI program adoption should be extended for eight months in line with the DSF engagement. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **JANUSAITIS** to extend the timing of the KPI program adoption for eight months. After discussion, the Motion was approved by a vote of 4 to 0.

The Board then received a report from Kyle Williams, the District Managing Director. He reported on talking with Steve Ferguson. He said the station fencing program is going well.

The Board then addressed the Motorola radio system implementation. Chief Ramon said the system was performing well. Chief Ramon said the Over the Air Rekeying (OTAR) October date was approaching and OTAR would be an important test result.

Without objection the Board re-opened Agenda Item 4, District Investments. The Board discussed with Mr. Russell and Counsel an early pay-off of the Motorola loan. Mr. **DeBOER** said the current financial position of the

District would allow for this and the interest savings was large enough to justify the outlay of about \$6.5 million. [The Board noted that the early payoff would save the District approximately \\$800,000.00 in interest.](#) After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **DeBOER** to approve the early pay-off of the Motorola loan. After discussion, the Motion was approved by a vote of 4 to 0.

Without objection the Board took up Agenda Item 20, to solicit turnkey proposals for engineering and re-construction of driveways and parking areas of Station 11 and Auxiliary 98. Mr. **DeBOER** requested to add Station 12. There was no objection. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **JANUSAITIS** to approve soliciting turnkey proposals for engineering and re-construction of driveways and parking areas of Stations 11 and 12, and Auxiliary 98. After discussion, the Motion was approved by a vote of 4 to 0.

The Board addressed the land acquisition for a new station in Bridgeland. Counsel said he would need an executive session on this matter.

The Board then addressed Station 7 construction options, including the purchase of the site. Counsel said he would need an executive session on this matter.

The Board then addressed the Station 9 purchase and construction options. Counsel said he would need an executive session on this matter.

The Board addressed revisions to the Department 2015 budget or quarterly reallocations. Chief Ramon said there were none.

The District then considered Department 30-day requests. Chief Ramon said there were none.

The Board then addressed approvals (Agenda Item 23):

Emergency Request:

- a. AJ Warren Replace condensing unit Station 12 \$5,241.67
- b. Siddons Martin New command zone display Engine 11 \$3,225.10
- c. Cummins Turbo VGT Failure Reserve Engine 2 \$2,241.50
- d. Power Brake Diamond brake rotors and drums Engine 6 \$3,077.44

After review, Motion was made by Mr. **JANUSAITIS**, seconded by Ms. **DAVIS** to approve the items listed. After discussion, the Motion was approved by a vote of 4 to 0.

(Ms. Davis exited the meeting at 7:48 pm)

Budgeted Capital Expenses:

- a. Motorola Upgrade legacy radios to work on new 700 system
\$6,816.00
- b. Daily Wells Upgrade legacy Harris utility radios on new 700 system
\$3,195.00

After review, Motion was made by Mr. **JANUSAITIS**, seconded by Mr. **DeBOER** to approve the items listed. After discussion, the Motion was approved by a vote of 3 to 0.

Operations within Budget:

- a. Comerica Bank Payroll taxes week end 07/8/15 \$110,000.00
- b. Comerica Bank Payroll taxes 07/22/15 payroll \$110,000.00
- c. Schubot Law Firm Legal \$3,833.00
- d. Cozen Oconner Legal \$2,416.00
- e. Scott SCBA certification trip (5 people) \$8,650.00
- f. Superior Power Solutions Annual service office & station 9 UPS
\$2,150.00
- g. Superior Power Solutions Replace batteries & netcom 2 device
\$7,875.00
- h. Medic CE online CE subscription renewal (660) \$9,900.00
- i. CDW Racks & Equip for comm center data \$6,231.00
- j. Knox 3200 Surface (12) \$3,480.00
- k. Knox Medvault 2 w/ audit trail (6) \$8,790.00

After review, Motion was made by Mr. **JANUSAITIS**, seconded by Mr. **DeBOER** to approve the items listed. After discussion, the Motion was approved by a vote of 3 to 0.

(Ms. Davis re-entered the meeting at 7:50 pm)

Random Drug Testing Program

- a. Approval to contract with USA Mobile Drug testing company for \$30.00 per test – Estimate of \$19,500.00 to cover department annually

Ms. **AVERY** asked if everyone was covered by this policy. Chief Ramon said yes. After review, Motion was made by Ms **DAVIS**, seconded by Mr. **JANUSAITIS** to approve the items listed. Chief Ramon said that Serena Walker was the new HR manager at the Department who would be handling the program. After discussion, the Motion was approved by a vote of 4 to 0.

Bid Requests (solicitation)

- a. Lawn Care
- b. HVAC Bid
- c. Generator Bid
- d. Uniform Bid
- e. Ice Machine Bid

After review, Motion was made by Mr. **DAVIS**, seconded by Mr. **DeBOER** to approve the bid requests. After discussion, the Motion was approved by a vote of 4 to 0.

The Board addressed approval of requests to solicit bids and proposals and to approve awards following bids and proposals. There was no further action required.

The Board reviewed a request from Cy-Fair Cert for surplus/salvage radios for use in its county sponsored/county grant funded emergency response communications program. Counsel said he reviewed the request and the Cy-Fair Cert program. Counsel presented a lease agreement for the radios. During discussion, Ms. **AVERY** noted that the nominal price was to be \$1.00/yr. After review, Motion was made by Mr. **DeBOER**, seconded by Mr. **JANUSAITIS** to approve the renewable nominal price lease as prepared by Counsel at the nominal price of \$1.00/yr to lease to Cy-Fair Cert five (5) surplus/salvage radios for use in its county sponsored/county grant funded emergency response communications program. After discussion, the Motion was approved by a vote of 4 to 0.

The Board reviewed the Saylor Safe & Lock, Inc. estimate to replace all locks at all stations to ensure that all stations have the same type locks/front doors. Mr. **DeBOER** said the proposal was to convert the perimeter doors and interior doors to the Schlage key system (\$8,290.20) and change the cores of the

interior doors (\$4,500.00). After review, Motion was made by Mr. **DeBOER**, seconded by Mr. **JANUSAITIS** to approve the Saylor Safe & Lock, Inc. purchase based on the estimate. After discussion, the Motion was approved by a vote of 4 to 0.

The Board addressed Records Management and sustainability and assessing elements of critical infrastructure. Counsel said he would work with the committee regarding the management schedules.

The Board received a report on District area growth from the District Managing Director. Mr. Williams noted that he had reached out to the school district and others regarding population and growth projections.

The Board received an update on the Department EMS patient satisfaction program. Chief Ramon noted the incorporation of the EMS patient satisfaction results into the KPI format.

The Board received committee reports. There was no action required for this meeting.

Mr. Williams reported on the District website. He said discussed the web manager program. Mr. **JANUSAITIS** said the graphics were better. There was discussion about improving the ease of site navigation. Ms. **AVERY** said that the District required a dedicated server and website manager. She said the current provider was Homestead and the District needed a more robust website manager program. After review, Motion was made by Mr. **DeBOER**, seconded by Mr. **JANUSAITIS** to approve termination of the Homestead contract for site management and solicit proposals from at least three vendors. After discussion, the Motion was approved by a vote of 4 to 0.

The Board addressed the proposed updates to the employee manual and held action for later in the meeting.

The Board addressed employee benefits and District enrollment in TCDRS pension. Counsel discussed TCDRS and the terms of the program with contribution maximums and matching requirements and eligibility. After review, Motion was made by Mr. **DeBOER**, seconded by Mr. **JANUSAITIS** to approve

the District joining the TCDRS program. The program specifics will be taken up at a future meeting. After discussion, the Motion was approved by a vote of 4 to 0.

Without objection, the Board re-opened Agenda Item 20, to solicit turnkey proposals for engineering and re-construction of driveways and parking areas of Stations 11, 12 and Auxiliary 98. There was discussion about adding the permit process and fees and related requirements as part of the solicitation. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **DeBOER** to add the permit process and fees and related requirements as part of the solicitation of the turnkey proposals for engineering and re-construction of driveways. After discussion, the Motion was approved by a vote of 4 to 0.

The Board entered executive session at 8:40 p.m. pursuant to Section 551.072 Government Code, to discuss real estate matters with attorney.

The Board re-entered open session at 9:10 p.m.

The Board discussed real estate matters (Bridgeland, Agenda Item 17). After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **DeBOER** to approve the District to purchase the Bridgeland property based on the feasibility review presented by Mr. Martinez including the back shared driveway. After discussion, the Motion was approved by a vote of 4 to 0.

The Board discussed real estate matters (Station 7, Agenda Item 17). There was discussion from the committee regarding a recent committee meeting with the Station 7 MUDs.

The Board discussed other real estate matters under Agenda Item 17. After review, Motion was made by Mr. **DeBOER**, seconded by Mr. **JANUSAITIS** to approve the District to make an offer to purchase certain property subject to a 90-day feasibility review. After discussion, the Motion was approved by a vote of 4 to 0.

The Board re-entered executive session at 9:15 p.m. pursuant to Section 551.074 Government Code, to discuss personnel matters.

The Board re-entered open session at 9:22 p.m.

The Board addressed the proposed updates to the employee manual. Ms. **AVERY** presented two policy revisions: (1) Education/Tuition/Reimbursement

Policy; (2) Administration/Building maintenance/Key Locks. After review, Motion was made by Ms. **DAVIS**, seconded by Mr. **JANUSAITIS** to approve the proposed updates to the employee manual. After discussion, the Motion was approved by a vote of 4 to 0.

There being no further business brought before the Board nor any further public comment, upon Motion made the meeting adjourned at 9:25 p.m.

Secretary of the Board