

**MINUTES OF THE JUNE 30, 2016 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 June 30, 2016, at the administrative offices of the District, 9630 Telge Drive, Houston, Texas 77095.

The meeting was called to order at 6:01 p.m. by **JEREMY M. MARTINSON**, President. Those Commissioners present were **JEREMY M. MARTINSON, ROBERT JANUSAITIS, BETTY BOREN AVERY, SCOTT DeBOER, and DAVID LANGENBERG**. Also present were **KARINA MARTINEZ**, District Administrative Assistant, **DAVID MANLEY, AMY RAMON**, 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 and IRA COVELER, of COVELER & KATZ, P.C.**, the District's Counsel, and members of the public. Also present was Ricardo Martinez, District architect and Joseph Ellis of McCall Gibson Swedlund Barfoot PLLC, the District's auditors.

Ms. Avery delivered an invocation.

The Board introduced recently elected Commissioner **DAVID LANGENBERG**.

The Board addressed the election of District officers.

President: **ROBERT JANUSAITIS** was nominated and seconded and elected by a vote of 4 to 1.

Vice President: **SCOTT DeBOER** was nominated and seconded and elected by a vote of 5 to 0.

Treasurer: **JEREMY MARTINSON** was nominated and seconded and elected by a vote of 5 to 0.

Secretary: **DAVID LANGENBERG** was nominated and seconded and elected by a vote of 5 to 0.

Assistant Secretary and Assistant Treasurer: **BETTY BOREN AVERY** was nominated and seconded and elected by a vote of 5 to 0.

Mr. Martinson handed the meeting gavel to Mr. Janusaitis.

The Board received public comment. Colleen Vera said she would request the Board to evaluate its financial position and the amount of sales tax revenue and reserve on hand to look at lowering the upcoming tax rate.

Pam Joyce said she reviewed certain Commissioner expense reports and questioned the expenses for travel and conferences for one commissioner. Ms. Joyce said one commissioner had much more travel and conference expenses than the other Board members and one conference seemed more in line with that commissioner's business activities. She said she could trace expenses to training conferences, but others seemed unrelated to the duties of an ESD commissioner. Ms. Joyce asked the Board to review this matter.

Ms. **AVERY** recognized Department member Angela Burrer for 20 years of Department service.

The Board addressed the Minutes of the May 19, 2016 regular meeting. After review, Motion was made by Mr. **DeBOER**, seconded by Mr. **MARTINSON** to approve the Minutes. After discussion, the Motion was approved by a vote of 4 to 0 (Mr. Langenberg 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 \$7,591,846.48, the receipt of tax revenue in the amount of \$92,414.42, tax penalty and interest in the amount of \$3,910.07, sales tax receipts of \$2,003,512.66, interest of \$11,751.53, and ambulance reimbursement for the Department emergency medical services of \$464,054.72. Mr. **RUSSELL** said that dispatching fees of \$2,140.00 was received, Jersey Village radio contract payment of \$1,675.00 was received and asset sale of \$70,060.32 was received. The balance sheet presented at this meeting showed assets of \$92,777,624.86 (\$70,636,922.86 cash), liabilities of -0-, and equity of \$92,777,624.86. Thereupon, after review, Motion was made by Mr. **MARTINSON**, seconded by Mr. **DeBOER** to approve the Financial Report. After discussion, the Motion was approved by a vote of 5 to 0. Ms. **AVERY** also discussed Texastransparency.com, a link listed by the State of Texas Comptroller's website that is in regards to Special Districts such as HCESD 9,

which is the largest FIRE/EMS Taxing Jurisdiction in the State of Texas http://texastransparency.org/Local_Government/Special_Purpose.php.

The Board then addressed establishing a committee to review posting of District financial information on the District website. Mr. **JANUSAITIS** said the committee to examine the financial information for the District website would be reviewed in July following the changing of officers at this meeting.

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/LOC for the District's excess deposits.

The Board then addressed District investments. Mr. **RUSSELL** said no action was required at this time.

The Board then addressed action on District depository pledge agreements. Mr. **RUSSELL** said no action was required at this time.

The Board addressed the District 2015 audit. Joseph Ellis of McCall Gibson Swedlund Barfoot PLLC, the District's auditors, delivered the report. The Board then addressed the audit. After review, Motion was made by Mr. **MARTINSON**, seconded by Mr. **DeBOER** to approve the 2015 audit as presented and authorized its filing with the county. After discussion, the Motion was approved by a vote of 4 to 0 (Mr. Langenberg abstaining).

The Board then addressed administrative bills and commissioner fees as set forth in the Financial Report. After review, Motion was made by Mr. **MARTINSON**, seconded by Mr. **DeBOER** to approve the payment of District administrative bills and commissioner fees. Mr. **DeBOER** asked why there were two Bridgeland HOA bills and accounts. Mr. Russell said he would check on that. After discussion, the Motion was approved by a vote of 5 to 0, holding the two Bridgeland HOA checks.

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 \$2,191,900.00. After review, Motion was made by Mr. **MARTINSON**, seconded by Mr. **LANGENBERG** to approve the

payment of Department Operations. 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 \$28,479.11 (previously scheduled budgeted capital funding) and \$36,211.14 (reimbursement to the Department for the VZW expense). After review, Motion was made by Mr. **MARTINSON**, seconded by Mr. **LANGENBERG** to approve the payment of Department Capital and the expense reimbursement. After discussion, the Motion was approved by a vote of 5 to 0.

The Board addressed revisions to the District 2016 budget. **Mr. RUSSELL** said there were none.

The Board addressed revisions to the Department 2016 budget. Chief Ramon said there were none.

The Board addressed sales tax matters. Counsel reported on the sales tax and possible issues in the 2017 legislature session regarding sales taxes for emergency services districts. He said there was an expected fight over the right to impose and collect sales taxes among ESDs and developers and municipalities and other entities. He said the elimination of ESD sales taxes was a possible threat. He said that while he was not speaking about policy, the threat of elimination of ESD sales taxes was a reason why esds that collect sales taxes might want to have a healthy reserve.

The Board then addressed the KPI's for the District-Department service evaluation. Without objection the item was tabled for a future meeting and the hiring of a new District Managing Director.

The Board then addressed E-View traffic preemption and to install traffic preemption equipment on traffic signals in the District. Counsel said he has received confirmation that the E-View traffic preemption system is the only equipment and system that Harris County will permit on county roads. Counsel said this declaration does make the E-Views traffic system the sole source vendor for traffic preemption on county roads. The Board held on action pending further review.

The Board then addressed a proposed Interlocal Agreement with Harris County to allow for the District to install E-View traffic preemption equipment on traffic signals on the county roads in the District. Counsel presented the Board with a draft Interlocal Agreement with Harris County for review. Action was held for a future meeting.

The Board then received a report from Karina Martinez, the District Administrative Assistant. Ms. Martinez reported on work with the building restoration following the recent rain events. She also reported that she has received contact from ISO assessment consultants. Chief Ramon said that the ISO rep for this area has offered the area agencies to assist with a pre-inspection review. The Board members said that seemed like a good avenue and requested the Chief to look into it and for a presentation to the District Board to be scheduled.

The Board received a report from District architect, Ricardo Martinez, and an update on 2016 construction projects. Mr. Martinez reported that he received official state clearance that Station 7 with the revised plans will not require an elevator for the second floor. He also said the utilities review was still being done for the Bridgeland station. He said he was still reviewing the developer plan for utility connections at the rear of the land rather than on Westgreen as originally planned.

The Board then addressed award of a CMAR contract following proposal solicitation and committee review of proposals for the construction projects for Stations 2, 9, and 13 and Station 7 renovation. Mr. Martinez presented his report and the CMAR committee of Mr. Martinson and Mr. DeBoer delivered its report. Ms. Avery also said she independently reviewed the qualifications of the proposers. Mr. Martinez said the report and grading showed JE Dunn to be the top proposer. Commissioners Martinson, DeBoer and Avery endorsed the CMAR award to JE Dunn as the best choice. After review, Motion was made by Ms. **AVERY**, seconded by Mr. **LANGENBERG** to approve the award of the CMAR construction project to JE Dunn. After discussion, the Motion was approved by a vote of 5 to 0.

The Board addressed the manner of payment for the construction project, cash, financing or a combination. Counsel said that the CMAR process was in two parts, part 1 was the CMAR award, addressed at this meeting, and part 2 will be when JE Dunn presents its proposed guaranteed maximum price. The Board and Mr. Russell discussed the amount of the reserve and the sales tax issue in connection with funding the project. Mr. Martinez said the GMP will be delivered likely in September-October. Mr. Russell said this matter can be reviewed over the next month or so.

The Board then addressed the possible road abandonment at the Cherry Park site. Counsel said he spoke with consulting engineer, Hieu Hart of Weisser Engineering, regarding the possibility of the abandonment by Harris County of the adjoining county right-of-way which, if done with some of the land coming to the District, might provide the space needed for the ladder truck turning radius. Counsel said the engineer reported that the county has submitted abandonment plans that would have half the road awarded to the District and half awarded to the HOA. Counsel said the engineer said the county would award the entire road to the District if the HOA agreed. Counsel said he had worked with the group during the District feasibility review of the Cherry Park site. He said that to proceed the county is requesting surveys of the two parts of the road abandonment. Counsel suggested that the District engage Weisser Engineering to perform surveys of the two halves of the road and the entire roadway so the District can proceed. After review, Motion was made by Mr. **DeBOER**, seconded by Mr. **LANGENBERG** to approve for Weisser Engineering to perform the surveys as Counsel suggested. After discussion, the Motion was approved by a vote of 5 to 0.

The Board addressed revisions to the Department 2016 budget or quarterly reallocations. Chief Ramon said there were none.

The District then considered Department 30-day requests or requests for the sale of surplus vehicles and depleted equipment. Chief Ramon said there were none other than set forth in Agenda No. 25.

The Board then addressed approvals (Agenda Item 25):

Bid Requests

1. Uniforms
2. EMS Supplies
3. EMS Pharmaceuticals
4. Medical, Dental, Vision, STD insurance

After review, Motion was made by Mr. **DeBOER**, seconded by Mr. **MARTINSON** to approve the items listed. After discussion, the Motion was approved by a vote of 5 to 0.

Disposal Requests

1. Gas Detectors

After review, Motion was made by Mr. **DeBOER**, seconded by Mr. **MARTINSON** to approve the item listed (Gas detectors). After discussion, the Motion was approved by a vote of 5 to 0.

Emergency Requests

1. Copeland International Transmission Rebuild – Flood Water Damage – Transporter 3 \$5,024.72
2. Siddons Martin New Radiator, E-8, \$3,117.10
3. Stewart & Stevenson, Replace ECM due to flood damage, E-10, \$2,692.42
4. Stewart & Stevenson, Replace ECM due to flood damage, E-7, \$2,526.42
5. Stewart & Stevenson, Replace ECM due to flood damage, R-3, \$2,858.42
6. Stewart & Stevenson, Replace ECM due to flood damage, E-1, \$3,485.72
7. Houston Freightliner, In-Frame engine overhaul due to flood damage, RR-1, \$17,825.38
8. Houston Freightliner, In-Frame engine overhaul due to flood damage, RE-1, \$26,747.17
9. Northwest Drive Train, Front brake parts, L-7, \$3,295.91
10. Wil-Burt Company, Light tower repair due to flood damage, R-3, \$5,854.40

Ms. **AVERY** asked if the problems with Medic 8 were addressed with the vendor. Chief Ramon said yes and that the vendor even has replaced the project manager due to the problems. After review, Motion was made by Mr. **DeBOER**, seconded by Mr. **LANGENBERG** to approve the items listed. After discussion, the Motion was approved by a vote of 5 to 0.

Capital Expenditures

1. Safety vision drive cams for remount ambulances, M-4, M-8 (2), \$8,956.00
2. Dell Latitude 14, Rugged laptops for vehicle maintenance for diagnostic software (2), \$4,218.00
3. Best Wash, Commercial washer and dryers, Stations 11, 12 (2), \$8,584.00
4. Locus Diagnostics, DX-2002A Diagnostx over the air waveform analyzer w/2yr warranty, \$58,840.00
5. Safety Vision, Drive cams for remount ambulances, M-6, M-9 (2), \$8,956.00

After review, Motion was made by Mr. **MARTINSON**, seconded by Mr. **DeBOER** to approve the item listed. After discussion, the Motion was approved by a vote of 5 to 0.

Operations

1. Comerica Bank, Payroll taxes 2 weeks end 06/08/16, \$110,000.00
2. Comerica Bank, Payroll taxes 2 weeks end 06/22/16, \$110,000.00
3. Schubot Law Firm, Legal services for May, 2016, \$3,484.00
4. DSHS Certification, 2016 – 2018 DSHS Certification Renewals, \$3,750.00
5. Penflex Annual Admin Services & Participant Account Fee (445), \$9,600.00
6. Serta Easy Care 360 Encasements, Station furniture (75) \$2,918.00
7. Replace My Cushions, Replacement cushions for station furniture, \$9,943.00
8. VFIS, Commercial & auto policy, 2016-2017, \$294,614.00
9. Multiple APCO, 2016 Travel (4 persons), not to exceed \$8,800.00
10. Motorola, XE lapel microphones (150), \$45,900.00
11. Stryker/Procure, Power Load Stretcher/Load System contract with 5 yr warranty for systems (7 Power Load, 14 Power-Pro XT), \$157,260.00
12. Cyfair Medical Center, Workers Comp, \$2,975.00
13. Memorial Hermann Cadaver Labs, 3 labs, \$9,720.00

After review, Motion was made by Mr. **DeBOER**, seconded by Mr. **LANGENBERG** to approve the items listed. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then reviewed approval to expend up to \$32,000.00 for new HVAC equipment for Station 3. Chief Ramon said the 2011 report addressed HVAC systems and at this time the Station 3 systems need to be replaced. After

review, Motion was made by Mr. **MARTINSON**, seconded by Mr. **LANGENBERG** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed other requests for bids and proposals and purchases: QCII Digital Tone Signaling for the Motorola Radio system (HGAC: \$38,030.00); and Motorola Radio Management Program (HGAC: \$25,000.00). There was a question why this was not part of the original Motorola Radio package and Chief Ramon and Mr. Janusaitis said it was not available then. Ms. **AVERY** asked about upgrades. Chief Ramon said they were covered under the maintenance agreement. After review, Motion was made by Mr. **MARTINSON**, seconded by Mr. **DeBOER** to approve the request. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed the purchase of Engines and Ladders and other aerial devices. Chief Ramon said with the new stations coming on line and fleet requirements that 6 Engines, 2 Towers and two Ladders were needed. Among the needs were a new Engine and aerial for Station 13, and a replacement Engine for Station 1. Chief Ramon said this request followed a 9 month review. She said the purchase was through the HGAC purchasing program. There was discussion about any available pre-pay discounts. Chief Ramon said there was a 9.6% (\$423,000.00) discount for a 100% pre-pay. After review, Motion was made by Ms. **AVERY**, seconded by Mr. **LANGENBERG** to approve the purchase request and authorize the 100% prepay. After discussion, the Motion was approved by a vote of 4 to 0 (Mr. Martinson abstaining).

Counsel presented a county-wide mutual aid agreement among the various county service providers, including the Department. Counsel said the Harris County Fire Fighters Association members prepared the draft. He said the District was not a party but did have to approve the agreement. After review, Motion was made by Mr. **LANGENBERG**, seconded by Mr. **MARTINSON** to approve the agreement. After discussion, the Motion was approved by a vote of 5 to 0.

The Board then addressed ISO matters. Without objection the item was tabled.

The Board addressed the Department EMS patient satisfaction program. Chief Ramon said there was no new report this month.

The Board reviewed employee matters. Without objection the item was tabled.

There being no further business brought before the Board nor any further public comment, upon Motion made the meeting adjourned at 7:25 p.m.

Secretary of the Board