

Minutes
Greater Harris County 9-1-1 Emergency Network
Board of Managers
August 29, 2018

The August 29, 2018 meeting of the Board of Managers of the Greater Harris County 9-1-1 Emergency Network (GHC 9-1-1) convened at 1:10 p.m. in the Board Room of the GHC 9-1-1 headquarters at 10220 Fairbanks N. Houston Rd., Houston, Texas 77064.

Board Members Bill Anders, Dennis Storemski, and Russell Rau, were present for the meeting. Board Member Vergil Ratliff arrived at 1:15 p.m. Board Members Gary Johnson and Shawn Thompson did not attend the meeting. Approximately 28 people attended.

The minutes of the Board meeting of July 25, 2018 were approved with a motion by Board Secretary Anders and seconded by Board Member Storemski. Motion passed.

Agenda Item 10—“IT Security Audit—Transmittal and Discussion of Findings from the Audit Performed on the GHC 9-1-1 Systems.” The Board agreed to take Item 10 out of order. Bob Gaines and Timothy Okrie with Accume Partners presented the IT Security Audit report to the Board. Mr. Gaines highlighted that the GHC 9-1-1 security and systems were secure. However, there were a few areas, which needed improvement. Mr. Gaines continued to outline the report and upon completion, presented recommendations for the areas that need improvement. Chairman Rau inquired about the funds needed to meet those recommendations. Mr. Heffernan stated that most of the recommendations were addressed immediately and other issues were related to NextGen, which GHC 9-1-1 is in the process of bringing online. Mr. Heffernan stated that the funds were already included in the budget. Chairman Rau suggested that another audit be performed later; to make sure those recommendations have been met. Board Secretary Anders inquired about the time frame to upgrade supportive operative systems. Mr. Heffernan stated the work would take about 3-6 months. The staff will provide the Board with an update as the upgrades progress. There was further discussion regarding the IT security audit report, and Mr. Gaines addressed those questions.

Agenda Item 3—“Citizens Appearances.” There were no citizens wishing to appear before the Board.

Agenda Item 4—“Financial Report.” Chief Financial Officer Tino Fonseca provided a brief overview of the monthly financial totals ending July 31, 2018 as follows:

- Cash and cash equivalents \$ 3.9 million
- Invested Funds for Operations \$ 20.8 million
- Liabilities \$ 4.3 million
- Receipts \$ 22.7 million
- Disbursements \$ 23.8 million

Board Member Storemski inquired about the line item titled “Other” in the Remaining Budget Balance report. Mr. Fonseca stated that the majority of the anticipated “Receipts Other” are reimbursement funds from Texas 9-1-1 Alliance members for reimburse of legal and regulatory related expenses. Without any further questions, Mr. Fonseca proceeded to update on the Receipts and Disbursements charts, and the 9-1-1 service fee revenue and cash expenditures trend-line charts.

Agenda Item 5—“Executive Director Report—Transmittal and Discussion of Legislative/Regulatory and Administrative Matters.” Executive Director Lavergne Schwender gave an update on the Federal Communications Commission (FCC) Fee Diversion concerns. She reported that along with the FCC, Commissioner Michael O’Rielly is working hard in the efforts to end 9-1-1 fee diversion by states and other entities. She noted that federal legislation to penalize states for diversion of 9-1-1 fees has been discussed, but no action has been taken yet. Next, Ms. Schwender stated that with AT&T’s support, GHC 9-1-1 continues to progress on the proposed wireless service fee legislation. Once Chairs of the legislative committees have been determined, the Alliance will move forward with the proposed legislation. Ms. Schwender reported that the GHC 9-1-1 Executive staff, Board Member Ratliff, and Houston Emergency Center (HEC) Director David Cutler will meet with Council Member Stardig to update her on the plans taken by GHC 9-1-1 after Hurricane Harvey. The meeting with Council Member Stardig will be on Tuesday, September 25, 2018. Board Member Ratliff added that after reviewing the recording of the Houston City Council meeting held in July 18, 2018, she confirmed that Ms. Stardig did not have any concerns, but only few comments.

Ms. Schwender informed the Board on the passing of former Texas Representative of Fort Worth, Bill Carter. She informed that the staff continues to work with the New York Times reporter, regarding an open records request, regarding 9-1-1 activities during Hurricane Harvey. Harris County Attorney Kristen Lee is assisting with the request and keeping Legal Counsel Nick Lykos informed. Lastly, Ms. Schwender reported that this year the annual APCO conference was held in Las

Vegas, NV. At the conference GHC 9-1-1 Service Manager Roger Hauck and Galveston County 9-1-1 Emergency District Director Jack Wilkins presented on how Hurricane Harvey was handled by each district. Mr. Hauck stated that the presentation was well received, each district presented on the impact Hurricane Harvey had on 9-1-1 call centers. Board Member Storemski inquired about what type of records the New York Times reporter is seeking to obtain. Ms. Schwender explained that the reporter is seeking to obtain records regarding 9-1-1 activities during and after Hurricane Harvey, such as Board reports, minutes, emails, and other documents pertaining to Hurricane Harvey. She stated that in addition to providing the requested information, the GHC 9-1-1 response to the reporter has been that the 9-1-1 systems never went down.

Agenda Item 6—“Operations Report—Transmittal and Discussion of Operational Matters.” Chief Operations Officer Stan Heffernan reported that there was one P1 ticket in the month of July 2018, for East Harris County Emergency Communications, due to a cable cut. He stated that contingencies were immediately put in place and after the fiber was repaired, the service was returned to normal. He proceeded to report on the progress of the microwave tower construction at the Inwood site, stating that the construction is near completion. Mr. Heffernan noted that construction at the Pleasant Valley site would begin soon. Mr. Heffernan informed the Board that the transition out of the old Austin Co-location facility is complete, and systems and services have been transitioned to the GHC 9-1-1 data center. Next, he stated that GHC 9-1-1 staff continues to work on the location information system, and will bring updates to the Board as it progresses. Chairman Rau inquired about the Tom Bass Building (TBB) repairs and questioned whether Board Member Johnson is up to date on the TBB repairs. GHC 9-1-1 Facilities Manager Dan Darnell stated that he had not communicated with Board Member Johnson on the staff’s recommended quote for exterior painting of the TBB, but would update Mr. Johnson.

Agenda Item 7—“Public Information/Education Report—Transmittal and Discussion of Public Education Outreach Efforts.” In Public Information Officer Sonya Clauson’s absence, Ms. Schwender briefly updated the Board on Ms. Clauson’s report. Board Secretary Anders noted that GHC 9-1-1 social media pages are more active than before. Ms. Schwender stated that Raquel Lopez is assisting with the distribution of education materials for community events.

Agenda Item 8—“Contingency Efforts—Transmittal and Discussion of Efforts to Manage Resources Before, During, and After A Disaster.” Mr. Heffernan stated that GHC’s portion of the contingency plan for the Houston Emergency Center (HEC) is complete, and staff would continue to work with all PSAPs to improve

contingencies. Mr. Heffernan stated that GHC 9-1-1 is working on developing new ideas for the Regional TERT, and will work closely with all call centers to make the program a local, neutral resource.

Agenda Item 9—“GHC 9-1-1 Area PSAPs Update—Transmittal and Discussion of PSAPs Projects.” Mr. Heffernan reported on and provided pictures of the progress of the new Harris County Sheriff’s Office (HCSO) building. He stated that the tentative date for the keys to the building to be handed over to HCSO is set for September 15, 2018. He noted that the contractor has allowed GHC 9-1-1 to come in to do some installations before the opening date. Chairman Rau inquired about the date for the ribbon cutting. Kathi Yost, Director of Communications for HCSO, advised that a date had not be set, but the cutting could possibly occur in mid-October 2018. Next, Mr. Heffernan reported that the Bellaire & Jacinto City Police Department construction sites are ongoing and continue to make progress. GHC 9-1-1 Facilities Manager Dan Darnell stated that Bellaire is close to completion.

Chairman Rau advised that since Board Members did not have any other questions to discuss regarding the IT Security Audit, there will be no Executive Session.

Agenda Item 11— “2019 Budget—Transmittal and discussion of the Proposed Budget for 2019.” Mr. Fonseca introduced the first three portions of the budget, each representing a different level of detail. He mentioned that the 9-1-1 service fee was last increased 15 years ago in year 2004, and stated that the service fee increase for wireline was included in the five-year budget plan. Mr. Fonseca noted that the transition from the old legacy system to the new NG 9-1-1 system is causing an overlap in cost, and for that reason both the cost of these systems are included in the five-year budget plan. Mr. Fonseca advised that the increase of monthly rates for residential, business, and trunks are also included in the proposed budget, with a possibility of another increase in the year 2021, if the cost of the systems continues to overlap. Next, Mr. Fonseca highlighted that the financing proceeds, in the amount of \$8,000,000, were put in the budget to give GHC 9-1-1 flexibility. Board Member Storemski inquired whether it is necessary to put in that large dollar amount for financing proceeds. Mr. Fonseca stated that the financing proceeds are reserved as a contingency and would require Board approval if financing is needed. Board Member Storemski also asked if the legislation requires a sufficient dollar amount held in reserve. Mr. Fonseca stated no, but that the amount that GHC 9-1-1 has in reserve is reasonable, and it is a good practice to maintain a healthy operating reserve for unforeseen events. Legal Counsel Lykos advised that according to the statute, a reasonable reserve amount for contingency is allowed. Mr. Lykos noted that the

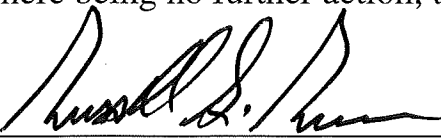
reserve amount should be based on assets, liabilities and amount needed to fund the district, as needed.

Mr. Fonseca continued with an overview of the operational line items in the proposed budget. Next, he introduced Mr. Cutler, Director of HEC who presented HEC's portion of the budget followed by Ms. Kathi Yost, Director of Communications for the Harris County Sheriff's Office (HCSO). There was some discussion regarding the HCSO request and questions were addressed. Mr. Fonseca stated he would get with HCSO to discuss their request further before adding the dollar amount to the budget. Chairman Rau inquired about the amount reserved for the HCSO new building and the actual expense incurred. Mr. Fonseca stated that he would provide the HCSO building budget report at the next Board meeting. Mr. Fonseca concluded with an overview of the Capital budget and exhibits. Mr. Fonseca advised the Board that if there were any additional questions regarding the proposed budget, to contact him to discuss. As asked by Chairman Rau, Mr. Fonseca assured the Board that the budget for year 2019 did not depend on an increase/adjustment of the wireless 9-1-1 service fee.

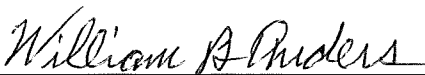
Agenda Item 12—"Action Item—Exterior Paint Project" Approval was requested from the Board to contract with R&M Services Company to provide exterior painting services for an amount not to exceed \$68,961. Due to Board Member Johnson's absent, Chairman Rau advised that the Board would move forward with the vote and if approved, the approval would be contingent upon Board Member Johnson being in agreement. Board Member Storemski motioned to approved to contract R&M Services to provide exterior painting services. Board Secretary Anders seconded the motion. Motion passed. Mr. Darnell was advised to contact Board Member Johnson, who was not present, to update him on the awarding of the contract.

Agenda Item 15—"Announcements—Next Board Meeting, Upcoming Events." Chairman Rau advised of the following: 1) The next meeting of the Board of Managers of GHC 9-1-1 is scheduled for September 26, 2018.

There being no further action, the meeting was adjourned at 2:59 p.m.



Russell S. Rau, Chairman



William B. Anders, Secretary/Treasurer