

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS
MONTGOMERY COUNTY HOSPITAL DISTRICT**

The regular meeting of the Board of Directors of Montgomery County Hospital District was duly convened at 4:00 p.m., February 28, 2017 in the Administrative offices of the Montgomery County Hospital District, 1400 South Loop 336 West, Conroe, Montgomery County, Texas.

1. Call to Order

Meeting called to order at 4:00 p.m.

2. Invocation

Led by Mr. Grice

3. Pledge of Allegiance

Led by Mr. Spratt

4. Roll Call

Present:

Bob Bagley
Chris Grice
Brad Spratt
Mark Cole
Sandy Wagner
Kenn Fawn

Not Present:

Georgette Whatley

5. Public Comment

John Nicks – Addressed the board about his concerns on the Homestead Exemption, EMS Ride Along policy, Bioquell decontamination purchase and Maintenance agreements.

6. Special Recognition:

Medical Director Award – Dr. Casey Patrick, MD presented the Medical Director Award to Christopher Ferranti, Matthew Copeland and Kevin Mifflin.

Non Field – Christina Garza

Serving in the Moment – Mr. Randy Johnson, CEO read Ms. Angie Hoffart's note concerning the Community Paramedicine "Serving in the Moment" program and how Joel Boswell and Donald Smith helped a family in need who had lost just about everything in a house fire. They were able to provide this family with necessary items from this program.

7. Consider and act on ratification of contracts with additional network providers for indigent care. (Mrs. Wagner, Chair - Indigent Care Committee)

Mrs. Wagner made a motion to consider and act on ratification of contracts with additional network providers for indigent care. Mr. Cole offered a second and motion passed unanimously.

8. **CEO Report to include update on District operations, strategic plan, capital purchases, employee issues and benefits, transition plans and other healthcare matters, grants and any other related district matters.**

Mr. Randy Johnson, CEO presented a report to the board.

9. **Presentation of MCHD 5 year plan – draft version. (Mr. Fawn, Chairman – MCHD Board) (attached)**

Mr. Randy Johnson, CEO presented a report to the board.

10. **Consider and act on amendment to PIO Officer Julie Martineau Services Agreement. (Mr. Fawn, Chairman – MCHD Board) (attached)**

Mr. Fawn made a motion to consider and act on amendment to PIO Officer Julie Martineau Services Agreement. Mrs. Wagner offered a second and motion passed five for (Mr. Grice, Mr. Cole, Mr. Fawn, Mrs. Wagner and Mr. Spratt) to one abstained (Mr. Bagley).

11. **EMS Director Report to include updates on EMS staffing, performance measures, staff activities, patient concerns, transport destinations and fleet.**

Mr. Jared Cosper, EMS Director presented a report to the board.

12. **Consider and act on sole source letter for Laerdal SimMan. (Mr. Bagley, Chair – EMS Committee) (attached)**

Mr. Lee Gillum clarified reason for the sole source letter to the board.

Mr. Cole made a motion to consider and act on the sole source letter for Laerdal SimMan. Mr. Grice offered a second. After board discussion motion passed unanimously.

13. **Consider and act on purchase of Laerdal SimMan. (Mr. Bagley, Chair – EMS Committee) (attached)**

Mr. Lee Gillum made a presentation to the board.

Mr. Bagley made a motion to consider and act on purchase of Laerdal SimMan. Mrs. Wagner offered a second and motion passed unanimously.

14. **Consider and act on remounts, cost vs budget. (Mr. Bagley, Chair – EMS Committee)**

Mr. Brett Allen, CFO gave a presentation to the board.

Mr. Bagley made a motion to approve 5 each remounts from this year's budget (FY 2016/2017). The board acknowledges the increase in cost per remount though total cost for all will remain at or under budget due to reducing the number of units. Mr. Spratt offered a second. After board discussion motion passed unanimously.

15. **Presentation on Dodge 3500 vs 4500 including tires. (Mr. Bagley, Chair – EMS Committee) (attached)**

Mr. Brett Allen, CFO gave a presentation on Dodge 3500 vs 4500 including tires.

16. **COO Report to include updates on infrastructure, facilities, radio system, warehousing, staff activities, community paramedicine, emergency management, and purchasing.**

Mrs. Melissa Miller, COO presented a report to the board.

17. Update on Microwave Replacement Project. (Mr. Cole, Chair – PADCOM Committee) (attached)

Mr. Justin Evans, Radio Systems Coordinator gave an update on the Microwave Replacement Project.

18. Consider and act on EXACOM maintenance agreement. (Mr. Cole, Chair – PADCOM Committee) (attached)

Mr. Cole made a motion to consider and act on EXACOM maintenance agreement. Mr. Bagley offered a second. After board discussion motion passed unanimously.

The board would like staff to look into and see if discounts would occur if this was a multiple year agreement instead of single year.

19. Consider and act on Sole Source Letter for Bioquell BQ-EMS System. (Mr. Cole, Chair – PADCOM Committee) (attached)

Mr. Cole made a motion to consider and act on Sole Source Letter for Bioquell BQ-EMS System. Mr. Bagley offered a second and motion passed unanimously.

20. Consider and act on the budgeted purchase of one Bioquell BQ-EMS System. (Mr. Cole, Chair – PADCOM Committee)

Mr. Cole made a motion to consider and act on budgeted purchase of one Bioquell BQ-EMS System. Mr. Bagley offered a second and motion passed unanimously.

21. Health Care Services Report to include regulatory update, outreach, eligibility, service, utilization, community education, clinical services, epidemiology, and emergency preparedness.

Mrs. Ade Moronkeji, HCAP Manager presented a report to the board.

22. Consider and act on Healthcare Assistance Program claims from Non-Medicaid 1115 Waiver providers processed by Boon-Chapman. (Mrs. Wagner, Chair - Indigent Care Committee)

Mrs. Wagner made a motion to consider and act on Healthcare Assistance Program claims from Non-Medicaid 1115 Waiver providers processed by Boon-Chapman. Mr. Bagley offered a second and motion passed unanimously.

23. Consider and act on ratification of voluntary contributions to the Medicaid 1115 Waiver program of Healthcare Assistance Program claims processed by Boon Chapman. (Mrs. Wagner, Chair – Indigent Care Committee)

Mrs. Wagner made a motion to consider and act on ratification of voluntary contributions to the Medicaid 1115 Waiver program of Healthcare Assistance Program claims processed by Boon Chapman. Mr. Bagley offered a second and motion passed unanimously.

24. Presentation of preliminary Financial Report for four months ended January 31, 2017 – Brett Allen, CFO, report to include Financial Summary, Financial Statements, Supplemental EMS Billing Information, and Supplemental Schedules.

Mr. Brett Allen, CFO presented financial report to the board.

25. Consider and act on new signature cards for Texpool and Texstar. (Mr. Grice, Treasurer – MCHD Board)

Mr. Grice made a motion to consider and act on new signature cards for Texpool and Texstar. Mr. Spratt offered a second and motion passed unanimously.

26. Consider and approve the Banking and Investment Policy. (Mr. Grice, Treasurer – MCHD Board) (attached)

Mr. Brett Allen, CFO advised the board that no changes have been made to the Banking and Investment policy and that it would be submitted to GTOT for review and may be brought back to the board in the future.

“Mr. Grice wanted to clarify that his employer is not involved in any banking business with MCHD and he does not have a conflict of interest.”

Mr. Grice made a motion to consider and approve the Banking and Investment Policy. Mr. Spratt offered a second and motion passed unanimously.

27. Consider and act on ratification of payment of District invoices. (Mr. Grice, Treasurer - MCHD Board)

Mr. Grice made a motion to consider and act on ratification of payment of District invoices. Mrs. Wagner offered a second and motion passed unanimously.

28. Consider and act on salvage and surplus. (Mr. Grice, Treasurer – MCHD Board) (attached)

Mr. Grice made a motion to consider and act on salvage and surplus. Mr. Bagley offered a second and motion passed unanimously.

Report in the future on the dollar amount received on surplus items.

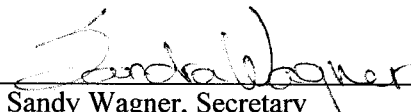
29. Secretary’s Report - Consider and act on minutes for the January 24, 2017 Special Meeting and January 24, 2017 Regular BOD meeting. (Mrs. Wagner, Secretary - MCHD Board)

Mrs. Wagner made a motion to consider and act on minutes for the January 24, 2017 Special BOD Meeting. Mr. Spratt offered a second and motion passed unanimously.

Mrs. Wagner made a motion to consider and act on minutes for the January 24, 2017 Regular BOD Meeting. Mr. Bagley offered a second and motion passed unanimously.

30. Adjourn

Meeting adjourned at 5:33 p.m.


Sandy Wagner, Secretary



Montgomery County Hospital District
Board of Directors - Public Meeting
Request for Appearance

Speaker's Name

John Vicks

Address

Representing

Self

Group or Organization
(of 25 or more)

Name of Group

FOR MCHD USE ONLY

Date of Meeting

Subject

Program

Presiding Officer

Pro Forma 5 Year Capital and Financial Projections

MCHD Board of Directors

February 28, 2017

Budget Fiscal Year	2018	2019	2020	2021	2022
HCAP (5% increase each year)	8,400,000	8,820,000	9,261,000	9,724,050	10,210,253
EMS (5% increase each year)	56,500	59,325	62,291	65,406	68,676
Carport at Admin (Ambulance Cover)	90,000				
EMS Stations	Porter Station 34 Extention 100,000	Porter 1314 & 99 600,000	Caney Creek Replacement 600,000	Conroe North Central Sta 850,000 Cut N Shoot Move Station 850,000	
EMS Classroom (2nd Floor)	140,000				
Trucks (No Transfer)	300,000 1 new 840,000 6 remounts	600,000 2 new 840,000 6 remounts	300,000 1 new 980,000 7 remounts	600,000 2 new 840,000 6 remounts	300,000 1 new 1,020,000 8 remounts
Phone System	250,000				
Land for Towers	100,000	100,000	100,000	100,000	
Tower Build and Equipment		850,000	850,000	850,000	850,000
Upgrade EDACS to P25		165,000	165,000	165,000	165,000
IT	179,000	160,000	100,000	100,000	100,000
EPCR's			350,000 70 each		
EKG Monitors					2,520,000 60 each
Transfer Trucks	360,000 2 new	180,000 1 new	360,000 2 new	180,000 1 new	180,000 1 new

Five-Year Financial Projections

The five year financial projections are included immediately following this information. The following assumptions were made while developing the five year financial forecast:

1. Taxable value will continue at an average 5% increase over the next five years.
2. The MCHD tax rate will reduce .15 points each of the next 5 years.
3. EMS collected revenue will increase at an average rate of 2.5% per year.
4. Labor costs will increase at an average rate of 2.5% over the next five-year period.
5. TCDRS will increase at an annual rate of 6.55%.
6. Employee health insurance expenses will increase at an annual rate of 10% per year.
7. Supply expenses will increase at a rate of 3% per year.
8. EMS Drug expenses will increase at 8% per year.
9. Indigent/specialty healthcare will increase at 5% over the next five years.
10. Capital, other than EMS and Radio Tower, will be budgeted at \$900,000 in FY'18 and is projected to grow at a 3% rate the following years.
11. Transport services are planned to increase 1,800 per year for the first 3 years and increase 1,000 runs per year in years 4 and 5.
12. Build a station in Porter in 2019, estimated cost \$650,000
13. Station 33, build a station apartment in Caney Creek estimated cost \$ 400,00
14. Continue to expand Fleet by 1 truck per year, for the next 5 years
15. Build a carport outside the Support Center to accommodate additional trucks
16. Add 2 more towers to radio system at an estimated cost of 2.5 million dollars a tower (1 tower in 2019 and the second tower in 2020)

THE STATE OF TEXAS)
)
) AMENDMENT TO CONTRACT OF
) PROFESSIONAL SERVICES
COUNTY OF MONTGOMERY)

AMENDMENT TO CONTRACT OF PROFESSIONAL SERVICES

This Amendment to the Contract Of Professional Services (“Amendment”) is made effective the 18th day of March, 2017 (“Effective Date”) between the Montgomery County Hospital District, acting by and through its Board of Directors herein referred to as “District” and its Chief Executive Officer Randy Johnson (“CEO”), and Julie P. Martineau (herein referred to as “PIO Officer”).

It is the desire of the parties to extend the term of the Contract of Professional Services as set forth herein.

Recitals

District and PIO Officer entered into a Contract Of Professional Services (“Agreement”) effective October 17, 2016, such contract terminating at the close of business on March 17, 2017.

Under the Agreement, PIO Officer was to serve as District’s Public Information Officer and perform the services outlined in the Agreement.

The parties seek to extend the term of the Agreement through August 15, 2017 on the terms and conditions set forth therein.

NOW, THEREFORE, be it agreed by and between the District and PIO Officer for and in consideration of the mutual obligations of the parties as set forth herein, together with other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, as follows:

1. Section 2 of the Agreement is hereby amended to provide as follows:

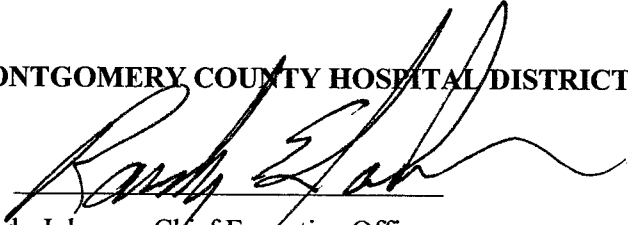
Section 2 – Term And Termination

- A. The initial term of this Agreement (“Initial Term”) shall commence on the **16th day of May, 2016** (“Commencement Date”) and shall continue for until close of business on the **15th day of August 2017**.

2. Remainder of Agreement Unaffected. Other than as set forth herein, the Agreement shall continue in force per its original terms. This Amendment shall be incorporated into the Agreement by reference for all purposes.

In WITNESS WHEREOF; the parties hereto have executed this First Amendment in multiple counterparts, each of which shall be deemed an original.

MONTGOMERY COUNTY HOSPITAL DISTRICT

By: 
Randy Johnson, Chief Executive Officer

Date: 3/1/17

PIO OFFICER:

JULIE P. MARTINEAU



Date: 3/3/17

THE STATE OF TEXAS)
)) CONTRACT OF PROFESSIONAL
)) SERVICES
COUNTY OF MONTGOMERY)

This Agreement (“Agreement”) is made effective the 17th day of October, 2016 (“Effective Date”) between the Montgomery County Hospital District, acting by and through its Board of Directors herein referred to as “District” including its Chief Executive Officer Randy Johnson (“CEO”), and Julie P. Martineau (herein referred to as “PIO Officer”). It is the desire of the District to have PIO Officer provide and undertake the duties and obligations herein expressed in the capacity of the District’s interim Public Information Officer on a part-time basis in return for the consideration and other obligations herein stated.

Recitals

The District and its CEO desire to assure the availability of professional services of a qualified executive to serve in the role of interim Public Information Officer for purposes of assisting the District in connection with the duties and requirements generally prescribed to public information officers of local governmental entities in Texas, as well as those additional duties prescribed to PIO Officer by the District and its CEO, (hereinafter collectively referred to as “PIO Officer Services”).

PIO Officer has agreed to provide PIO Officer Services, as hereinafter defined, to the District on an independent contractor basis, for the compensation stated herein.

NOW, THEREFORE, be it agreed by and between the District and PIO Officer for and in consideration of the mutual obligations of the parties as set forth herein, together with other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, as follows:

Section 1 – Definitions.

A. **PIO Officer Services-** The term “PIO Officer Services” shall mean those services prescribed to PIO Officer that are generally required of public information officers of local governmental entities in Texas, as well as those additional duties prescribed to PIO Officer by the District and its CEO. Specific examples of PIO Officer Services are set forth in **Exhibit A**, appended hereto.

Section 2 – Term And Termination

A. The initial term of this Agreement (“Initial Term”) shall commence on the **17th day of October, 2016** (“Commencement Date”) and shall continue for until close of business on the **17th day of March, 2017**.

B. Notwithstanding anything to the contrary contained herein, in the event the District or CEO learns of unsatisfactory practices and/or conduct by PIO Officer in connection with her provision of PIO Officer Services under this Agreement, the District shall have the option to immediately terminate this Agreement without further obligation, other than to pay on a prorated basis for the services provided by PIO Officer through the date of termination, including the Monthly Retainer Fee described below.

C. PIO Officer shall compile and submit a monthly invoice to the District for PIO Officer Services provided under this Agreement for which are unpaid and owing to PIO Officer. The District shall make payment from its budgeted appropriations to PIO Officer for all amounts set forth on the monthly invoices it receives, to the extent not disputed, within Thirty (30) days of its receipt of the invoice from PIO Officer.

Section 3. – Description of Services.

PIO Officer shall provide:

A. Under the express supervision and at the direction of the District’s Board of Directors and its CEO, and in the role of interim Public Information Officer, PIO Officer will provide PIO Officer Services at MCHD’s offices a minimum of Four (4) hours per week and remotely as needed, for an average of Ten (10) hours per week, during the Term of this Agreement. PIO Officer agrees that additional hours may be needed for the provision of PIO Officer Services;

B. PIO Officer shall be accessible by telephone to the Board of Directors of the District, the CEO, and other third parties interacting with PIO Officer in her role as PIO Officer to answer questions and to assist in resolving public information issues, concerns and/or problems, including those arising from the services and matters identified in **Exhibit A**, appended hereto ;

C. PIO Officer will periodically review of the District’s public information protocols and polices, systems, management and reporting procedures and will provide suggestions and/or input as to how such systems may be enhanced;

D. Any other duties of responsibilities, which may hereafter be agreed upon in writing, signed by both PIO Officer and the District, acting through its Board of Directors or its CEO, which shall be appended hereto as amendments to this Agreement;

Section 4 –Continuing Education.

A. PIO Officer shall enroll in and complete continuing education courses as is necessary to provide PIO Officer Services of a high degree of quality and standard under this Agreement

Section 5– The District’s Obligations.

A. In consideration for PIO Officer’s provision of PIO Officer Services, the District agrees to pay monthly compensation to PIO Officer in the amount of **Four Thousand and No/100 Dollars (\$4,000.00) per month** (“Monthly Retainer Fee”). In addition, PIO Officer will be reimbursed by the District for PIO’s reasonable reimbursable expenses as are outlined in **Exhibit A**, appended hereto. Payment of the Monthly Retainer Fee and reimbursable expenses for the term of this Agreement shall be due within thirty (30) days of the District’s receipt of PIO Officer’s monthly invoice to the District for PIO Officer Services provided under this Agreement, as is contemplated under section 2(C) of this Agreement.

B. During the Term of this Agreement, the District shall provide to PIO Officer sufficient office space, including equipment and furnishings as reasonably necessary for the performance of PIO Officer’s administrative functions, duties and requirements and to allow PIO Officer to render PIO Officer Services as defined herein.

C. Other than as set forth herein, PIO Officer agrees that PIO Officer is responsible for the payment of all expenses associated with PIO Officer’s services to the District. In addition, as an independent contractor, PIO Officer shall be solely and completely responsible for all withholding as well as payment of taxes as may arise from PIO Officer’s receiving compensation from the District as an independent contractor under this Agreement. PIO Officer shall not be entitled to any benefits afforded to District employees.

Section 6 Mutual Obligations.

A. The District, its CEO and PIO Officer mutually agree to discuss and negotiate in good faith reasonable adjustments to the compensation to be paid to PIO Officer if additional duties, consultations, supervisory requirements, or added PIO Officer Services (beyond the parties’ expectations at the time of commencement of this Agreement) are necessary for the provision of PIO Officer Services hereunder. Such agreements regarding compensation adjustments shall be reduced to writing, executed by the parties and appended to this Agreement as amendments thereto.

Section 7 – Records Management.

A. Review by District. PIO Officer will keep and maintain accurate books and records of the dates and time periods for which she has furnished PIO Officer Services pursuant to this Agreement as well as patient records and other administrative records consistent with those created in providing PIO Officer Services and shall allow the District to review and inspect such information upon request during the term of this Agreement for purposes of assuring compliance with the terms of this Agreement and state and federal laws, rules and regulations. The District and PIO Officer shall ensure that reasonable steps are undertaken to ensure patient confidentiality and that all HIPPA requirements are met in the sharing of records and information containing confidential and/or protected matters, to the extent applicable.

B. Records Maintenance and Review by State of Federal Agencies. All records created, amended and or maintained by PIO Officer in connection with the provision of PIO Officer Services for and on behalf of the District shall be provided and transferred on a monthly basis by PIO Officer to the District by the Fifteenth (15th) day of the following month. All records created and/or maintained by PIO Officer regarding the provision of PIO Officer Services during a calendar month that have not been transferred to the District shall be made available by PIO Officer for inspection and audit by governmental agencies as may be authorized by law to conduct such inspections and/or audits. The obligations of PIO Officer under this paragraph shall survive termination of this Agreement.

Section 8 - Nondiscrimination Policy.

A. PIO Officer and the District agree in the performance of this Agreement there will be no discrimination against any person or persons on account of race, color, sex, sexual orientation, religion, age, disability, national origin, or veteran status and both parties agree to comply with all applicable requirements of the Civil Rights Act of 1964, as amended, Executive Order 11246, the Vietnam Era Veteran's Readjustment Act of 1974, the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1974, the Americans with Disabilities Act of 1974, the Americans with Disabilities Act of 1990, and all federal rules and regulations, state laws and executive orders as applicable.

Section 9 -Indemnification.

A. PIO OFFICER AGREES TO INDEMNIFY, DEFEND AND HOLD HARMLESS THE DISTRICT, ITS OFFICERS, DIRECTORS AND AGENTS FROM ALL CLAIMS OF ANY NATURE WHATSOEVER INCLUDING ALL DEFENSE COSTS INCLUDING BUT NOT LIMITED TO ATTORNEYS' FEES ARISING FROM ANY NEGLIGENT, RECKLESS OR ILLEGAL CONDUCT BY PIO OFFICER IN CONNECTION WITH THE PIO OFFICER SERVICES TO BE PROVIDED PURSUANT TO THIS AGREEMENT. THIS INDEMNITY

OBLIGATION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT AND SHALL BE IN FORCE AND EFFECT REGARDLESS OF WHETHER SUCH CLAIMS ARE COVERED BY APPLICABLE POLICIES OF INSURANCE.

Section 10– Notices.

A. All written communications provided for hereunder shall be deemed to be given when delivered in person or deposited in the United States Mail, First Class, Registered or Certified, Return Receipt Requested, with proper postage, prepaid addressed as follows:

1) If to PIO Officer, address to :

Julie P. Martineau
23 Wisterior Walk Circle
The Woodlands, TX 77381

2) If to the District, address to:

Randy Johnson, Chief Executive Officer
Montgomery County Hospital District
Montgomery County Hospital District Administration Building
1400 South Loop 336 W.
Conroe, TX. 77034

Or to such other address as may from time to time be specified in a notice given to the other party at the address provided in this Section.

Section 11 – Amendment.

This Agreement shall not be amended or modified other than in a written agreement signed by all parties hereto.

Section 12 – Miscellaneous

A. Controlling Law and Venue. This Agreement shall be deemed to be made under, governed by, and construed in accordance with, the laws of the State of Texas. Venue for any disputes arising under this Agreement shall lie in Montgomery County, Texas.

B. Captions. The headings to the various sections of this Agreement have been inserted for convenient reference only and shall not modify, define, limit, or expand the express provisions of this Agreement.

C. Non-assignability/Pledge of Revenues. Neither this Agreement nor any duties or obligations hereunder shall be assignable by PIO Officer without the prior written consent of the District. PIO Officer shall not assign the compensation to be paid to PIO Officer under this Agreement to any third party without the prior written consent of the District.

D. Mutual Obligations. All obligations of each party under this agreement are conditions to further performance of the other party's continued performance of its obligations under the Agreement.

E. Exclusive Rights. The District and PIO Officer have the exclusive right to bring suit to enforce this Agreement and no other party may bring suit, as a third party beneficiary or otherwise, to enforce this Agreement.

F. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the subject matter hereof, and no other agreement, statement, or promise relating herein shall be valid or binding. Neither this Agreement nor any duties or obligations hereunder shall be assignable by either party without the prior written consent of the other.

G. Severability. If any provision of this Agreement shall be deemed void or invalid, such provision shall be deemed severed from the remainder of the Agreement which shall remain in full force and effect.

H. Entire Agreement. This Agreement, together with all exhibits attached hereto, embody the entire agreement between the parties hereto relative to the subject matter hereof, and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the District and PIO Officer with respect to the subject matter of this Agreement. There are no representations and warranties between the District and PIO Officer other than those contained in this Agreement. This Agreement may not be altered, changed or amended, except by an instrument in writing signed by both parties to this Agreement.

I. Construction. Although drawn by one party, this Agreement shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against either party.

J. Non-waiver. Failure of a party to exercise any right or remedy in the event of default by the other party shall not constitute a waiver of such right or remedy for any subsequent breach or default.

K. Further Assurances. Each party agrees to perform all other acts and execute and deliver all other documents as may be necessary or appropriate to carry out the intent and purposes of this Agreement.

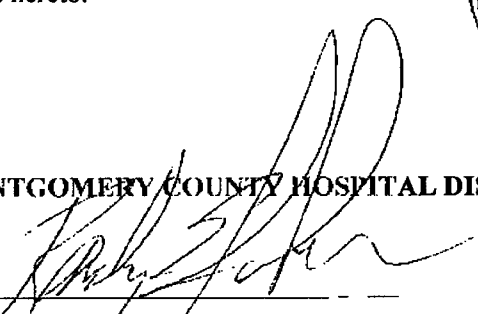
L. Retention of Defenses. The Parties agree that, neither this Agreement nor the parties' performance thereunder shall affect, impair nor limit their respective immunities and limitations of liability to the claims of third parties, including claims predicated upon negligence.

M. Counterparts. The Agreement may be signed in counterparts, each of which shall be deemed to be an original.

N. Authority. The undersigned officers of the District and PIO Officer by executing said document, acknowledge that they and/or their respective governing bodies have reviewed and approved this Agreement in full compliance with their respective bylaws, policies and the laws of the State of Texas. The persons executing this Agreement represent and warrant they possess the requisite authority to do so on behalf of the persons and entities set forth below.

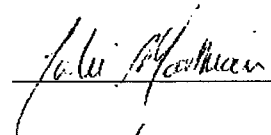
In WITNESS WHEREOF; the parties hereto have executed this Agreement in multiple counterparts, each of which shall be deemed an original. This Agreement shall be effective on ~~May 16, 2016~~ ^{October 17, 2016} ("Effective Date") regardless of when it is executed by the parties hereto.

MONTGOMERY COUNTY HOSPITAL DISTRICT

By: 
Randy Johnson, Chief Executive Officer
Date: 9/16/16

PIO OFFICER:

JULIE P. MARTINEAU


Date: 9/16/16



Laerdal[®]
helping save lives

LAERDAL MEDICAL CORPORATION
PO Box 1840, 167 Myers Corners Road
Wappingers Falls, NY 12590
877/LAERDAL (523-7325)
(845) 297-7770
Fax (800) 227-1143

www.Laerdal.com

January 30, 2017

Montgomery County Hospital District
1400 S Loop 336 W
Conroe, TX 77304

Lee:

Laerdal Medical Corporation Inc. is the sole manufacturer and distributor of the SimMan ALS. This Laerdal simulator offers you the ability to provide simulation education to challenge and test your students clinical and decision making skills with recording and audio in combination with the SimView Mobile.

SimMan ALS works with LLEAP software. LLEAP software gives facilities the below:

Save Time

LLEAP looks and behaves like a single unified platform, thus reducing time spent training on multiple platforms. System capabilities are fully integrated and ready to use from a variety of interfaces—from PC-operated simulators to standardized patients.

✍ Reduce Cost

Reduce scenario development time and scenario purchase costs. Scenarios designed for LLEAP or SimPad® simulators can be shared with minimal or no additional development time. Use self-authored scenarios or SimStore™ content for a standardized, reproducible training experience.

✍ Improve Efficiency

The LLEAP interface is based upon proven SimMan® 3G software but incorporates brand new functionality such as faster, more intuitive event registration, automatic updates when connected to the internet, and built-in video tutorials to help simplify simulation for faculty and staff.

Also, with this purchase, it will enhance your current Laerdal SimBaby by having both simulators on the same platform.

Laerdal Medical Corporation has been in business for 50+ years and we remain a very strong leader in the Medical Education Industry. If I may be of any further assistance, please do not hesitate to contact me at your convenience.

Thank you for your interest in the Laerdal SimMan ALS and SimView Mobile.

Sincerely,

Sherri Brister
Inside Sales Representative
Laerdal Medical Corporation
1-877-523-7325 ext 4289



Laerdal
helping save lives

Laerdal Medical Corporation
167 Myers Corners Road
Wappingers Falls, NY 12590
Fax Order To: (800)227-1143
Phone Order To: 877-Laerdal
Tax ID: 13-2587752

TERRITORY MANAGER
Allison Flores
(800) 648-1851x4505
allison.flores@laerdal.com

INSIDE SALES REPRESENTATIVE
Sherri Brister
(888) 297-7772x4289
sherri.brister@laerdal.com

SALES SUPPORT SPECIALIST
Christina Maggio
(800) 648-1851x2291
christina.maggio@laerdal.com

DATE : Monday, January 30, 2017

ATTN: Lee Gillum
Inchg Paramedic/Clinical Educ.
MONTGOMERY COUNTY HOSP DIST
1400 S Loop 336 W
Conroe TX 77304-3317
(936) 523-1140x
lgillum@mchd-tx.org

QUOTE NUMBER : 1-43FQ8P
CUSTOMER NUMBER : 00139069
EXPIRATION DATE : 03/31/2017

SHIP TO:
MONTGOMERY COUNTY HOSP DIST
P O BOX 478
CONROE TX 77305

QTY	PRODUCT	DESCRIPTION	LIST PRICE	UNIT PRICE	EXTENDED PRICE
1	235-20001	SimMan ALS Manikin and Accessories Includes SimMan ALS Manikin, SimPad PLUS link box, Li-Ion Battery, Consumables, Clothing, Soft Sided Carry Cases, 1 Year Manufacturer's Warranty.	\$19,000.00	\$19,000.00	\$19,000.00
2	400-09201	Tablet-PC Instructor - Patient Monitor	\$2,255.00	\$2,255.00	\$4,510.00
1	400-01050	LLEAP Software License	\$5,361.00	\$5,361.00	\$5,361.00
1	200-30350	Lithium-Ion Battery	\$200.00	\$200.00	\$200.00
1	200-30950	SimPad Headset	\$38.60	\$38.60	\$38.60
2	185-10050	ShockLink System	\$541.00	\$486.90	\$973.80
1	235-LL51200	Intro to SimMan ALS Course LLEAP 2 Consecutive Days 2 consecutive day educational session with a Laerdal Educational Representative at the customer site for up to 8 people.	\$4,630.00	\$4,630.00	\$4,630.00
3	235-00050EXW1	SimMan ALS Ext Wty yr 2 One year extended warranty. Includes materials, manufacturing or workmanship issues, return to bench service only, packaging materials for return to Laerdal, shipping costs for repairs (Ground freight from/to customer's facility).	\$3,055.00	\$3,055.00	\$9,165.00
3	235-00050PMC	SimMan ALS PM Cust Site Includes 1 service (on site), full refurb/replacement of consumables, some bladders, pad sets, refurb of IV arm skin/veins, inspect compr/lbox, upgrade SW, cleaning, final inspection, documentation of findings/recommendations.	\$2,750.00	\$2,750.00	\$8,250.00
1	400-LL51600	1 Day SimDesigner Level 1 Programming Course for LLEAP 1 day educational session with a Laerdal Educational Representative at the customer site for up to 8 people.	\$2,640.00	\$2,640.00	\$2,640.00
3	151-945006	Defib Training Cable	\$121.00	\$108.90	\$326.70
2	05-10100	Zoll Defibrillator Connector (use with 9	\$45.10	\$40.59	\$81.18
1	400-20250	USB-Serial Adapter 10 cm	\$26.85	\$0.00	\$0.00
1	204-30250	SimPad PLUS Link Box	\$612.00	\$0.00	\$0.00

ITEM TOTAL:	\$55,176.28
ESTIMATED TAX:	\$0.00
SHIPPING & HANDLING:	\$272.85
TOTAL:	\$55,449.13

There are various payment options; please see bottom of your quote for further clarification.
 Appropriate Sales Tax will be added to invoice – Pricing and Availability are subject to change
 Shipping/Handling costs will be added to invoice

Terms:

- . Net 30 Days for approved open accounts; CIA; Credit Cards accepted. Financing options now available – sample leasing payment terms follow.
 For additional information, ask your Inside Sales Representative listed above.
 - Lease term 24 months: \$2,299.01*
 - Lease term 36 months: \$1,532.67*
 - Lease term 48 months: \$1,149.51*
- *Quoted payments do not include Interest, Taxes, Maintenance, or Insurance. Quotes are subject to credit approval and may change without notice.
- . One(1) year warranty on manufactured products and 90 day warranty on refurbished products
- . Two(2) year parts replacement warranty with technical assistance by phone on all Hill-Rom refurbished products
- . Delivery of product to a specific location within your building, if requested is at an additional charge and not included in this quote
- . Quotes that included training. Training must be booked and performed 1 year from installation. The training obligation expires one year from install
- . Shipping charges subject to change in the event Inside or Lift Gate Delivery is needed



Laerdal[®]
helping save lives

Laerdal Medical Corporation
167 Myers Corners Road
Wappingers Falls, NY 12590
Fax Order To: (800)227-1143
Phone Order To: 877-Laerdal
Tax ID: 13-2587752

TERRITORY MANAGER
Damon Benton
(800) 648-1851x2312
damon.benton@laerdal.com

INSIDE SALES REPRESENTATIVE
Sherri Brister
(888) 297-7772x4289
sherri.brister@laerdal.com

SALES SUPPORT SPECIALIST
Christina Maggio
(800) 648-1851x2291
christina.maggio@laerdal.com

DATE : Thursday, January 19, 2017

ATTN: Lee Gillum
Inchg Paramedic/Clinical Educ.
MONTGOMERY COUNTY HOSP DIST
1400 S Loop 336 W
Conroe TX 77304-3317
(936) 523-1140x
lgillum@mchd-tx.org

QUOTE NUMBER : 1-43G514
CUSTOMER NUMBER : 00139069
EXPIRATION DATE : 03/20/2017

SHIP TO:
MONTGOMERY COUNTY HOSP DIST
P O BOX 478
CONROE TX 77305

QTY	PRODUCT	DESCRIPTION	LIST PRICE	UNIT PRICE	EXTENDED PRICE
1	216-20001	SimView Mobile System-US Includes backpack, SimView Mobile laptop, 3 HD web cameras, 3 USB camera mounts, USB hub, external speaker, and all required cables.	\$7,805.00	\$7,805.00	\$7,805.00
1	216-10050	SimView Elearning	\$66.30	\$66.30	\$66.30
ITEM TOTAL:					\$7,871.30
ESTIMATED TAX:					\$0.00
SHIPPING & HANDLING:					\$23.39
TOTAL:					\$7,894.69

There are various payment options; please see bottom of your quote for further clarification.
Appropriate Sales Tax will be added to invoice – Pricing and Availability are subject to change
Shipping/Handling costs will be added to invoice

Terms:

- . Net 30 Days for approved open accounts; CIA; Credit Cards accepted. Financing options now available – sample leasing payment terms follow. For additional information, ask your Inside Sales Representative listed above.
- . One(1) year warranty on manufactured products and 90 day warranty on refurbished products
- . Two(2) year parts replacement warranty with technical assistance by phone on all Hill-Rom refurbished products
- . Delivery of product to a specific location within your building, if requested is at an additional charge and not included in this quote
- . Quotes that included training. Training must be booked and performed 1 year from installation. The training obligation expires one year from install
- . Shipping charges subject to change in the event Inside or Lift Gate Delivery is needed



Dodge 3500 Chassis
VS
Dodge 4500 Chassis

February 28, 2017



Texas Administrative Code

Section 157.11(e)(3)

- Section 157.11(e)(3) states that ambulance vehicles must meet minimum national ambulance vehicle body type, dimension, and safety criteria standards.
- Source: Texas Register, Adopted Rules Feb 3, 2017
www.sos.texas.gov/texreg/pdf/backview/0203/0203adop.pdf
- Effective February 12, 2017



“... National Ambulance... Safety Criteria Standards.”

- Promulgators of Standards:
 - U.S. General Services Administration: Federal Specification for the Star-of-Life Ambulance (“Triple K”)
 - Commission on Accreditation of Ambulance Services (CAAS)
 - National Fire Protection Association (NFPA)



“Simplified” CAAS Standard

	<u>Dodge</u>	<u>Dodge</u>
	<u>3500</u>	<u>4500</u>
Gross Vehicle Weight Rating	14,000	16,500
Curb Weight	11,680	12,920
Occupant Weight (lbs)	171	
Number of Occupants *	<u>7</u>	
Total Occupant Weight	<u>1,197</u>	<u>1,197</u>
Available Payload	1,123	2,383
Minimum Payload	<u>1,300</u>	<u>1,300</u>
Over / (Under) Minimum Payload	<u>(177)</u>	<u>1,083</u>

* Six seated positions plus one patient



Preventive Maintenance Schedule

Diesel Ambulance

Part / Service	Miles					
	2,500	7,500	15,000	30,000	50,000	100,000
Oil Filter	X	X	X	X	X	X
Air Filter	X	X	X	X	X	X
Oil			X	X		
Lube	X	X	X	X	X	X
Balance / Rotate Tires as Needed	X	X	X	X	X	X
Fuel Filter(s)		X	X	X		
Transmission Service			X	X		
Differential Service				X		
Alignment				X		
Drive Shaft Rebuild					X	X
Cooling System Service					X	X
Check Air Conditioner					X	X
Replace Shocks					X	X
Steering Damper					X	X
Belts, Tensioner, Idler Pulley					X	X
Thermostat and Waterpump					X	X
Alternator						X
Coolant and Brake Hoses						X



Preventive Maintenance Cost

Diesel Ambulance

Mileage	Dodge 3500 - Model Year				Dodge 4500 - Model Year		
	2010	2012	2014	2015	2012	2016	2017
2,500	\$46.25	\$46.25	\$46.25	\$46.25	\$46.25	\$46.25	\$46.25
7,500	\$94.87	\$167.37	\$145.29	\$145.29	\$167.37	\$145.29	\$145.29
15,000	\$440.05	\$512.53	\$413.44	\$413.44	\$512.53	\$413.44	\$413.44
30,000	\$457.95	\$530.43	\$428.30	\$428.30	\$530.43	\$428.30	\$428.30
50,000	\$1,250.18	\$1,250.18	\$1,165.90	\$1,165.90	\$1,420.47	\$1,208.35	\$1,208.35
100,000	\$2,137.32	\$2,137.32	\$2,639.32	\$2,639.32	\$2,148.86	\$2,009.08	\$2,009.08
Lifetime PM Cost:				\$21,776.42			\$20,643.29
Chassis Qty:	5	9	5	7	1	10	1



Tire Data

Dodge	Brand	Tire	Speed Rating (mph)	Mileage Rating	Cost
3500	Michelin	LTX M/S2 LT235/80R17	106	70,000	\$167.33
4500	Continental	HSR 225/70R19.5 ⁽¹⁾	87		\$248.64
4500	Michelin	XZE 225/70R19.5 ⁽²⁾	87		\$323.01

(1) Original equipment on Ford F450/550, Ram 4500/5500

(2) Recommended for Class 4 Vehicles

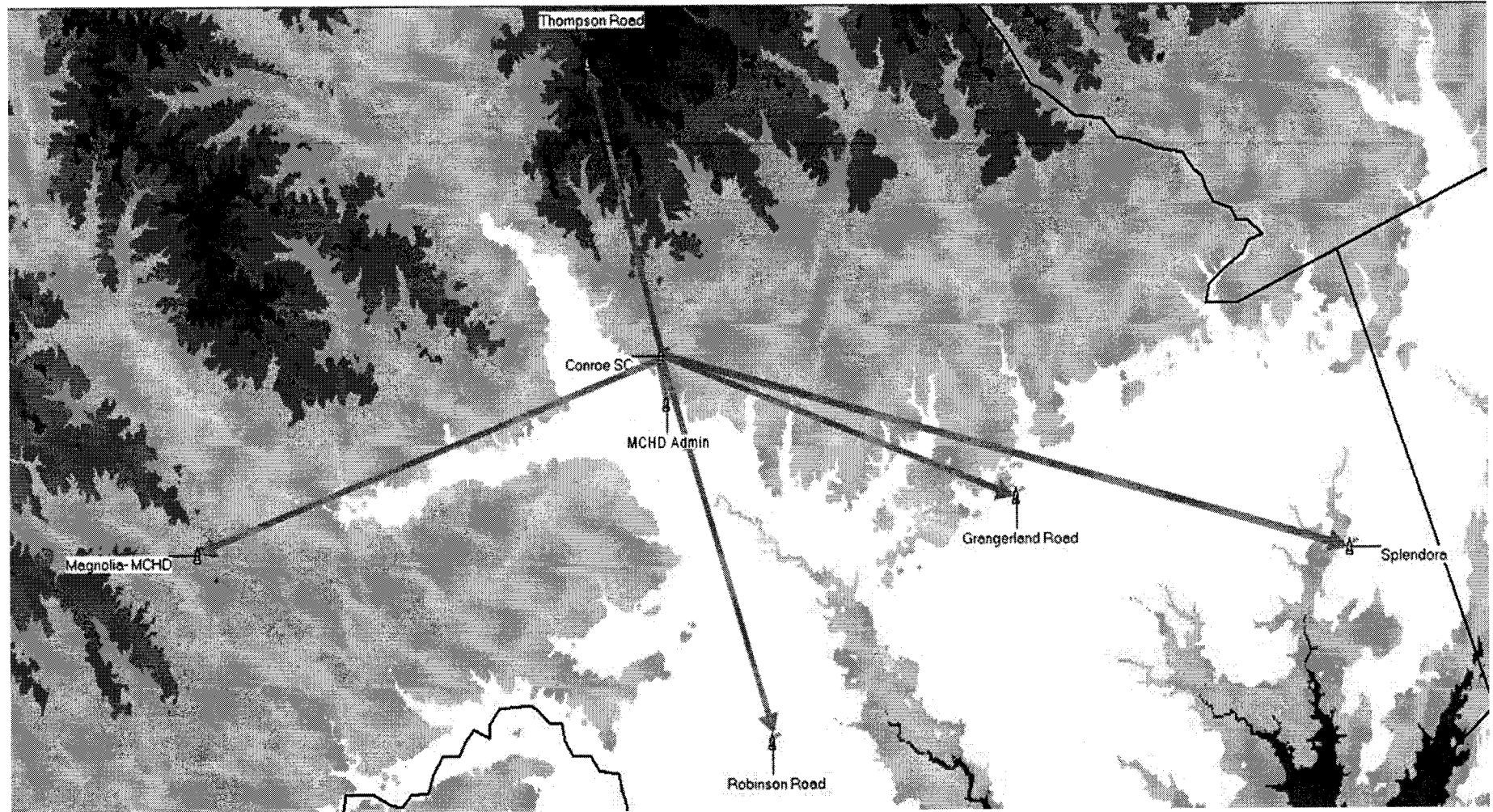
Gross Vehicle Weight Rating (GVWR) of 14,001 lbs. - 16,000 lbs.

Ex: Ford E-450, Ford F-450, Dodge Ram 4500, and GMC 4500

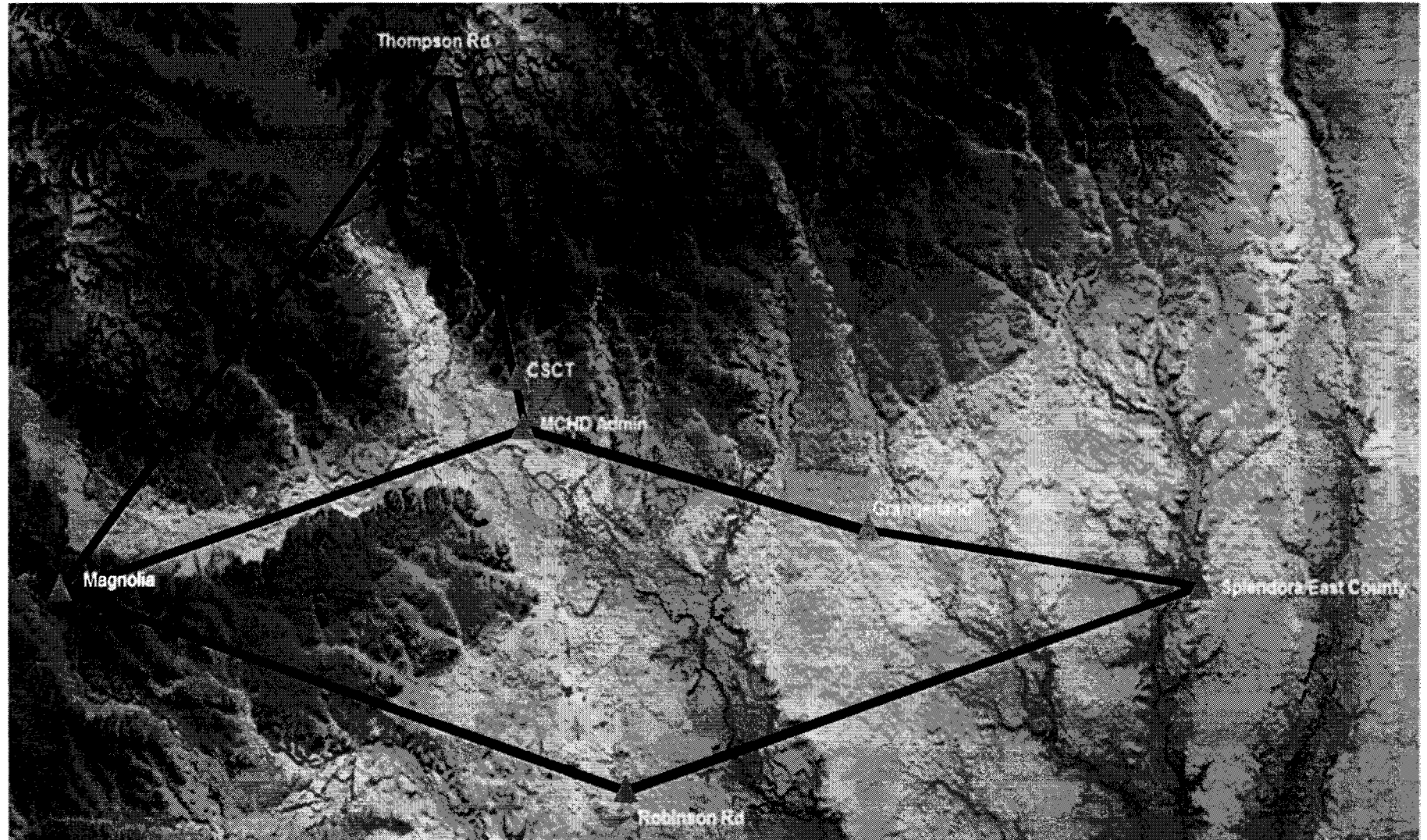
Microwave System Project

- Phase I
 - Identify Microwave System's Current and Long-Term Requirements
 - Develop and Evaluate Conceptual System Configuration Alternatives
 - Perform Rigorous Structural Analysis on Proposed Changes to Tower Loading
 - Evaluate Microwave Spectrum and Licensing Impact

Current Microwave Design



Proposed Microwave Design



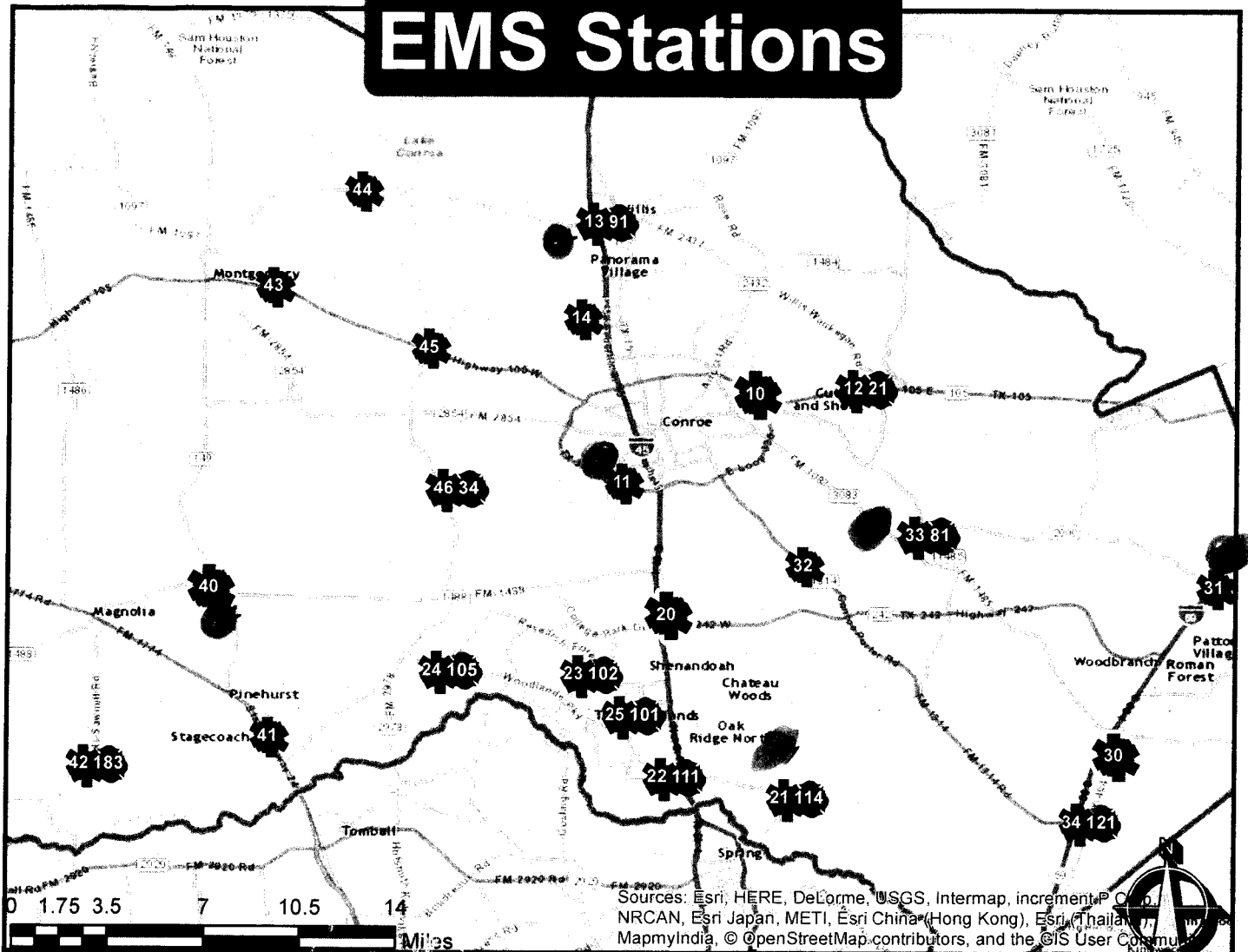
Microwave System Project

- Phase II
 - Develop Request for Proposals (RFP)
 - Conduct a Pre-Proposal Conference and Site Visits
 - Conduct Initial Evaluation of Vendor Proposals
 - Develop Term Sheets, Request and Evaluate Best and Final Offers
 - Finalize Vendor Selection
 - Contract Negotiations

Microwave System Project

- Phase III
 - Conduct Detailed Design Review Process with the Selected Vendor
 - Develop System Implementation Plan
 - Factory System Acceptance Testing
 - Develop System Cutover Plan
 - Final System Acceptance Testing





EMS Stations



EMS Station	Address	City
10	2920 N Loop 336 E	Conroe
11	1300 S Loop 336 W	Conroe
12	14421 Highway 105 E	Cut-N-Shoot
13	200 S. Kennedy	Willis
14	1818 League Line Rd	Conroe
20	250 Harpers Landing Blvd	The Woodlands
21	28830 Birnham Woods Drive	Spring
22	335 Volunteer Dr	Spring
23	9303 Gosling Rd	The Woodlands
24	10100 Branch Crossing Dr	The Woodlands
25	9951 Grogan's Mill Rd	The Woodlands
30	21084 Loop 494	New Caney
31	14809 First St	Splendora
32	14596 FM 1314	Conroe
33	16723 FM 2090	Grangerland
34	23550 Loop 494	Porter
40	14583 FM 1488	Magnolia
41	12527 Patridge Circle	Pinehurst
42	26555 Nichols Saw mill Rd	Magnolia
43	18960 Freeport Dr	Montgomery
44	17156 W FM 1097	Montgomery
45	14344 Highway 105 W	Conroe
46	2615 Woodforest Parkway N	Montgomery

EMS Stations

TYPE

-  EMS Regional Station
-  EMS Station
-  Fire Station / EMS Station
-  Tower

Prepared by Shawn Trainor
 strainor@mchd-tx.org
 936.521.3506

Communications (936) 441-6243





MAINTENANCE SUPPORT QUOTATION

Quote No: Q-2016-EXA-0414

Date: 1/11/2017

"Hindsight-G2" Fault-Tolerant Digital Logging Recorder System Extended Warranty

For: MCHD

To: Mathew Walkup
Montgomery County Hospitable District
1400 S Loop 336 West
Conroe, TX 77304
Phone: (936) 523-1120

Ship To: Same

E-Mail: mwalkup@mchd-tx.org

Table with 2 columns: Description, Amount. Row: Extended Warranty and Support Services \$ 28,306.00

- Supports Existing EXACOM Recorder
• Covers All Hardware
• Software Assurance Included
• Support provided remotely via telephone and e-mail as well as on-site as determined by EXACOM
• This warranty will auto-renew annually. It will only cover Hardware until the end of 5th year from ship date unless HW refresh is done.

For System Serial Number(s): 1807, 1808, 1809

Period of Performance: 11/19/2016 - 11/18/2017

HW/SW Support Total: \$ 28,306.00

Notes:

- 1. Prices are in US dollars at list, FOB Concord, NH
2. Quotation is valid for 30 days.
3. Software patches and minor releases are only available with current an up-to-date support contract.
4. The hardware/software refresh at year 6 is necessary to continue with the EXACOM support program.
5. Software patches and minor releases are only available with current an up-to-date support contract.
6. Discounted HW/SW Refresh is only available when year's 1-5 Extended Warranty is purchased by the customer.
7. Price is based on the current configuration of the S/Ns covered.
8. Price for this renewal is based on the original RFP price based on Auto Renewal, for years 1-5.
9. Please include a confirmation on the PO that this invoice will Auto Renew for the next 2 years after this warranty period.

Terms: Payment is Due with Order

Ship Date: 30-45 Days ARO

Ship Via: Best Way

Submitted: Don Bustamante

Date: 1/11/2017

Don Bustamante - EXACOM, Inc.

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DISCLAIMER

EXACOM makes no representations or warranties with respect to publications, software, or products and specifically disclaims any implied warranties of merchant.

LIMITATION OF LIABILITY

EXACOM will not be liable for any damages, including any lost profits, lost savings or other incidental or consequential damages arising out of the use or inability to use this product even if EXACOM or its authorized reseller has been advised of the possibility of such damages or for any claim by any other party.

EXACOM will have its liability limited to the repair or replacement of the supplied original program diskette, associated publication and any part or parts of the product or system for the period of the warranty.

STRICTLY PRIVATE AND CONFIDENTIAL

22 March 2016



Bioquell, Inc

702 Electronic Drive
Suite 200
Horsham, PA 19044

T: 215.682.0225

F: 215.682.0395

E: info@bioquell.com

W: www.bioquell.com

Re: Bioquell-Sole Source Vendor

This is to inform all parties that the Hydrogen Peroxide Vapor decontamination process is a unique process that utilizes an EPA registered-35% Hydrogen Peroxide Sterilant, chemical indicators calibrated against 6-log biological indicators to verify room decontamination and an active aeration cycle to ensure effective removal of hydrogen peroxide vapor. Because of the specificity, no other manufacturer (ie. aerosol or UV which is not the same) can offer this process.

Additionally patented hydrogen peroxide vapor generator units required for this EPA approved process are unique in design and function. Bioquell is the manufacturer and OEM distributor for these units.

To this regards Bioquell is also the sole provider of trained technicians to operate and service this equipment as well as to provide technical support. Proprietary state of the art technology incorporates EPA approved Consumables that are only compatible with the existing equipment and this process.

I hereby certify that, to the best of my knowledge, the above justification is accurate and truthful.

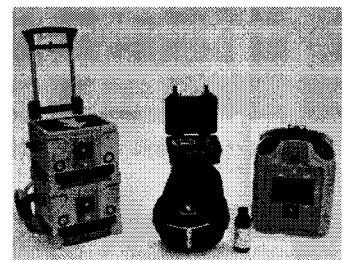
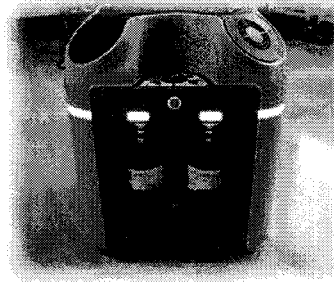
Ed Striefsky

Vice President –Managing Director

Bioquell Inc

Quote number: 20503
February 15th 2017

Jared Cosper
1400 S. Loop 336 West
Conroe, Texas 77304



Dear Jared,

Quote for Bioquell | BQ-EMS

Further to our discussions and your request, please find attached a quotation for 1 [one] Bioquell BQ-EMS System.

I would be delighted to answer any questions that you may have in relation to this quote or any of Bioquell's technology, products or services.

Yours sincerely,

Kevin McCann
Product Specialist

Product & price information

Bioquell BQ-EMS System comprising:

- (1) BQ-EMS vaporizer unit
- (2) aeration units
- (1) hard case wireless connectivity control unit
- (1) transport system for aeration units
- (1) Dräger XAM-500 hydrogen peroxide sensor
- (1) user ancillaries pack including:
 - (1) box Bioquell self-adhesive sealing tape (36 rolls)
 - \$210 Value
 - (1) box of Bioquell Chemical Indicators (20)
 - \$100 Value
 - (1) case (4 Bottles) of Bioquell hydrogen peroxide solution: 1000ml 35% w/w
 - \$537 value

Price (excl. tax and freight) :
\$29,500

Terms and Conditions

Please read the Terms & Conditions relating to this quotation. Links to the relevant documents can be found below.

General terms & conditions

This proposal is based upon Bioquell Inc.'s Standard Terms and Conditions, available for download through the link below:
<http://www.bioquell.com/en-us/terms-conditions>

Additional BQ-EMS Information

To obtain further information on the BQ-EMS and Bioquell's unique HP Vapor technology please click on the following link:

<http://www.bioquell.com/en-us/markets/product-selector/bq-ems/>

Alternatively to make a direct enquiry please email: healthcare@bioquell.com

Quotation Expiration

The prices in this quotation are valid for 90 days from the date of this document

Bioquell, Inc.
702 Electronic Dr.
Suite 200
Horsham, PA 19044

T: 215 682 0225
F: 215 933 6103
E: Healthcare@bioquell.com
W: www.bioquell.com



MONTGOMERY COUNTY HOSPITAL DISTRICT

Banking and Investment Policy

This banking and investment policy ("Investment Policy") is adopted to meet the District's responsibilities under the Public Funds Investment Act, Chapter 2256, Texas Government Code (hereinafter "Government Code"). Effective cash management is recognized as essential to good fiscal management. Investment interest is a source of revenue to District funds. The District's investment portfolio shall be designed and managed in a manner intended to maximize this revenue source, to be responsive to public trust, and to be in compliance with legal requirements and limitations.

Investments shall be made with the following primary objectives, listed in order of priority:

- * Safety and preservation of principal
- * Maintenance of sufficient **liquidity** to meet operating needs
- * **Public trust** from prudent investment activities
- * Optimization of **interest earnings** on the portfolio

1. **DEFINITIONS** For purposes of this Investment Policy, the following definitions shall apply:

- a. The "District" means Montgomery County Hospital District.
- b. "Bond Proceeds" means the proceeds from the sale of bonds, notes and any other obligations issued by the District, and reserves and funds maintained by the District for debt service purposes.
- c. "Book Value" means the original acquisition cost of an investment plus or minus the accrued amortization or accretion.
- d. "Funds" means public funds in the custody of the District that the District is authorized to invest.
- e. "Investment Pool" means an entity created under the Government Code as set forth in §§2256.016 to invest public funds jointly on behalf of the entities that participate in the pool and whose investment objectives in order of priority are: (i) preservation and safety of principal; (ii) liquidity; and (iii) yield.
- f. "Market Value" means the current face or par value of an investment multiplied by the net selling price of the security as quoted by a recognized market pricing source quoted on the valuation date.
- g. "Qualified Representative" means a person who holds a position with a business organization, who is authorized to act on behalf of the business organization and who is one of the following:
 - (1) for a business organization doing business that is regulated or registered with a securities commission, a person who is registered under the rules of the National Association of Securities Dealers;

- (2) for a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by a corporate resolution to act on behalf of and bind the banking institution; or
 - (3) for an Investment Pool, the person authorized by the elected official or board with authority to administer the activities of the Investment Pool to sign the written instrument on behalf of the Investment Pool.
2. **INVESTMENT OFFICER(S)** The Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”), and Treasurer of the Board of Directors shall serve as investment officers of the District, shall recommend appropriate legally authorized and adequately secured investments, and shall invest District Funds as directed by the Board and this Investment Policy. All investment transactions, except Investment Pools, shall be executed on a delivery versus payment basis. In making investment decisions pertaining to investments of District funds, the Investment Officer(s) shall exercise the judgment and care under prevailing circumstances that a prudent person would exercise in the management of his or her own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. When deciding whether an investment officer’s actions were prudent, the determination should be based upon the total investment portfolio, rather than an individual investment in the portfolio. However, an investment transaction not consistent with this Investment Policy would not be considered prudent.
3. **WITHDRAWAL & TRANSFER AUTHORITY** The Chief Executive Officer, Chief Financial Officer, or the Treasurer of the Board of Directors is authorized to withdraw, transfer, and reinvest the District’s investments as prescribed in this Investment Policy. Any other employee or representative of the District will be permitted to perform these functions by express written authority of the Board or the Chief Executive Officer (see Exhibit “B”).
4. **CHECKS, DRAFTS, ETC.**
 - a. Except as otherwise provided herein, all checks, drafts, notes or other orders for payment of money issued in the name of the District shall be signed (i) by the Chief Executive Officer, Chief Financial Officer, or by one (1) member of the Board for dollar amounts up to \$24,999.99; or (ii) by the Chief Executive Officer or Chief Financial Officer and by one (1) member of the Board for dollar amounts totaling \$25,000.00 or greater.
 - b. Due to an extended and/or unexpected absence of the Chief Executive Officer, all checks, drafts, notes or other orders for payment of money issued in the name of the District shall be signed (i) by the Acting CEO or Chief Financial Officer or by one (1) member of the Board for dollar amounts up to \$24,999.99; or (ii) by the Acting CEO or Chief Financial Officer and by one (1) member of the Board or by a combination of any three (3) members of the Board for dollar amounts totaling \$25,000.00 or greater.
 - c. The Chief Executive Officer may not initiate and sign a purchase order and thereafter sign the check (or authorize an electronic draft) evidencing payment of the Purchase Order.

With the express approval of the Board of Directors, drafts to the District’s bank accounts for certain expenditures may be made through electronic signatures, electronic payments, and/or other automated arrangements not requiring a physical signature of a District representative. The classification of expenditures approved by the Board for payment through electronic signatures, electronic payments, and/or other automated arrangements shall, upon their approval by the Board of Directors, be appended to the Investment Policy and constitute appendices hereto.

- (1) The Board of Directors acknowledges the “Approved Electronic Payments” as set forth in the document appended hereto as Appendix 1, which has been previously approved by the Board of Directors.
- (2) The Board of Directors acknowledges the “Approved Procedures to Process and Pay Indigent Claims,” as such procedures are set forth in the document appended hereto as Appendix 2, which has been previously approved by the Board of Directors.
- (3) The Board of Directors may provide further specific instructions for particular payments made through electronic signatures, electronic payments, and/or other automated arrangements.

5. **APPROVED INVESTMENTS** The District is authorized to invest its Funds in only the investment types, consistent with the strategies and maturities defined in this Investment Policy and chapter 2256 of the Government Code. The maximum stated maturity of any individual investment should be no longer than 10 years, and the maximum dollar-weighted average maturity of any pooled fund should be no longer than one year.

The District shall monitor the market price of its investments by using information from the *Wall Street Journal*. The investments set forth in Government Code §§ 2256.009(b), are not considered authorized investments.

6. **SAFETY AND INVESTMENT MANAGEMENT** The investment officer(s) shall observe financial market indicators, study financial trends, and utilize available educational tools in order to maintain appropriate managerial expertise. Investments shall be made in a manner that ensures the preservation of capital in the overall portfolio and offsets, during a 12-month period, any market price losses resulting from interest-rate fluctuations by income received from the balance of the portfolio.

7. **LIQUIDITY AND MATURITY**

- a. Unless otherwise prohibited by law, assets of the District shall be invested in instruments whose maturities do not exceed ten (10) years from the time of purchase unless such instruments with longer maturities are expressly authorized by the Board of Directors through one or more resolutions passed at a public meeting of the Board of Directors..
- b. The District’s Investment portfolio shall have sufficient liquidity to meet anticipated cash flow requirements, projected on a weekly, monthly, and annual basis.

8. **DIVERSITY** The investment portfolio shall be diversified in terms of investment instruments, maturity, scheduling and financial institutions to reduce risk of loss resulting from over concentration of assets in a specific class of investments, specific maturity, or specific issuer. The District may meet its obligation to diversify by placing all or part of its investment portfolio in a public funds Investment Pool meeting the requirements of Government Code §§ 2256.016, if the Board authorizes the investment in the particular pool by resolution.

9. **FUNDS/STRATEGIES** Investments of the following fund categories shall be consistent with this policy and in accordance with the strategy defined below:

OPERATING FUNDS: Investment strategies for operating funds and commingled pools containing operating funds shall have as their primary objective investment liquidity and maturity sufficient to meet anticipated cash flow requirements.

DEBT SERVICE FUNDS: Investment strategies for debt service funds shall be consistent with any requirements in the bond documents, and shall have as their objective sufficient investment liquidity to timely meet debt service payment obligations and with no maturities extending beyond the final debt service payment date.

DEBT SERVICE RESERVE FUNDS: Investment strategies of debt service reserve funds shall be consistent with any requirements in the bond documents, and shall have as their primary objective the generation of a dependable revenue stream from high quality short-to-medium term securities with minimal volatility.

BOND PROCEEDS: Investment strategies shall be in compliance with the bond covenants regarding the investment and handling of such Funds.

SAFEKEEPING and CUSTODY: The cash, collateral, and investments of the District shall be held by an independent third party with whom the District has a current custodial agreement. Funds of the District in excess of federally insured amounts shall be collateralized by pledged securities in accordance with the Public Funds Collateral Act (Texas Government Code ch. 2257). The District shall retain clearly marked receipts providing proof of the District's ownership, or the District may delegate to an Investment Pool the authority to hold legal title as custodian of investments purchased with District Funds.

10. **BROKER/DEALERS** Broker/dealers must submit annual audited financial statements to the District and be in good standing with the National Association of Securities Dealers. Representatives of brokers/dealers shall be registered with the Texas State Securities Board. The Board, at least annually, shall review, revise and adopt a list of qualified brokers that are authorized to engage in investment transactions with the District. The Board of Directors acknowledges the "List of Authorized, Qualified Brokers" as set forth in the document appended hereto as Appendix 3, which has been previously approved by the Board of Directors.
11. **SELLERS OF INVESTMENTS** A written copy of this Investment Policy shall be presented to any person offering to engage in an investment transaction with the District. The Qualified Representative of the business organization seeking to sell an authorized investment shall execute a written instrument stating:
 - a. The business organization has received and reviewed the District's Investment Policy; and
 - b. Has acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the District and the organization that are not authorized by the District's Investment Policy, except to the extent that this authorization requires an analysis of the District's entire portfolio or requires an interpretation of subjective investment standards.

A form of the written instrument is attached as Exhibit "A". The investment officer may not acquire or otherwise obtain any authorized investment described in this policy from a person who has not delivered to the District an instrument that is substantially in this form.

12. **INVESTMENT TRAINING** The investment officers of the District shall: (1) attend at least one training session relating to the Treasurer's or Officers' responsibilities under the Public Funds Investment Act within 12 months after taking office or assuming duties; and (2) attend an investment training session not less than once in a two-year period and receive not less than ten

hours of instruction relating to investment responsibilities under the Public Funds Investment Act from an independent source approved by the Board. The training must include education in investment controls, security risks, strategy risks, market risks, and compliance with the Public Funds Investment Act.

13. **STANDARD OF CARE** Investments shall be made with judgment and care, under prevailing circumstances that a person of prudence, discretion, and intelligence would exercise in the management of his or her own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investments shall be governed by the objectives specified in Government Code 2256.006, in the order of priority specified therein.

In determining whether an investment officer has exercised prudence with respect to an investment decision, the following shall be taken into consideration:

- a. The investment of all Funds, rather than the prudence of a single investment, over which the officer had responsibility.
- b. Whether the investment decision was consistent with this Investment Policy.

14. **PERSONAL INTEREST** An investment officer who has a personal business relationship with a business organization offering to engage in an investment transaction for the District shall file a statement disclosing that personal business interest, and shall abstain from participation in the District's decision whether to engage the business organization for which the investment officer has a personal business relationship. An investment officer who is related within the second degree by affinity or consanguinity, as determined by Government Code, Chapter 573, to an individual seeking to sell an investment to the District shall file a statement disclosing that relationship with the Board and with the Texas Ethics Commission. An investment officer has a personal business relationship with a business organization if:

- a. the investment officer owns 10 percent or more of the voting stock or shares of the business organizations or owns \$5,000 or more of the Fair Market Value of the business organization;
- b. Funds received by the investment officer from the business organization exceed 10 percent of the investment officer's gross income for the previous year; or
- c. The investment officer has acquired from the business organization investments with a Book Value of \$2,500 or more for the personal account of the investment officer.

15. **QUARTERLY REPORTS** The investment officer(s) shall prepare and submit to the Board a written report of investment transactions for all Funds covered by the Public Funds Investment Act, unless all of the District's investments are held by an Investment Pool. This report shall be presented to the Board not less than quarterly, within a reasonable time after the end of the period. The report must:

- a. Contain a detailed description of the investment position of the District on the date of the report.
- b. Contain a summary statement, prepared in compliance with generally accepted accounting principles, of each pooled funds group that states:
 - (1) Beginning Market Value for the reporting period.
 - (2) Additions and changes to the Market Value during the period.
 - (3) Ending Market Value for the period.

- (4) Fully accrued interest for the reporting period.
- c. State the Book Value and Market Value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested.
 - d. State the maturity date of each separately invested asset that has a maturity date.
 - e. State the account or fund or pooled group fund in the District for which each individual investment was acquired.
 - f. State the compliance of the investment portfolio of the District as it relates to the District's investment strategy expressed in the District's Investment Policy and relevant provisions of law.
16. **ANNUAL REVIEW** The Investment Policy and the investment strategy shall be reviewed not less than annually by the Board. The Board shall affirmatively, by written resolution, state that it has reviewed the Investment Policy and investment strategy, and such resolution shall record any changes made in the Investment Policy or investment strategy.
17. **ANNUAL AUDIT** The Board shall perform or have conducted a compliance audit of management controls on investments and adherence to the Board's established investment policies. The compliance audit may be performed in conjunction with the annual financial audit by the District's independent auditing firm. If the District invests in other than money market mutual funds, Investment Pools or money market accounts offered by its depository bank in the form of certificates of deposit, the reports prepared by the investment officers shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the Board.
18. **ELECTRONIC FUNDS TRANSFER** The District may use electronic means to transfer or invest all Funds collected or controlled by the District.
19. **AUTHORIZATION** Unless authorized by this policy, (including the appendices hereto) a person may not deposit, withdraw, transfer, or manage in any other manner the Funds of the District.
20. **COMPLIANCE** All investments made by the District must comply with the Texas Public Funds Investment Act and all federal, state and local statutes, rule or regulations.

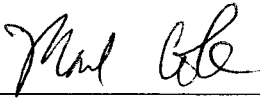
MONTGOMERY COUNTY HOSPITAL DISTRICT

Banking and Investment Policy
(Signature Page)

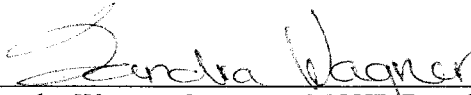
The undersigned hereby acknowledge that he/she has received and reviewed the District's Investment Policy.



Kenn Fawn, Chairman, MCHD Board of Directors



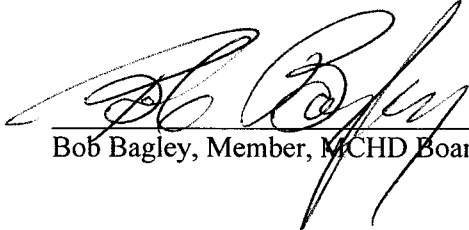
Mark Cole, Vice-Chairman, MCHD Board of Directors



Sandra Wagner, Secretary, MCHD Board of Directors



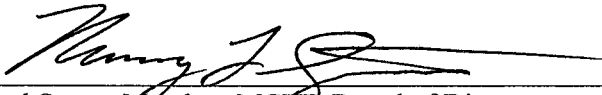
Chris Grice, Treasurer, MCHD Board of Directors



Bob Bagley, Member, MCHD Board of Directors

(absent)

Georgette Whatley, Member, MCHD Board of Directors



Brad Spratt, Member, MCHD Board of Directors



Brett Allen, CFO

February 28, 2017

Date

received 02/28/2017

EXHIBIT A

Form of Statement by Seller of Investments

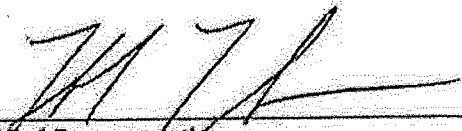
THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

BEFORE ME, the undersigned authority, on this day personally appeared the person whose name is subscribed below, who, being by me first duly sworn, upon oath deposed and said:

My name is Frederick T. Greene. I am a Qualified Representative of Montgomery County Hospital District (the "Organization"), which is engaged in the business of selling investments and desires to sell investments to the Montgomery County Hospital District (the "District"). This statement is provided to meet the requirements of the Public Funds Investment Act.

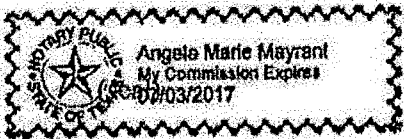
I hereby certify that


1. I have received and reviewed the District's Investment Policy;
2. The Organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the District and the Organization that are not authorized by the District's Investment Policy, except to the extent that the Organization has not made an analysis of the make-up of the District's entire portfolio or has not engaged in any interpretation of subjective investment standards; and
3. The statements, representations and declarations made in this document are true and correct.



Qualified Representative

SWORN AND SUBSCRIBED BEFORE ME, this the 10th day of February 2014.





Notary Public in and for the
State of Texas

EXHIBIT B

Withdrawal & Transfer Authority Addendum

The Board of Directors and Chief Executive Officer hereby grant authority to the Accounting Manager to withdraw, transfer, and reinvest the District's investments as prescribed in this Investment Policy.

Appendix 1
Approved Electronic Payments

Payee / Transaction Type	Purpose	Type	Notes
JP Morgan Card	"Company" Credit Card	Wire	
Exxon-Mobile Wright Express Card	Automobile Fuel	ACH	
Dr. Escott	Contract - Director of Clinical Services	ACH	
Dr. Walker	Contract - Medical Director	ACH	
American Express	Credit Card Processing Fees - Patient Payments	ACH	
TransFirst	Credit Card Processing Fees - Patient Payments	ACH	
Valic	Deferred Compensation Plan	ACH	
Connect Your Care	Flexible Spending Account	ACH	
Optum Health	Health Savings Account	ACH	
Metlife	Insurance - Dental, Vision, Life/AD&D, and Disability	ACH	
Blue Cross Blue Shield of Texas	Insurance - Health	Wire	
Colonial Life	Insurance - Optional Life, AD&D, Intensive Care, Cancer	ACH	
Raymond James	Investments - Certificates of Deposit	ACH	Transfer to/from Other MCHD Account
TexPool	Investments - Local Government Investment Pool	ACH	Transfer to/from Other MCHD Account
TexStar	Investments - Local Government Investment Pool	ACH	Transfer to/from Other MCHD Account
TCDRS	Retirement Plan	ACH	
Paychex	Third Party Payroll Services	ACH	
Waste Management	Trash Collection	ACH	
Texas Workforce Commission	Unemployment Benefits	ACH	
Approved Real Estate Transactions	Purchase of Real Property	Wire	
Approved Construction Projects	Station Buildout	Wire	
ADP	Third Party Payroll Services	ACH	
Texas Mutual	Workers' Compensation	ACH	

1) Only payments listed in this Appendix 1 are authorized by the Board of Directors for electronic payment. The Board of Directors may amend this listing from time to time by official action.

2) Electronic banking services will be executed pursuant to a service agreement with the District's banking institution.

3) Duties will be segregated as follows to ensure the integrity and security of the payments:

- a) An authorized Accounting staff member will set up the electronic payment and submit it for approval.
- b) The Chief Executive Officer, Chief Financial Officer, or one (1) member of the Board of Directors will approve the payment.
- c) The District's banking institution will send confirmation of the payment.
- d) An Accounting staff member, who is not authorized to create an electronic payment and submit it for approval, will monitor account activity throughout the month and reconcile the bank statement on a monthly basis.

Appendix 2

Approved Procedures to Process and Pay Indigent Care Claims

Purpose

The purpose of these proposed procedures is to provide guidance to the Montgomery County Hospital District (MCHD) regarding processing of payments for indigent care claims in connection with the Administrative Services Agreement between MCHD and Boon-Chapman Benefit Administrators, Inc. ("TPA.").

Background

MCHD has entered into an Administrative Services Agreement (Agreement) with TPA effective August 1, 2006. Under the terms of the Agreement, TPA is to provide certain claims administration services including but not limited to the following:

1. The receipt and review of claims and claims documentation.
2. Verification of eligibility and determination of medical necessity and amounts payable under the Plan in conjunction with Plan provisions concerning reasonableness of charges and preferred provider or other service agreements.
3. Determination of medical necessity and amounts payable under the Plan.
4. Reasonable steps, in accordance with the Plan provisions, to recover or offset erroneous payments of Plan benefits.
5. Preparation and mailing of benefit payment checks drawn on designated demand deposit accounts, and explanation of benefits (or denial of benefits).

MCHD will rely on TPA's internal controls for the processing and payment of claims. TPA's internal controls have been reviewed by an independent auditor and they maintain fidelity insurance. Claims will be paid through a separate MCHD bank account. MCHD will have constant ready access to TPA's systems for the purpose of reviewing individual claims and aggregate reporting.


Proposed Procedures

1. MCHD will set up a separate checking account for HCAP disbursements.
2. TPA representatives will be among the signers on the account.
3. TPA will receive claims and process for payment.
4. TPA will submit a proposed check run to MCHD periodically (e.g. weekly).
5. MCHD staff will review and authorize payments.
6. MCHD will transfer funds to the HCAP disbursement bank account.
7. TPA will process and release checks.
8. TPA will provide detail and summary reports of claims processed on a monthly basis.
9. MCHD Board of Directors will review and ratify payments made at their monthly meeting.

Board approved October 19, 2004

10. HCAP disbursement account is not to have a balance exceeding \$2,000,000.

Board approved October 19, 2004



Appendix 3
List of Authorized, Qualified Brokers

Institution

Raymond James Financial Services

Representative

Frederick T. Greene

