



Montgomery County Emergency Services District No. 10

DATE: May 14, 2020

THE BOARD OF COMMISSIONERS OF MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 10 (the "District") met in a regular session, open to the public, at the Magnolia Volunteer Fire Department, Station 181, 18215 Buddy Riley Blvd, Magnolia Texas 77354 on Thursday, May 14, 2020 at 2:00 p.m. inside the boundaries of the District.

AGENDA ITEM:

1. Call Meeting to order

At 2:14 p.m., Commissioner Buschardt called to order the Regular Meeting of the Montgomery County Emergency Services District #10 (the "District") and the roll was called of the duly appointed officer's to-wit:

2. Roll Call, Pledge of Allegiance, Pledge of Texas and Invocation.

COMMISSIONER	BOARD POSITION	
Robert Buschardt	President	Present
Scot Wall	Vice President	Absent
Johnnie Bryant	Secretary	Present
Tate Robinson	Treasurer	Present
Tommy Gage	Assistant Secretary/Treasurer	Present

4 of 5 Commissioners were present thus constituting a quorum.

Also present were Magnolia Volunteer Fire Department ("MVFD" or "the Department") Fire Chief Gary Vincent, Finance and Administration Director Eloise Roberson, and Office Manager Rhonda Reinholz, and Deputy Silvio.

Commissioner Buschardt led the Board in the Pledge of Allegiance to the U.S. Flag.

Commissioner Bryant led the Pledge to the Texas Flag.

The Invocation was given by Commissioner Gage.

3. To receive public comment.

There was no public comment.

4. To approve the Minutes of prior meeting(s).

Upon a motion duly made by Commissioner Robinson and seconded by Commissioner Gage, the Board unanimously approved the Minutes of the District's Regular Meeting held April 15, 2020 as presented, and the following Amended Meeting Minutes as presented:

January 9, 2020 Regular Meeting,
February 13, 2020 Regular Meeting,
March 3, 2020 Special Meeting,
March 25, 2020 Regular Meeting.

The Board agreed to take items out of order as posted on the Agenda and address item #6 before addressing item #5.

6. To receive the monthly ad valorem tax report.

The Board reviewed the April 2020 Ad Valorem Tax Report and consulted with the District Bookkeeper via phone.

7. To receive and review the monthly sales tax report.

The May 2020 Sales Tax Report was prepared by Sales Revenue Inc. The Board discussed the May 2020 Sales Tax Report with Ryan Fortner via phone.

The Board agreed to take items out of order as posted on the Agenda and address item #9 before addressing item #8.

9. To review and act on the payment of operations funding pursuant to budget and service agreement with the Magnolia Volunteer Fire Department ("MVFD" or "Department").

Upon a motion duly made by Commissioner Robinson and seconded by Commissioner Bryant, the Board unanimously approved the payment of Operation's Funding as presented in the May 14, 2020 Bookkeeper's Report which was check number 2388 in the amount of \$787,607.83 for Payroll Transfer 6/20 Payroll and check number 2389 in the amount of \$117,602.00 for Maintenance & Operations Transfer 06/1/20.

10. To review and act to approve the purchase, funding and payment for capital assets, including vehicles, fire-fighting apparatus and equipment.

Upon discussion of this topic no action was necessary.

The Board readdressed this item after Item #19.

The Board consulted Glenn Hastings with VFIS via phone where to discussion ensued concerning Under/Uninsured Motorist (UM) coverage. It was recently discovered that there is no UM coverage on the District's auto insurance policy. No UM coverage requires a waiver and a \$1,000.00 Deductible per claim is applied. To add UM coverage, the annual premium is \$296.00 for minimum coverage of \$85,000.00 or \$596.00 for \$1,000,000.00 coverage, also by adding this coverage the deductible is waived.

Upon a motion by Commissioner Robinson and seconded by Commissioner Bryant, the Board unanimously approved adding \$1,000,000.00 UM Coverage to the District's Auto Insurance Policy.

11. To receive a report and act as appropriate to revise District and/or Department current year operating and/or capital budgets pursuant to Department quarterly re-allocations and/or other matters.

Fire Chief Gary Vincent and Director of Finance and Administration Eloise Roberson presented the 2020 1st Quarter Reallocation check in the amount of \$33,128.73.

12. To receive a report from the Department regarding the good and welfare of the Fire Department and act on requests for equipment and expenses for the Department.

Fire Chief Gary Vincent presented the Fire Chief's ESD May 2020 Board, and handouts with special mention to the Board about the following topics:

- Presented the Texas Mutual Workers' Compensation 2020 Dividend Check in the amount of \$11,159.33
- Ms. Roberson (Director of Finance and Administration) gave a detailed presentation to the Board members on the eligibility of the Magnolia Volunteer Fire Department, a 501(c)(3), for certain provisions covered in the Coronavirus Aid, Relief, and Economic Security (CARES) Act that was passed by the Congress of the United States. She then outlined specific aspects of the Paycheck Protection Program (PPP) to date, noting the programs benefit to the Magnolia Volunteer Fire Department; a nonprofit with tax-exempt status.

Discussion ensued and no action was necessary.

13. To receive a financial report from the MVFD.

Ms. Roberson presented the March and April 2020 GL's and March and April 2020 Rolling Budgets. Discussion ensued on this topic and no action was necessary.

14. To review, discuss and take action on amendments to the District's 2020 budget.

No action was necessary.

15. To review, discuss and act on the disposition of surplus and/or salvage property.

No action was necessary.

The Board agreed to take items out of order as posted on the Agenda and address item #17 before addressing item #16.

17. To review and act on District/Department PPC/ISO ratings including engagement of consultant(s), review of recommendations and purchase of equipment.

Fire Chief Gary Vincent gave a verbal report where to discussion ensued on this topic and no action was necessary.

18. To receive a report and act on improvements, repairs, maintenance and construction of District facilities, including utilities, construction payments, engagement of architectural or engineering services and selection of contractors.

No action was necessary.

19. To review and act on employment/personnel issues, including hiring, retention, compensation, benefits and scheduling for District employees, including administrative staff, Fire Chief, suppression staff and command staff.

No action was necessary.

The Board agreed to take items out of order as posted on the Agenda and readdress item #10 before addressing item #20.

10. To review and act to approve the purchase, funding and payment for capital assets, including vehicles, fire-fighting apparatus and equipment.

The Board consulted Glenn Hastings with VFIS via phone where to discussion ensued concerning Under/Uninsured Motorist (UM) coverage. It was recently discovered that there is no UM coverage on the District's Auto Insurance Policy. He further explained that no UM coverage requires a waiver and a \$1,000.00 Deductible per claim is applied. To add UM coverage, the annual premium is \$296.00 for minimum coverage of \$85,000.00 or \$596.00 for \$1,000,000.00 coverage, also by adding UM coverage, the deductible is waived.

Upon a motion duly made by Commissioner Robinson and seconded by Commissioner Bryant, the Board unanimously approved adding \$1,000,000.00 UM Coverage to the District's Auto Insurance Policy.

The meeting was recessed at 3:46 pm.

The meeting reconvened for regular business at 4:23 pm.

The Board agreed to take items out of order as posted on the Agenda and address item #5 before addressing item #20.

5. To address financial matters including depositories, Investment Policy and investments, to receive Financial Reports from the District Bookkeeper and pay District bills.

Ms. Reinholz presented the May 14, 2020 Bookkeeper's Report including a listing of the disbursements presented, for the Board's approval and signature.

Upon a motion duly made by Commissioner Robinson and seconded by Commissioner Gage, the Board unanimously approved the payment of district bills as presented in the Bookkeeper's Financial Report with the addition of check number(s):

2393 to The Meeting Place in the amount of \$64.40 for the May Meeting Expense.

The Board consulted with the District's legal counsel via phone where to discussion ensued concerning the Investment Policy.

Upon a motion duly made by Commissioner Robinson and seconded by Commissioner Bryant, the Board unanimously approved to adopt the 2020 Investment Policy as presented by the District's legal counsel and to assign Mark Burton and Ghia Lewis with Municipal Accounts and Consulting, L.P. as the Investment Officers where to the motion passed by a vote of 4 to 0.

No other action was necessary.

The Board agreed to take items out of order as posted on the Agenda and address item #8 before addressing item #20.

8. To review and take action on requirements of Government Code §2054.5191 [HB 3834 (2019)] and District compliance with cybersecurity training.

The Board consulted with the District's legal counsel via phone where to discussion ensued on this topic and legal counsel referred to the following Cybersecurity Awareness Handouts:

a) Coverler and Peeler Memorandum, April 27, 2020 RE: Cybersecurity Awareness Training (HB3834): "While Government Code §2054.5191 (the codified statute enacted by House Bill 3834) refers only to "elected officials", our office advises as a best practice that ALL ESD commissioners (even those that are appointed) complete the training course. When forming our opinion, we also reviewed the Texas Department of Information Resources (DIR) guidance which indicates that while appointed officials are NOT required to take the cybersecurity training, DIR is recommending that all government officials take the training course as a best practices implementation. We would also recommend that appointed commissioners, like elected commissioners, file the required annual report to DIR once the course has been completed as explained below.

PLEASE NOTE that *any ESD employee* (regardless of whether the employee serves an appointed or elected Board) *who has access to or does ESD business on a computer system or utilizes the ESD's database* is required to complete the training.

The new statute imposes an annual deadline for completing the course, and commissioners and employees are required to complete the training by **June 14th**. The employees and commissioners must report their completion of the training directly at the Texas DIR website and the compliance report is due **NO LATER THAN JUNE 15th**. The form can be submitted by whomever the ESD authorizes, but please be advised that the person submitting the course completion information will need access to the applicant's email account to enter a confirmation code to finalize the submission. The link for the submission is:

<https://dircommunity.force.com/SecurityTrainingVerification/s/HB3834CertificationLG>.

The only reporting requirement is to complete and submit the form at the website above. Districts can track their compliance using any method they choose. Additionally, ESDs do not submit their training records or certificates of completion to DIR (other than the form linked above). However, each ESD should retain their documentation including certificates, proof of completion and any training records for their files.

Please be advised that DIR does have an optional tool for any ESD who wishes to track their employees' training compliance. The tool is Texas by Texas (TxT), and any ESD interested can submit the form to DIR. The link for the form is: <https://www.surveygizmo.com/s3/5469429/House-Bill-3834-Texas-by-Texas-TxT-Self-Reporting>. Through this tool, the employees will report their training completion and DIR will send reporting from the TxT application to each ESD entity to verify training compliance. If interested in using this resource, please complete the form by clicking the link above, and you will be provided with additional details and information about the TxT tool."

b) Certified Training Programs

c) Governing Board Acknowledgment 2020 – template from DIR

d) Governing Board Acknowledgment 2020 – MCESD10

Discussion ensued and the Board was in agreement with the recommendations in the memorandum from the District's legal counsel and to execute the Governing Board Acknowledgment Form at the June Meeting where to appointing Ms. Reinholz to submit the DIR Online Reporting Form by June 15th.

20. To meet in Closed Session, pursuant to Government Code §551.071 to consult with legal counsel regarding pending or contemplated litigation, settlement offers or on matters which require confidentiality under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas and Tax Code §323.3022 to discuss sales tax matters.

The Board consulted with the District's legal counsel via phone whereto entered into Closed Session at 5:17 pm and reconvened for regular business at 6:00 pm.

21. To meet in Closed Session pursuant to Government Code §551.072 to deliberate regarding real estate matters.

The Board consulted with the District's legal counsel via phone whereto entered into Closed Session at 5:17 pm and reconvened for regular business at 6:00 pm.

22. To meet in Closed Session pursuant to Government Code §551.074 to discuss personnel matters.

The Board did not enter into Closed Session on this item.

23. To meet in Closed Session pursuant to Government Code §551.089 to deliberate regarding security assessments or deployments relating to information resources technology, network security information, or the deployment, or specific occasions for implementation, of security personnel, critical infrastructure, or security devices.

The Board did not enter into Closed Session on this item.

24. To review and take action on matters related to claims regarding construction of Station 181.

No action was necessary.

25. To review and take action on matters related to COVID-19, including but not limited to meeting procedures, emergency expenditures and continuity of operations per Government Code §418.1101.

No action was necessary.

The Board agreed to take items out of order as posted on the Agenda and address item #16 before addressing item #26.

16. To review and act on real estate matters, including but not limited to purchase, sale, utilities, encumbrances and/or easements.

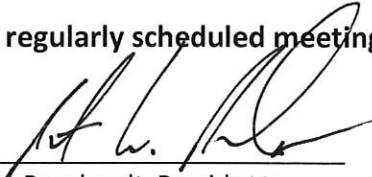
The Board consulted with the District's legal counsel via phone whereto discussion ensued concerning rezoning notification of May 5, 2020 from the City of Magnolia. Refer to the designated parcels listed on Exhibit A of the rezoning notification.

Upon a motion duly made by Commissioner Robinson and seconded by Commissioner Gage, the Board unanimously approved to designate the law firm Coveler & Peeler, PC to represent the District on matters related to the aforementioned rezoning notification to include representation by teleconference at the hearings set for May 21, 2020 and June 9, 2020, as well as any other City council, commission or committee reviewing or acting on the proposed zoning and to request that the parcels listed on Exhibit A be rezoned as Suburban Village District (SV) rather than as Public Use District (PU) or Semi-Urban Residential (SU).

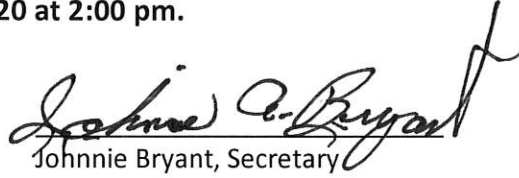
26. ADJOURNMENT

There being no further business to come before the Board, upon a motion duly made by Commissioner Bryant and seconded by Commissioner Robinson, the Board unanimously approved adjourning the meeting at 6:13 pm.

Next regularly scheduled meeting is June 18, 2020 at 2:00 pm.



Robert Buschardt, President



Johnnie Bryant, Secretary

