



Montgomery County Emergency Services District No. 10

DATE: May 13, 2021

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 13, 2021 at 3:30 p.m. inside the boundaries of the District.

AGENDA ITEM:

1. Call Meeting to order

At 3:38 p.m., Commissioner Smith called to order the Regular Meeting of the Montgomery County Emergency Services District No.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	
Larry Smith	President	Present
Charles McDonald	Vice President	Present
Kelly Violette	Secretary/Treasurer	Present
Heath Schultz	Assistant Secretary/Treasurer	Present
Jeffrey Cunningham	Board Member	Present

All 5 Commissioners were present thus constituting a quorum.

Also present were Magnolia Volunteer Fire Department ("MVFD" or "the Department") Fire Chief Jeffrey Hevey, Assistant Chief of Operations Gary Pangarakis, Assistant Chief of Finance and Administration Eloise Roberson, Assistant Chief of Planning Rusty Griffith, Assistant Chief of Training Jason Herrman, Assistant Chief of Safety and Health Chuck Grant, Assistant Chief of Logistics August Naumann, Battalion Chief Adam Vulgamott, and Office Manager Rhonda Reinholz, Montgomery County Constable Deputy Richard Garlock, Carol Morrison of Municipal Accounts, Ryan Fortner of Sales Revenue Inc., District General Counsel John Peeler of Coveler & Peeler, PC, Special Counsel Adam Dietrich and Investigator Rob Kimmons, members of the public Randy Harris, and Anna Lotz Community Impact Reporter.

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

Commissioner McDonald led the Pledge to the Texas Flag.

The Invocation was given by Commissioner Cunningham.

3. To receive public comment.

There was no public comment from members of the public in attendance.

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

Upon a motion duly made by Commissioner Violette and seconded by Commissioner Schultz, the Board unanimously approved the Minutes of the District's Regular Meeting held April 8, 2021 as presented.

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

The Board was in agreement to address Items #5 and #6 together.

Ms. Morrison presented the May 13, 2021 Bookkeeper's Report including a listing of the disbursements presented, for the Board's approval and signature, then presented the Ad Valorem Tax Report 4/1/21.

Upon a motion duly made by Commissioner Cunningham and seconded by Commissioner McDonald, the Board unanimously approved the Ad Valorem Tax Report and the Bookkeeper's Financial Report as presented, to include payment of district bills as presented with the addition of check number(s):

2621 to Richard Garlock in the amount of \$160.00 for Security Services for the May 13, 2021 Meeting;

2611 to Michael Silvio - VOID;

2612 to SAFE-D – VOID;

The Board readdressed this topic after Item #10.

Upon a motion duly made by Commissioner Violette and seconded by Commissioner Schultz, the Board unanimously approved two (2) additional checks:

2622 to Magnolia Volunteer Fire Department in the amount of \$846.94 for Reimbursement of VFIS payments to add 2 New Boosters, Theft Fee for 2 New Boosters, Delete 3 Vehicles (2012 Tahoe's), Policy Endorsement Change for the MAGNO2 Auto Policy;

2623 to SAFE-D in the amount of \$40.00 for Kelly Violette March 29th Webcast, Transitioning to ESD Provided Services.

6. To receive and review the monthly ad valorem tax report.

This was addressed on Item #5.

7. To receive the monthly sales tax report from the sales tax consultant.

Ryan Fortner of Sales Revenue Inc. presented the May Sales Tax Report.

Upon a motion duly made by Commissioner Schultz and seconded by Commissioner Violette, the Board unanimously approved the May Sales Tax Report by Sales Revenue Inc. noting corrections to be made to the graph on page 7.

The Board was in agreement to enter into Closed Session at 3:34 pm.

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 entered into Closed Session at 3:34 pm and reconvened for regular business at 6:38 pm.

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

The Board entered into Closed Session at 3:34 pm and reconvened for regular business at 6:38 pm.

Commissioner Schultz stepped out of Closed Session on real estate matters because of his involvement of the other side of the potential deal as noted in previous minutes. He participated in all Closed Session Items except real estate.

22. To meet in Closed Session pursuant to Government Code §551.074 to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or a charge against an officer or employee, including the District's administrative staff, executive staff and Fire Chief. Any employee the subject of review will be given the opportunity to request open meeting discussion of the matters if they are present at the meeting.

The Board entered into Closed Session at 3:34 pm and reconvened for regular business at 6:38 pm.

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 convene in Closed Session on this item.

The Board was in agreement to address Item #27 before addressing Item #8.

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

Motion by Commissioner Violette and seconded by Commissioner McDonald, to approve the earnest money contracts prepared by Special Counsel Greg Thrower with notation to make a minor change to the addendum regarding encumbrances, Boundary Survey, and Phase I survey as presented and discussed. Motion was approved by a vote of 4 to 0 with Commissioner Schultz abstaining.

8. 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").

The Board was in agreement to address Items #8 and #9 together.

The Board reviewed the payment of Operation's Funding presented by Ms. Morrison in the May 13, 2021 Bookkeeper's Report noting check number 2604 in the amount of \$832,180.78 for Payroll Transfer for 6/21 and check number 2605 in the amount of \$133,796.73 for Maintenance & Operations Transfer 6/21.

Assistant Chief Roberson exited the meeting while the Board was in Closed Session. The Board consulted with her via telephone where to she presented the April 2021 2nd Quarter Rolling Budget, and the April 2021 GL. She also reported that she calculated, entered, and paid the Texas Mutual Quarterly Payroll Reporting for QTR1 Audit Period 01/01/21 – 03/01/21 on behalf of the ESD, she noted that the TCDRS actuarial study and information from CapTrust for the upcoming next meeting are in process, she also noted that she processed three (3) payrolls for the month of April for MVFD and she also processed the ESD payroll. She made special mention about the

footnotes on the rolling budget pertaining to the over budgeted items, specifically the vehicle repairs then later commented the Department was under budget on payroll.

Chief Hevey reported that both Ladder Trucks are out of service and are costly to repair. We also had another vehicle that burned up during the freeze that the parts have been delivered for the maintenance crew to repair. We purchased a new laptop and software to assist the maintenance crew in diagnosing and repairs of Department vehicles.

Upon a motion duly made by Commissioner Schultz and seconded by Commissioner Violette, the Board unanimously approved the payment of Operation's Funding as presented in the May 13, 2021 Bookkeeper's Report and the Department's financial reports as presented.

9. To receive a financial report from the MVFD.

This topic was addressed under Item #8.

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

Fire Chief Jeffrey Hevey discussed the need for a minimum of 134 SCBA Cylinders whereto requested \$163,119.64 as per the HGAC pricing, from the 2021 Capital Budget. Assistant Chief Griffith gave a verbal update on the SCBA project noting that this has been discussed for several years. In 2006 he originally asked for a little over \$1.2 million in order to be within NFPA standards. With this purchase these can last until 2023 and will try to phase the remainder in within the next 18 months. Discussion ensued on this topic.

Upon a motion duly made by Commissioner Schultz and seconded by Commissioner Cunningham, the Board unanimously approved \$163,119.64 to purchase 134 SCBA Cylinders at HGAC pricing as presented.

Fire Chief Hevey requested \$61,170.00 for hydraulic jacks to lift heavy apparatus which have to be used at Station 181 and will provide the maintenance crew to do more in-house repairs. He noted the presentation includes three (3) bids.

Upon a motion duly made by Commissioner Schultz and Commissioner Violette, the Board unanimously approved \$61,170.00 to purchase lifts for heavy apparatus as presented.

The Board was in agreement to readdress Item #5 before addressing Item #11.

John Peeler exited the meeting after Item #10.

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.

Upon a verbal report from Chief Hevey no action was necessary.

The Board readdressed this topic after Item # 15.

Chief Hevey gave a verbal update on station staffing. Historically we have closed stations if we don't have staffing. The Department is utilizing the PPP Loan funds to staff stations so we don't have to close stations. The Department is making a big effort to ensure the stations are staffed to ensure adequate coverage which will be

taken into account in the 2022 budget discussions. Discussion ensued on this topic where to no action was necessary.

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

Fire Chief Jeffrey Hevey presented the Fire Chief's May ESD and May MVFD 2021 Board Reports with special mention to the Board about his three (3) months that he's been here.

Last Saturday the Department responded to a swift water rescue of a family of seven (7) that involved 181, 183, Battalion Chief Grote. Our people did a fantastic job rescuing this family of seven (7). We will be giving commendations to those members. There was another rescue on Mueschke that wasn't life threatening however, the water was moving about 10 mph.

In working with the Fire Board the Department has developed a Hiring Policy, SOG and Job Description for Full-Time Firefighter and Part-Time Firefighter, had one (1) disciplinary action. He noted that there is misinformation going around so he is visiting stations to inform them that what they are hearing is inaccurate.

Chief Grant gave a verbal report of his Preliminary NFPA 1500 Compliance Report included in the Board Packet noting some issues need to be resolved sooner than later due to health and safety issues, which will require a 3-5 year strategic plan. One of the big ticket items is security fencing around the stations that hasn't been there for years so it isn't a priority however Air Quality is a priority which is about \$80,000.00 to resolve. Chief Hevey noted that Chief Grant's report exceeded his expectations.

Chief Hevey gave a verbal update of the vehicles that he would like to declare as surplus; Old E185 which is a 2000 E-One, Old E18 which is a 2000 E-One, Old B182 which is a 2004 Ford F450, and Old T182 which is a 2000 E-One. Discussion ensued on this topic about the disposition of the aforementioned vehicles. He noted that he will be coming to the Board in the next couple of months with more vehicles once he consults with his maintenance division.

Upon a motion by Commissioner Schultz and seconded by Commissioner Cunningham, the Board unanimously approved the disposition of Old E185, Old E18, Old B182, and Old T182 as surplus.

Discussion ensued on surplus vehicles and Chief Grant's report where to no further action was necessary.

Deputy Garlock exited the meeting at 6:30 pm.

13. To review and take action on issues related to the District assuming direct provision of emergency services, including actions to employ firefighting staff, and scheduling public meetings on this issue.

No action was necessary.

14. To receive a report from Communications Committee.

Commissioner Violette and Smith gave a verbal update of the Communications Committee where to noting the needs of the ESD presently and going forward and have determined the following key areas that need to be addressed immediately in order to improve the District's relationship with the community;

1. Introduce ourselves internally and externally
2. Acknowledge the previous wrongdoing and figure out a way to address it and move forward. Have a series of open houses for employees and community then develop a plan and move forward.

They have consulted with Winkler Public Relations. They are a reputable company and very familiar with crisis management and mitigation.

The committee recommended to approve a communications agreement with Winkler Public Relations for a two (2) year community outreach program. We would have a good majority of the work at the front end to formulate a plan. The estimated cost is based on an hourly rate for an estimated amount of \$5-7K for the first couple of months to start facilitating the open houses and to get our message out. As the hours decrease the estimated cost should drop to approximately \$3-3,500 to complete. Discussion ensued on this topic where to no action was necessary.

15. To review and take action on engaging services for public outreach and communications.

Upon a motion duly made by Commissioner Violette and seconded by Commissioner McDonald, the Board unanimously approved the communication contract with Winkler Public Relations and the expenditures of funds for the creation of a communications plan.

The Board was in agreement to readdress Item #11 before addressing Item # 16.

16. To review and take action on information technology ("IT") matters, including engagement of consultants for the maintenance and improvement of IT infrastructure and resources.

Fire Chief Jeffrey Hevey gave a verbal update on this topic. We have received a proposal from the District's IT company to improve the IT Platform and unreliable email system. Discussion ensued on this topic where to no action was necessary.

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

Surplus vehicles were addressed on Item #12. Assistant Chief Griffith presented a list of obsolete Technology Equipment as surplus property.

Upon a motion duly made by Commissioner Schultz and seconded by Commissioner Violette, the Board unanimously approved the disposition of obsolete Technology Equipment presented as surplus property.

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

Upon discussion of this topic no action was necessary.

19. 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.

24. To review and take action on matters related to lawsuits or claims, including potential settlement of same.

No action was necessary on this topic.

25. To review and take action on matters related to the District investigation of District and Department operations, personnel and fiscal matters.

No action was necessary on this topic.

26. To review and act on employment/personnel issues, including hiring, retention, compensation, benefits, scheduling, complaints and discipline of District employees, including administrative staff, executive staff and Fire Chief.

Ms. Reinholz requested the Board approve to authorize Ms. Roberson to change the funding of the ESD Payroll ADP Processing Fees from check to Direct Debit Fee.

Upon a motion duly made by Commissioner Violette and seconded by Commissioner Schultz, the Board unanimously authorized Ms. Roberson to change the funding of the ESD Payroll ADP Processing Fees to Direct Debit Fee.

The Board was in agreement to address Item #29 before addressing Item #28.

29. To review and take action on scheduling District meetings.

The next regularly scheduled meeting will be on June 10, 2021 at 3:30 pm.

28. To review and take action on matters related to COVID-19.

Assistant Chief Griffith gave a verbal report. CARES Act was the first round of funding to States, Counties, and Cities all the way down. CARES Act funding ran out the end of December 2020. The next round is the American Rescue Plan ARP. The first round came out last Monday. Just like CARES Act, there is no direct special district allocations. Montgomery County has a little less than \$118,000.00 million and the cities within the counties have allocations as well. The topic was discussed on the last SAFE-D Webcast on May 8th. There is another webcast on May 22nd. I have a few summary documents that I can forward to everyone. SAFE-D or other ESD Groups within the state might be looking for input and support from other districts that have been impacted to get ARP funds earmarked. ARP covers equipment that we've used or had to purchase, payroll for quarantine, and hazard pay for employees that have been directly involved in their response. The first round with Montgomery County only reimbursed for supplies and did not include payroll and we did get reimbursement for a little over \$50,000.00. We could possibly qualify for payroll reimbursement funds. SAFE-D website has information on it. Something you may want to keep an eye out.

30. ADJOURNMENT

There being no further business to come before the Board, the Board unanimously agreed to adjourn the meeting at 8:05 pm.



Larry Smith, President



Kelly Violette, Secretary

