



Montgomery County Emergency Services District No. 10

**DATE:** September 9, 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, September 9, 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.**

| <b>COMMISSIONER</b> | <b>BOARD POSITION</b>         |         |
|---------------------|-------------------------------|---------|
| Larry Smith         | President                     | Present |
| Charles McDonald    | Vice President                | Present |
| Kelly Violette      | Secretary/Treasurer           | Absent  |
| Heath Schultz       | Assistant Secretary/Treasurer | Present |
| Jeffrey Cunningham  | Board Member                  | Absent  |

3 of 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 Training and Safety Jason Herrman, Assistant Chief of Safety and Health Chuck Grant, Battalion Chief Alan Paulk, Captain Jay Smith, and Office Manager Rhonda Reinholz, Montgomery County Constable Deputy Michael Silvio, Carol Morrison of Municipal Accounts arrived at 3:45 pm, District General Counsel John Peeler of Coveler & Peeler, PC, and Dennis Winkler of Winkler Public Relations, Sales Tax Consultants Derek Michael with SRI, Richard Fletcher and Katie Biggers with HdL, and Ryan Fortner with Revenue Management Services.

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

Commissioner Schultz led the Pledge to the Texas Flag.

The Invocation was given by Commissioner McDonald.

**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 McDonald and seconded by Commissioner Schultz, the Board unanimously approved the Minutes of the District's Regular Meetings held August 12, 2021 and August 26, 2021, and Minutes of the District's Special Meeting held August 23, 2021 as presented.

**The Board was in agreement to address item #6 before addressing item #5.**

**6. To address sales tax matters, including reviewing monthly sales tax information and acting to engage sales tax consultant.**

Legal Counsel provided proposals from three (3) Sales Tax Consultants for the Board's review and consideration. All three (3) Sales Tax Consultant vendors were in attendance. Upon discussion the Board, noting the absence of two Commissioners, was in agreement to address this topic at the next regular scheduled meeting on September 23, 2021 and told the consultants that they would be given equal time to present their proposals at that time.

**5. To address financial matters including depositories, audits, Investment Policy and investments, financial reports, tax reports and to pay District bills.**

Ms. Morrison presented the September 9, 2021, Bookkeeper's Report including a listing of the disbursements presented, for the Board's approval and signature.

Discussion ensued whereupon a motion duly made by Commissioner McDonald and seconded by Commissioner Smith, the Board unanimously approved the Bookkeeper's Financial Report as presented, to include payment of district bills as presented whereupon Commissioner Schultz abstained upon legal counsel's advice. There were no additional checks or tax report.

The Board readdressed this topic after item #16.

Ms. Morrison presented and Amended 2021 Budget for the Board's review and consideration with special mention of the following Revenue and Expense Adjustments:

Revenue Adjustments of \$200,000.00 MVFD Reallocations, \$50,000.00 COVID 19, and \$85,000.00 Legal Settlement

Expense Adjustments of \$175,000.00 Legal Fees, \$2,700.00 Security, \$50,000.00 Computer Services, \$60,000.00 Elections Expense, \$7,000.00 Insurance – Fire Department, and \$40,000.00 Fees of Office.

Ms. Roberson clarified the Texas Workforce Commission bill from last month is an undisputable bill resulting from the retroactive 2021 tax rate applied to the account.

Discussion ensued on this topic whereupon no action was taken. The Board was in agreement to review and address this topic at the October 14, 2021 meeting.

**7. To review and take action on public outreach and communications, including reports from consultants and District Committees on same.**

The Board was in unanimous agreement to address Item #7 and #8 together.

Dennis Winkler gave a verbal update to the Board on the following topics:

- Ross Winkler is putting together an article of those things that have been accomplished in the last 30 days, to include the District's Tax Rate, the progress that has been made towards transitioning the District to the direct provider model, and will make the community aware of the Open House dates.

The Board was in agreement to hold three (3) Open Houses;

| Date                       | Location    | Time   |
|----------------------------|-------------|--|
| Saturday, October 16, 2021 | Station 184 | 11:00 am – 2:00 pm   |
| Tuesday, October 19, 2021  | Station 186 | 5:30 pm – 7:30 pm  |
| Thursday, October 28, 2021 | Station 181 | 5:30 pm – 7: 30 pm, immediately following the regular meeting. |

Discussion ensued on what topics the community may be interested in learning about the District at the Open Houses.

**8. To review and take action on community meetings regarding District transition to Direct provider of services, including matters relating to dates, times, and locations for same.**

This topic was addressed on item #7.

**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”).**

The Board was in unanimous agreement to accept the payment of Operation's Funding as presented in the September 9, 2021, Bookkeeper's Report which was check number 2685 in the amount of \$832,180.78 for Payroll Transfer 10/21 and check number 2686 in the amount of \$133,796.73 for Maintenance & Operations Transfer 10/21.

**10. To receive a financial report from the MVFD.**

Ms. Roberson presented the following checks to the District:

- MCHD check number 109984 for September 2021 Rent, ambulance (Medic 42) housed at Station 183 in the amount of \$950.00;
- Winstar Insurance Group (VFIS) check number 054321 for refund of check number 2645 duplicate payment in the amount of \$846.94;
- LDF Construction check number 12596 Roof Settlement payment number 7 in the amount of \$5,000.00.

Ms. Roberson presented the Director of Finance September 2021 Report and reported on the following topics:

- Ms. Roberson noted that the Rolling Budget and GL Reports were not available. The Board was in agreement for Ms. Roberson to present the financial reports at the September 23, 2021 meeting.
- The Department's 2020 Audit is in process.

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

The Board was in unanimous agreement to approve the 2021 Capital Payments presented in the September 9, 2021 Bookkeeper Report:

2690 to Motorola in the amount of \$59,701.84 for Radio Equipment for the Rescue Truck;  
 2695 to Municipal Emergency Services in the amount of \$6,938.10 for 65 Cylinder Sleeve kits for SCBA Cylinders;  
 2696 to Municipal Emergency Services in the amount of \$533.70 for 5 Cylinder Sleeve kits for SCBA Cylinders;  
 2697 to Municipal Emergency Services in the amount of \$5,763.96 for 54 Cylinder Sleeve kits for SCBA Cylinders';  
 2692 to Magnolia Volunteer Fire Department in the amount of \$836.00 for Reimbursement of Exchange Online paid to QZIP.

Chief Hevey requested \$12,000.00 to purchase 12 gas meters, noting the amount is inclusive of HGAC pricing, for frontline apparatus and Chief's vehicles.

Upon a motion duly made by Commissioner McDonald and seconded by Commissioner Schultz, the Board unanimously approved up to \$12,000.00 to purchase 12 gas meters as presented.

**12. 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.**

No action was necessary.

**13. To receive a report from Department regarding Fire Department activities and operations and act on requests for equipment and expenses for the Department.**

Chief Hevey presented the Fire Chief's September 2021 report with special mention to the Board on the following topics:

- Working with the Department to fund the purchase of 90 SCBA's. The Department sought proposals from three (3) Vendors however Dooley Tackaberry only sells to industrial. RFP's were sent to Metro Fire Apparatus and Municipal Emergency Services with a due date of 9/17/21 and proposals will be inclusive of CO-OP Purchasing Group pricing. There were two (2) other vendors located in Dallas and Austin excluded from the RFP process.

Chief Paulk noted that the Fire Board held a special meeting on the September 3<sup>rd</sup> and the Fire Board has agreed to purchase the SCBA's using PPP Grant Funds, stating that once they come in the Department will sign them over to the District. Legal counsel noted that the District will need to approve the Department purchasing the SCBA's per the specs in the RFP noting in the minutes that there is an expectation to the Department that there will need to be an agreement for the District to receive a transfer of assets from the Department which is still being worked out as part of the transition of Department assets to the District.

- Attending the SAFE-D Conference in Fort Worth on September 16-18, 2021
- Attending the Volunteer and Combination Officer Symposium November 11-14, 2021 in Clearwater Beach Florida
- Chief Herrman noted that the Department is sending 8 people to Swift Water Training Class hosted by Tarrant County Community College. They will return with skills to teach other Department members.
- Chief Grant noted that he will be attending a Station Design and Construction conference
- The mail will need to be redirected from the PO Box to the physical address. Ms. Roberson noted the purchase of a postage machine has been complete.

The Board was in unanimous agreement for Chief Hevey, Ms. Reinholz, and Ms. Roberson to update all District's vendors with the new mailing address.

- Transition Needs; A) Employee Handbook, Employment Application with approved Background Investigation, Job Descriptions, third vehicle mechanic is needed, Drug and Alcohol abuse policy, and Standard of Conduct to add to Employee Handbook. B) Department presentation regarding the use of grant money for 2022 legal cost, 2021 Audit, overtime and holiday pay 2021, and purchase of SCBA's. C) 2022 Budget preparation is ongoing; 2021 budget adjustments are also ongoing.
- Equipment Needs; 90 SCBA with associated items and individual face pieces for all suppression personnel. Current cost is estimated around \$900,000.00
- Apparatus Needs; Ladder 181 is 21 years old. A New Aerial Ladder and Bucket estimated cost of \$1,600,000.00.
- Facility Needs: A) New maintenance facility estimated cost at \$600,000.00. The District already owns property at this location. Station 187 is centrally located within the District. Current facility (Old 181) located off 1774 is in disrepair. Need a feasibility study on the property. B) New Fire Station 182 – Old, outdated station, need to house eight (8) firefighters, waiting on a feasibility study to be performed. C) New Fire Station 186 – The District owns property north of this station. Need to have the ability to house ten (10) firefighters and a Battalion Chief. Need a feasibility study on this property. Hooked up to commercial water but not sewer. New Tankers and Ladder 186 will not fit in the apparatus bay.
- Strategic Plan; Need to develop a 5/10 strategic plan for the District to include Commissioners, Command Staff, Firefighters, & Civilians.

- Personnel; No hiring can be performed until a new Employee Handbook and Application forms have been developed. A) Volunteer Firefighter interviews have been completed. B) Part-Time Firefighter interviews have been partially completed. C) Second round of Part-Time interviews have been scheduled for the week of September 20<sup>th</sup>. D) Scheduling of background investigations need to be performed after the Employee Handbook is approved. E) Physical Ability Testing after background is performed. F) Medical exams and drug test after physical ability testing.

Discussion ensued on facility needs where to no action was necessary.

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

- Chief Hevey reported that Chief Naumann is in the process of removing equipment from and making packets for the vehicles that have been designated for disposition which are Engine 185, Reserve Engine 18, Booster 182, Booster 185, and Water Craft 184 (Unit 57 and trailer Unit 59).

**15. To review and take action on information technology ("IT") matters, including engagement of consultants for the maintenance and improvement of IT infrastructure and resources, District website, digital records and electronic mail, including presentation from contractor QZIP regarding the recreation of the entire IT system, Information storage and new email system.**

Chief Hevey gave a verbal update of the IT Server, Microsoft Licensing, Email, and Backup Internet status. QZIP is in the process of migrating the current web hosted email to Office 365 Government which is a more robust email system.

**16. 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.**

This topic was addressed on item # 13.

**The Board was in agreement to readdress item #5.**

**The Board was in agreement to enter into Closed Session.**

**17. 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 4:57 pm and reconvened for regular business at 6:25 pm.

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

The Board entered into Closed Session at 4:57 pm and reconvened for regular business at 6:25 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.

**19. 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 did not convene in Closed Session on this item.

**20. 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.

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

Legal Counsel provided a verbal update on Station 181 Roof Settlement whereto no action was necessary on this topic.

**22. 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.**

No action was necessary on this topic.

**23. To review and act on real estate matters, including but not limited to purchase, sale, lease, utilities, encumbrances, easements and engaging consultants for feasibility and other necessary property review.**

The Board unanimously approved the following with Commissioners McDonald and Smith voting for, Commissioner Schultz abstaining, and Commissioners Cunningham and Violette were absent:

First Amendments to Contracts supplied by Mr. Thrower;

Engage LJA Engineers as recommended by Mr. Thrower;

Authorize Mr. Thrower to engage appraisal services;

Authorize Mr. Thrower to continue negotiations.

**24. To review and take action on scheduling District meetings.**

The next scheduled meeting(s) will be:

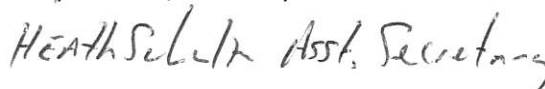
Regular Meeting on September 23, 2021 at 3:30 pm

**26. ADJOURNMENT**

There being no further business to come before the Board, the Board unanimously agreed to adjourn the meeting at 6:29 pm.

  
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Larry Smith, President

  
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Kelly Violette, Secretary

  
Heath Schultz, Asst. Secretary

