



Montgomery County Emergency Services District No. 10

DATE: November 10, 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 Wednesday, November 10, 2021 at 1:00 p.m. inside the boundaries of the District.

AGENDA ITEM:

1. Call Meeting to order

At 1:18 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	Absent
Heath Schultz	Assistant Secretary/Treasurer	Present
Jeffrey Cunningham	Board Member	Present

4 of 5 Commissioners were present thus constituting a quorum.

Also present were Magnolia Volunteer Fire Department ("MVFD" or "the Department") 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, Assistant Chief of Communications Elisa Noriega, Assistant Chief of Logistics August Naumann, Captain Jeff Jackson and Magnolia Steward of the Montgomery County Professional Firefighters Association IAFF Local 4183, Firefighter Randy Harris, and Office Manager Rhonda Reinholz, Montgomery County Constable Deputy Michael Silvio, Carol Morrison of Municipal Accounts, District General Counsel John Peeler and Dawn Selden of Coveler & Peeler, PC, Ross Winkler of Winkler Public Relations, and Ryan Fortner with Revenue Management Services.

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.

Jeff Jackson addressed the Board as the Magnolia Steward of the Montgomery County Professional Firefighters Association IAFF Local 4183. Thanked the Board on behalf of the membership for consideration of assuming liability for time-off benefits for the full-time firefighters, noting they recognize and appreciate the importance of accrual and usage of time-off benefits while fulfilling the staffing requirements.

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

Upon a motion duly made by Commissioner Schultz and seconded by Commissioner McDonald, the Board unanimously approved the Minutes of the District's Regular Meetings held September 9, 2021 and September 23, 2021, October 14, 2021, and October 28, 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.

Ryan Fortner with Revenue Management Services noted there is no presentation due to the State's allocation update schedule. He will prepare the report this evening and send out the report to essential personnel upon completion.

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

Ross Winkler noted that the Open Houses generated a positive interest from the public. He will follow up on an inquiry received from Paul Wedding with Houston Chronicle requesting an interview about the transition and the positive changes.

The Board was in agreement to address item #9 before addressing item #8.

9. To receive a financial report from the MVFD.

Ms. Roberson reported on the following topics:

- Completed Work Comp Third Quarter reporting for period July 1 ending September 30th; The payroll was \$2,265,452.11.; Saved \$11,089.00; Paid \$71,319.00 to which a reimbursement request was submitted; Met with Texas Mutual, loss ratio is very good, however was advised that the industry as a whole should expect a 21% increase in premiums due to firefighters risk; The next work comp payment will be the beginning of January for the 4th quarter reporting.
- This Friday is the deadline for those MVFD members who wish to transition to ESD employment to submit their applications and will have until the 26th to submit to a background check.
- Captrust conference call was November 4th; discussed transitioning from MVFD 457 plan to an ESD 457 plan; In order to keep the same investment vehicles, the MVFD 457 must be transferred over from the old plan to the new plan. The 401a money is subject to the participants option but the participant must transfer or withdraw all of the 401a money, Captrust will have the 457 transfer documents at the December meeting.
- Planning Benefits Days for members on December 6, 7, 8 from 10:00 am to 2:00 pm; invited all insurance carriers, payroll carrier, TCDRS, Captrust; Captrust will only be available on the 6th and 7th.
- Met with United HealthCare and the District will receive a 2% deduction in premiums.
- Will be discussing RFP's for Accounting services later on during the meeting; Besides payroll will ask vendors for EAP, HR Feature, and enroll in benefit plans electronically.
- Presented the October 2021 GL.
- Audit was finished yesterday; Auditor was here for 2 days and was very thorough; Will provide a final report to the Board when report is available.
- Presented 4th Quarter 2021 October Rolling Budget; actual bank statement provided to the Board; Will be providing the bank statement to the Board going forward.

-Reported MVFD Donation Report noting the 2021 MDA Fill-The Boot collection by the Department was \$17,214.17 by the end of October; will report final collection amount at the next meeting.

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 November 10, 2021, Bookkeeper's Report including a listing of the disbursements presented, for the Board's approval and signature.

Upon discussion a motion duly made by Commissioner Schultz and seconded by Commissioner Cunningham, the Board unanimously approved the Bookkeeper's Financial Report as presented, to include payment of district bills as presented with the addition of check numbers:

2742 to Magnolia Volunteer Fire Department in the amount of \$71,319.00 for Reimbursement of Work Comp 3rd Quarter Payroll Audit;

2743 to LJA Engineering in the amount of \$9,175.00 for Project No. 7034-2101 MCESD No. 10 FM 2978 Site;

2744 to DCH Environmental Consultants in the amount of \$1,450.00 for Phase I Environmental Site Assessment 1.53 Acres FM 2978;

2745 The Murillo Company in the amount of \$4,950.00 for Project GEO 3682021;

2746 to South Texas Surveying Associates in the amount of \$1,9250.00 for Lot 1.36 Acres & 0.47 Acre, Joseph Miller Survey A-27 of the public records.

Ms. Roberson presented the following checks to the District:

- Magnolia Volunteer Fire Department check number 27237 for Tower Rent 10/01/21 Lease #515185 in the amount of \$2,700.00;
- MCHD check number 110535 for November 2021 Rent, ambulance (Medic 42) housed at Station 183 in the amount of \$950.0 ;
- LDF Construction check number 12683 Roof Settlement payment number 8 in the amount of \$5,000.00 was mailed to Municipal Accounts on 10/5/21.

Ms. Morrison presented the September 2021 and October 2021 Ad Valorem Tax Report noting that the District's property tax collection rate is 1.8% collected for the 2021 levy.

Ms. Roberson noted on behalf of Chief Hevey that he would like the Board to entertain paying off the loans that are maturing in 2022.

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 unanimous agreement to accept the payment of Operation's Funding as presented in the November 10, 2021, Bookkeeper's Report which was check number 2729 in the amount of \$832,180.78 for Payroll Transfer 12/21 and check number 2728 in the amount of \$133,796.73 for Maintenance & Operations Transfer 12/21.

The Board was in agreement to address item #12 before addressing item #10.

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

Ms. Roberson presented the Fire Chief's November 2021 report with special mention to the Board on the following topics:

2022 will be a year where the District will need to make some long term investments and loans and as mentioned before to entertain paying loans off early.

Both ladder trucks failed inspections. Ladder 181 has reached its end of life. Ladder 186 is 16 years old. The District will need to provide direction on the process and if the District has a relationship with a lending institution that's going to allow us to move forward with what he is anticipating.

Discussion ensued on combining loans. Counsel advised against combining station loans with truck loans and noted the District has the ability to do the secured loans secure by property tax and sales tax but may be problematic the way the statutes are worded.

Facility Needs: The need for two (2) stations. and a maintenance building. A proposed replacement of Station 186 is being negotiated with WMPID and the cost will be about \$6 million; potential land purchase on Katy Lee by Station 186

There is \$757,000.00 payment due in December for SCBA's and started fit testing for all members yesterday. Chief Grant is heading up the fit testing.

The Board discussed adding a second meeting in November after planning to only hold one.

The Board was in agreement to address item #12 before addressing 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.

No action was necessary.

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

Chief Naumann provided an update on the disposition status of vehicles designated for disposition.

Ms. Reinholz reported on the watercraft designated for disposition: The boat and motor are titled to MVFD, the trailer is titled to ESD. The Fire Board president has contacted their attorney to find out the best way to title the boat and motor in the District's name; Texas Parks & Wildlife Department suggested that the best way is for MVFD to gift the boat and motor to the ESD. Ms. Reinholz also noted that she is in the process of completing change of address forms for all vehicles.

14. 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 Herrman presented Image Trend EMS Reporting contract which is a Piggyback agreement with Montgomery County Hospital District. He noted that it has been through legal review.

Upon a motion duly made by Commissioner Schultz and seconded by Commissioner McDonald, the Board unanimously approved the Piggyback agreement as presented.

Discussion ensued about cloud email which will need to be addressed with QZip.

15. To review and take action on an agreement with Department regarding the transfer of Department assets to the District and other matters relevant for the transition to the District becoming the direct provider of fire suppression services.

Ms. Roberson noted that she sent out an RFP for Payroll and HR Services. **Payroll Providers** ADP, iSolved, and Paycom invited to submit RFP for Automated Application Process/Onboarding; Background Checks (last 7 years), & Annual Driving Record Check on all District Employees for positions in the MCESD No. 10 Fire Department

(transitioned Magnolia Fire Department); Proposed HR Services + Legal Advice; Automation of Benefits Enrollments & Time Off Request/Approval Process + other analytics.

Ms. Roberson summarized quotes from and meetings with the aforementioned Payroll Providers where to the recommendation was ADP.

Upon a motion duly made by Commissioner Cunningham and seconded by Commissioner Schultz, the Board unanimously approved as recommended ADP for payroll and HR Services.

Chief Herrman presented Emergency Services Training Cooperative Fire Academy Syllabus and Fire Academy FY 2022 Training Schedule. He summarized the Department's training program history and process noting this program does both SFFMA and TCFP Training; the cost of expendables is split; All testing is done in-house. Requesting approval from the District, pending counsel's review of the Interlocal Agreement to join the COOP.

Counsel noted that Coveler & Peeler represent Harris County 13, 28, 17, 24 and in order for their firm to review the contract for the District will need the District to waive any potential conflict of interest.

Upon a motion duly made by Commissioner Schultz and seconded by Commissioner Cunningham, the Board unanimously approved counsel to review the Interlocal Agreement for the Emergency Services Training Cooperative waiving any potential conflict of interest by counsel, which is with other Districts counsel represents.

Upon discussion a was motion duly made by Commissioner Schultz and seconded by Commissioner McDonald, the Board unanimously approved the Emergency Services Training Cooperative, pending consultation with counsel authorization will authorize the Board President to approve the Interlocal Agreement with the aforementioned COOP.

16. To review and act on improvements, repairs, maintenance and construction of District facilities, including utilities, architectural or engineering services and selection of contractors.

Discussion ensued on District Facilities: Maintenance Building, Station 182, and Station 186

The Board was in unanimous agreement to authorize the Board President to engage Martinez Architect for design services for development of a Maintenance Building, Station 182, and Station 186 and to authorize Chief Grant to secure the formal engagement with Martinez Architect.

The Board was in agreement to address Items 10 and 16 together.

Discussion ensued on the repair of Ladder 181 and the purchase of a new ladder truck .

Upon a motion duly made by Commissioner Schultz and seconded by Commissioner McDonald, the Board unanimously approved up to Repair Ladder 186 not to exceed \$50,000.00.

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

This item was addressed on item 16.

The Capital Payment(s) disbursed on the November 10, 2021 Financial Report:
\$836.00 of bulk check number 2736 in the amount of \$4,487.25 to QZip for Exchange Online GCC/Monthly Billing, Annual Contract.

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 2:49 pm and reconvened for regular business at 3:23 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 2:49 pm and reconvened for regular business at 3:23 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.

No action was necessary.

The Board was in agreement to address item #23 before addressing item #22.

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.

Upon a motion duly made by Commissioner Cunningham and seconded by Commissioner McDonald, the board unanimously authorized Board President to execute an amendment to the Schultz contract.

The motion was approved by a vote of 3 to 0 with Commissioner Schultz abstaining.

Upon a motion duly made by Commissioner McDonald and seconded by Commissioner Cunningham, the Board unanimously authorized Board President to execute amendments to both contracts and to extend the closing date to December 1, 2021. The motion was approved by a vote of 3 to 0 with Commissioner Schultz abstaining.

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

The District's next scheduled meeting is a Special Meeting on November 18, 2021 at 3:30 pm.

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.


Ms. Roberson gave a verbal report of recommendation of Benefits Package for Full-Time Employees noting comparisons of multiple insurance carriers and plans presented by Jim Lord, Texas First Insurance (to Chief Hevey and Chief Roberson).

United Healthcare Renewal 1/1/22: Transferring Health, Dental, and Vision Plans from Magnolia Volunteer Fire Department to Montgomery County Emergency Services District No. 10 2022: Rates for Health, Dental, and Vision Insurance (Cost Savings of 2% less from 2021 Plan Year); Long-Term and Short-Term Disability Insurance, Life Insurance (Proposed: 100% of 1-YR Compensation Base Pay).

Upon a motion duly made by Commissioner Schultz and seconded by Commissioner Cunningham to approve benefits package for Full-Time Employees as presented.

25. ADJOURNMENT

There being no further business to come before the Board, the Board unanimously agreed to adjourn the meeting at 3:43 pm.



Larry Smith, President



Kelly Violette, Secretary

