



Montgomery County Emergency Services District No. 10

DATE: December 23, 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, December 23, 2021 at 2:00 PM inside the boundaries of the District.

AGENDA ITEM:

1. Call Meeting to order

At 2:08 PM, 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 Safety and Health Chuck Grant, Assistant Chief of Logistics August Naumann, and Office Manager Rhonda Reinholz, District General Counsel John Peeler and Dawn Selden of Coveler & Peeler, PC, Dennis Winkler of Winkler Public Relations, Buck Carraway, Carol Morrison of Municipal Accounts arrived at 2:35 pm, and Montgomery County Constable Deputy Eric Gray arrived at 3:06 pm.

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.

Buck Carraway thanked the Board for their community service and appreciates the magnitude of the responsibility each has accepted. He addressed the Board as a former ESD 10 Commissioner, citizen, and tax payer to implore the Board as steward of millions of our tax dollars to keep digging deeper to resolve the still apparent issues that he is observing and hearing throughout the community; General Counsel, Fire Chief, Budget, Financial Reports, and Board Members.

The Board was in agreement to address items #5 and 6 together before addressing item #4.

5. To receive a financial report from the Magnolia Volunteer Fire Department (the "Department").

Ms. Roberson presented the final report from the Magnolia Volunteer Fire Department. It is commemorative in that it contains historical information of budgets, property tax revenues, sales tax revenues from 2014 to present, expenditures, ISO Rating, and proposed future of the department noting a total revenue projection of \$16 million for FY 2022 and 2022 proposed staffing. She noted the Department anticipates transferring approximately \$500,000.00 to the District's bank account when the books are closed.

6. 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.

The Board discussed the amount to put in reserve funds, 2022 Capital, 2022 payroll costs, employee transition report (Confidential Payroll Report) was presented to the Board, noting a total of 174 MVFD employees and 2 pending. The last day of MVFD employment is 12/31/21. The MVFD employees that are not transitioning will receive a letter thanking them for their service. Ms. Roberson will be running the MVFD final payroll from 12/19/21-12/31/21 and the ESD transition payroll January 1, 2022 which will be double time per the employee handbook.

The Board was in unanimous agreement not to divert any additional funds from new revenue into additional reserve, to maintain the District's current reserve funds of 4-6 month approximate revenue.

The Board readdressed this topic after Item #7.

Discussion ensued on the Proposed FYE 2022 Combined MCESD 10 and MVFD Budget presented by Ms. Morrison.

Ms. Roberson anticipates the 12/19/21-12/31/21 payroll to be approximately \$385,000.00 and the 1/1/22 to be approximately \$35,000.00. She noted that a dollar amount will need to be allocated on a monthly basis for payroll and M&O where to she anticipates \$16 million for 2022 to run the department.

Ms. Morrison noted the Prior Year Surplus Funds amount is \$1,283,932.88 on the aforementioned Proposed FYE 2022 Budget.

Upon a motion duly made by Commissioner Violette, and seconded by Commissioner Schultz, the Board unanimously approved the 12/23/2021 Revised 2022 Budget as presented with the addition of \$500,000.00 to be applied to Capital from the MVFD funds that will be transferred to the District upon closure of the Department's books.

The Board instructed Ms. Roberson to process eligible compensation for the department with an effective end date of December 31, 2021 (December 19-31, 2021) and to include wage earnings for Saturday, January 1, 2022 as permitted by the Montgomery County Emergency Services District No.10 policy.

4. 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.

Ms. Morrison presented a Cash Flow Report listing disbursements presented for the Board's approval and signature:

Checks numbers:

2762 to Principal Insurance in the amount of \$6,207.51 for January 2022 Dental and Vision premium;
2763 to UHS Premium Billing in the amount of \$89,476.15 for January 2022 Health Insurance premium;
2764 to VFIS of Texas in the amount of \$21,332.00 for the 2022 Accident and Sickness Policy (Workers' Compensation Supplemental Insurance Policy).

Ms. Roberson presented the following checks to the District:

- MCHD check number 111123 for January 2022 Rent, ambulance (Medic 42) housed at Station 183 in the amount of \$950.00;
- Magnolia Volunteer Fire Department check number
- Magnolia Volunteer Fire Department check number 27237 for Tower Rent 10/01/21 Lease #515185 in the amount of \$2,700.00;

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

2765 to The Standard in the amount of \$4,300.63 for initial deposit for 2022 Life Insurance Premium;
2766 to Winkler Public Relations in the amount of \$3,300.00 for Professional Services, Invoice # 1641;
2767 to Eric Gray in the amount of \$160.00 for Security Services for December 23, 2021.

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

Dennis Winkler noted there was a Community Impact story since the last meeting. He noted that their firm continues to meet and strategize with the Committee Members. The Board members asked Mr. Winkler to contact them for any assistance related to their expertise.

Chief Herrman noted that there is an article in Firehouse Magazine on the cement truck that flipped over on the car and crews were able to extricate the patient from the vehicle. He also mentioned another incident involving a vehicle that ran off the roadway, flipped over, burst into flames with somebody inside it and the crews were able to get there to extinguish the fire and pull the patient out of the vehicle. Chief Hevey noted that he will be recognizing the two (2) crews in a future meeting.

The Board was in agreement to readdress Item #6 before addressing Item #8.

8. . 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 and the following items.

- a) To review and act to approve the purchase of seven (7) Exacqvision Enterprise Channel Licenses in the total amount of \$1,146.60
- b) To review and act to approve the purchase of the STS360 Connect Care Plus Plan in the amount of \$1,1830.00
- c) To review and act to approve the purchase of the STS360 Connect Care Plus Plan in the amount of \$1,1830.00

Upon discussion of this topic the Board was in unanimous agreement to postpone the specific IT expenses until next year and for QZIP to continue on the same IT Maintenance Schedule.

The Board was in agreement to readdress Item #11 before addressing Item #9 and 10.

11. To review and take action on capital acquisitions, including financing for same and any matters related to financing/loans for new or existing equipment purchases.

Chief Hevey noted the new SCBA's have been received but have not received an invoice yet.

Chief Grant presented the Year End Ladder Purchase comparing ladder trucks from four (4) manufacturers for the Board's review and consideration; 1) Daco (Rosenbauer), 2) Lone Star EG (Ferrara), 3) Metro FAS (Spartan ERV), 4) Siddons-Martin (Pierce). Discussion ensued on this topic.

Upon a motion duly made by Commissioner Violette and seconded by Commissioner Schultz, the Board unanimously authorized the purchase of one (1) Spartan ERV Ladder Truck as presented in the amount of \$1,369,852.00 inclusive of HGAC pricing and equipment allowance in addition to change orders to be determined later.

Further discussion ensued on funding, with the consideration of financing, and to enter into discussions with the manufacturer to request a discount for purchase of 2nd ladder truck.

The Board was in unanimous agreement to enter into Closed Session at 3:51 PM.

12. 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 3:51 PM and reconvened for regular business at 4:45 PM.

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

The Board did not convene in Closed Session on this item.

14. 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 3:51 PM and reconvened for regular business at 4:45 PM.

15. 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.

9. To review and take action on issues related to the District assuming direct provision of emergency services, including acts to employ staff and acquire capital assets.

Upon a motion duly made by Commissioner Schultz and seconded by Commissioner McDonald, the Board unanimously approved the Amendment to the Contract between the Montgomery County ESD 10 and Magnolia Volunteer Fire Department as presented.

Upon a motion duly made by Commissioner Schultz and seconded by Commissioner Violette, the Board unanimously approved to hire personnel as described in the employee transition report as presented by Ms. Roberson earlier in the meeting.

The Board readdressed this topic after Item #10.

Ms. Roberson presented the proposals received for Accounting Services from three (3) vendors; 1) PE CPA, 2) Clarity Consulting, 3) Shah Group. Upon discussion of this topic the Board was in unanimous agreement to request each vendor to prepare a rendering from our real data.

The Board readdressed this topic after Item #18.

The Board was in unanimous agreement to approve the training agreement with Emergency Services Training Cooperative.

10. To review and take action on agreement(s) 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.

Upon a motion duly made by Commissioner Violette and seconded by Commissioner Schultz, the Board unanimously approved and accepted the Assignment of Station of 182 from the Department.

Mr. Peeler noted there will be other real estate matters to address with the MVFD after transition, but that the District will have full access to all facilities owned by the MVFD under the terms of the Amendment approved earlier today.

The Board was in agreement to readdress Item #9 before addressing Item #16.

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

No action was necessary.

17. 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.

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

Chief Hevey advised the Board that he sent an updated copy of the employee handbook which needs to be signed. The handbook has been revised to clarify how Full-Time Employees vacation time will accumulate as of January.

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

No action was necessary.

The Board was in agreement to readdress Item #9 before addressing Item #20

20. To review and take action on repairs or renovations to District or Department facilities.

No action was necessary.

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

The District's next scheduled meetings are Regular Meetings on January 13, 2022 at 3:30 PM and January 27, 2022 at 3:30 PM.

29. ADJOURNMENT

There being no further business to come before the Board, the Board unanimously agreed to adjourn the meeting at 5:16 PM.



Larry Smith, President



Kelly Violette, Secretary

