



Montgomery County Emergency Services District No. 10

DATE: October 13, 2022

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 Fire Department, Station 181, 18215 Buddy Riley Blvd, Magnolia Texas 77354 on Thursday, October 13, 2022 at 3:30 p.m. inside the boundaries of the District.

AGENDA ITEM:

1. Call Meeting to order

At 3:36 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	Absent
Jeffrey Cunningham	Board Member	Present

4 of 5 Commissioners were present thus constituting a quorum.

Also present were Fire Chief Jeffrey Hevey; Business Manager Eloise Roberson; Office Manager Rhonda Reinholz; Assistant Chief of Operations Gary Pangarakis; Assistant Chief of Administration Chuck Grant; Division Chief of Training Jason Herrman; Training Captain Christopher Thornton; Division Chief of Logistics and Planning August Naumann; Battalion Chief and Magnolia Steward of the Montgomery County Professional Firefighters Association IAFF Local 4183 Jeff Jackson; Niraj (Nick) Shah, CPA, P.C. of Shah Group Consulting, Inc.; Ryan Fortner of Revenue Management Services; Ross Winkler of Winkler Public Relations; District Legal Counsel John Peeler of Coveler & Peeler, PC; and Montgomery County Constable Deputy Eric Gray. District Life Save Awards Recipients Battalion Chief Adam Vulgamott; Engine Operator Steve Guidry; Lieutenant Cody Harris; Firefighter Bailey DuBose. Member(s) of the public recorded on the Public Comment Sign-In Sheet: Megan Kinnell.

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

Commissioner McDonald led the Pledge to the Texas Flag.

Commissioner Cunningham gave the Invocation.

3. To receive public comment.

Commissioner Smith reciting the verbiage from the Public Comment Item of the meeting notice: Texas Law and District policy establish that members of the public may offer comments on any subject of concern to the public. District policy establishes time limits to address the Board: 3 minutes for items on the agenda; 2 minutes for items not on the agenda; or 1 minute if the person has spoken on the same topic at any of the two preceding meetings. Anyone who interrupts the meeting intending to prevent or disrupt the Board from conducting the meeting by interjecting comments after the Public Comment item has concluded are subject to removal from the meeting and premises under Texas law after receiving reasonable warning from the presiding officer, noting that is him. He then welcomed comments from the public.

Megan Kinnell addressed the Board requesting clarification of various inquiries and the Board's position of the same, to which Commissioner Smith requested that she email her questions to him so that he may communicate with her to address her concerns.

There were other members of the public in attendance that were not recorded on the Public Comment Sign-In Sheet, nor did they offer public comment.

4. Presentation of Certificates for Promotions, Recognitions and Appointments of District firefighters, fire officers and administrative staff.

Chief Grant presided over the Life Save Awards Ceremony.

The Board was in agreement to address Item #13 before addressing Item #5.

13. To address sales tax matters, including reviewing monthly sales tax information.

Ryan Fortner of Revenue Management Services presented the District's local sales tax information, trends, and comparisons for the month of October 2022 noting the District will not stop receiving 2022's allocation until February of next year and the sales tax revenue has already exceeded last year's growth.

Upon a motion duly made by Commissioner Violette and seconded by Commissioner McDonald, the Board unanimously accepted the October 2022 Sales Tax Report as presented.

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

Upon a motion duly made by Commissioner McDonald and seconded by Commissioner Cunningham, the Board unanimously approved the Minutes of the District's Regular Meeting held May 12, 2022 as presented.

Upon a motion duly made by Commissioner McDonald and seconded by Commissioner Violette, the Board unanimously approved the Minutes of the District's Regular Meeting held July 14, 2022 as presented.

Upon a motion duly made by Commissioner Cunningham and seconded by Commissioner McDonald, the Board unanimously approved the Minutes of the District's Regular Meeting held July 28, 2022 as presented.

Upon a motion duly made by Commissioner Violette and seconded by Commissioner McDonald, the Board unanimously approved the Minutes of the District's Regular Meeting held September 22, 2022 as presented.

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

Chief Grant conveyed to the Board that he has information on the Station 183 and Logistics Building construction project and various related matters that require discussion in Closed Session, prior to action on the project itself.

The Board was in agreement to address Item #11 before entering into Closed Session.

The Board readdressed this topic after Closed Session.

Upon a motion duly made by Commissioner McDonald and seconded by Commissioner Cunningham, the Board unanimously approved the storm water quality management agreement with the developer pending final legal review and authorize Commissioner Smith to execute the same.

Upon a motion duly made by Commissioner Violette and seconded by Commissioner McDonald, the Board unanimously authorized the Board President to issue the notice to proceed in consultation from the architect on Station 183 and the Logistics Building Project.

Upon a motion duly made by Commissioner Violette and seconded by Commissioner McDonald, the Board unanimously authorized payment of the 1st Draw to LaW Construction for Pre-Construction in the amount of \$10,000.00.

Upon a motion duly made by Commissioner McDonald and seconded by Commissioner Violette, the Board unanimously authorized counsel in concert with Chief Grant to request proposals for manufactured housing for temporary housing for Station 183.

11. To address financial matters including depositories, Investment Policy and investments, to receive financial reports, tax reports and to pay District bills.

Ms. Roberson presented the monthly financial report and requested the Board's consideration for approval to pay the bills as presented, noting fuel costs will exceed the budgeted amount.

Upon a motion duly made by Commissioner McDonald and seconded by Commissioner Violette, the Board unanimously approved the monthly report as presented and to pay the bills as presented.

She conveyed to the Board that the Shah Group audited the 3rd Quarter financials to which she provided to the Board for their review and consideration where to she requested the Board's consideration for approval of the same.

Upon a motion duly made by Commissioner McDonald and seconded by Commissioner Cunningham, the Board unanimously approved the 3rd Quarter Audit as presented.

The Board requested the Shah Group to perform a Payroll Audit for the District to which Mr. Shah was in agreement.

Ms. Roberson provided the Quarterly Investment report as of September 30, 2022. She noted: the District has started receiving next year's Ad Valorem Revenue as of October 1, 2022; as of September 30, 2022, the District has enough money to complete the rest of the year where to the anticipated revenue from sales tax will fund additional purchases for District needs pending request for Board approval as Capital Expenses; the District has \$5.5 million as of September 30, 2022 and \$4.9 million is needed to complete the year.

She presented the following Capital Expenses for the Board's review and consideration:

- Ladder Truck \$1.3 million
- Temporary Housing for the construction project \$120,000.00
- Decals \$12,600.00 to change out apparatus and equipment decals from old MVFD design to new Magnolia Fire Department design
- Gear Extractor for Station 186 that was approved at the last meeting will require additional costs associated for installation of electrical outlet. Chief Hevey noted the importance of the automated soap

dispenser and gear cleaning setting features. New Station 182 and 183 will eventually have the same type of Gear Extractor;

- Motorola Solutions Accountability System \$110,000.00;
- Public Relations Material \$5,814.00 that includes a new table drape with the new logo to identify our agency;
- Vector Solutions Scheduling Program at an annual cost of \$16,758.00 which will be prorated. Chief Vulgamott and District Staff conveyed to the Board that the new scheduling program will be a significant upgrade noting it will be automated and more beneficial. It also interfaces with ADP and Motorola Solutions Accountability Solutions. Discussion ensued where Mr. Shah suggested the Board to consider analyzing financing options with a financial institution that can offer competitive financing terms vs cash payment for the new Ladder Truck and/or future purchases. Chief Hevey affirmed the need to purchase an additional Ladder Truck and an Engine/Tanker combination noting there are three (3) Tankers that have reached their life expectancy.

Ms. Roberson conveyed to the Board that there will be two (2) loan payments in the 4th Quarter of which the loan payment of \$123,266.66 in November will be the final payment for the four (4) new tankers, and the annual loan payment of \$241,571.46 for the three (3) new stations will be paid off in 2025. She anticipates a surplus to place in reserve at the end of the year, to which it will be reported at the end of the 4th Quarter. She requested the Board's consideration to purchase the aforementioned Capital Expenses with the exception of the Ladder Truck.

Upon a motion duly made by Commissioner Violette and seconded by Commissioner McDonald, the Board unanimously approved all of the Capital Expenses as presented with the exception of the Ladder Truck.

Ms. Roberson reported that the District has received the proceeds from Rene Bates via ACH transaction in the amount of \$19,563.75 for the sale of surplus vehicles and equipment: Unit 55 as Old Booster 182, Unit 57 and 59 as old Watercraft 184, and the Forklift. She also provided the month end financial statements for all the District accounts which match up to the other financial reports. She affirmed there is an internal process for ACH payments.

The Board readdressed this topic after Item #16.

Ms. Roberson conveyed to the Board the receipt of nine (9) HEB gift cards donated by HEB, and \$500.00 donation from High Meadow Ranch Community Association. She requested direction from the Board, as the District does not have a donations account. Chief Hevey requested the HEB gift cards to be used towards the purchase of meals that will be purchased from HEB for Thanksgiving Day and Christmas Day to provide holiday meals to the stations. Ms. Roberson noted that the District does not have a policy in place on how to accept donations. Legal Counsel provided affirmation that under Chapter 775, the District can accept donations and may use it for any legal purpose.

The Board was in unanimous agreement to use all of the HEB Gift Cards and \$500.00 donation from High Meadow Ranch Community Association to purchase Holiday Meals for On-Duty personnel manning on Thanksgiving Day and Christmas Day.

The Board readdressed this topic before the conclusion of Item #19.

Ms. Roberson conveyed to the Board that the anticipated Ad Valorem is \$10.1 million for 2023 budget. Discussion ensued on the projection of future expenses.

12. To receive a report and act as appropriate to revise District budgets.

No action was necessary on this topic.

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

Ross Winkler announced the Fire Prevention Week Open House scheduled for October 29th. He has requested that the Community Impact add it to their events section. He will add the Life Save Awards and Open House as content for the Magnolia 360 newsletter. He will also take photos of the Department's upcoming watercraft training at Indigo Lakes, in conjunction with DPS Troopers Helicopter Rescue Team simulating helicopter rescues.

15. To review and take action on all matters related to transition by the District to direct provider of services.

No action was necessary on this topic.

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

This topic was addressed on Item #11.

The Board was in agreement to readdress Item #11 before addressing Item #17

17. 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.

No action was necessary.

18. To receive a report from District Fire Department Chief and staff regarding Fire Department activities and operations.

There was no discussion on this topic where to no action was necessary.

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

This proceeds from Rene Bates was addressed on Item # 11.

Chief Hevey requested the Board to designate (2) Medical Response Cars ("MR Cars") as surplus for disposition. The Fire Chiefs at Waller-Harris ESD No. 200 and ESD No.3 have expressed interest in purchasing them. Chief Hevey noted that the Department is maintaining the MR Cars at Station 181 and 186, some MR Cars are for staff use, and will also need an MR Car for the CRR position to which those will be the MR Cars with less mileage. The pricing will be based on Kelley Blue Book Price and will also calculate the cost of the lights and sirens if they are sold to another ESD.

The Board was in agreement to readdress Item #11 before conclusion of this topic

Upon a motion duly made by Commissioner McDonald and seconded by Commissioner Cunningham the Board unanimously approved to the disposition of two (2) Medical Response (MR) Cars with the highest mileage with first priority going to an ESD and second priority going to online auction.

7. 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 convened in Closed Session on this item from 4:42 p.m. to 6:14 p.m.

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

The Board convened in Closed Session on this item from 4:42 p.m. to 6:14 p.m.

9. 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; or to hear a complaint or charge against an officer or public employee, including the District 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 convened in Closed Session on this item from 4:42 p.m. to 6:14 p.m.

10. 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 #6 before addressing Item #20. The action on item #6 is noted above.

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

There was no discussion on this topic therefore no action was necessary.

21. 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, fire suppression staff, executive staff and Fire Chief.

There was no discussion on this topic therefore no action was necessary.

22. To review and act on real estate matters, including but not limited to purchase, sale, lease, utilities, encumbrances, easements and other matters related to real property transactions.

There was no discussion on this topic therefore no action was necessary.

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

Regular Meeting on October 27, 2022 at 3:30 p.m.

Fire Prevention Week Open House at Station 181 on October 29, 2022 from 1:00 p.m. to 4:00 p.m.


Regular Meeting on November 10, 2022 at 3:30 p.m.

Regular Meeting on December 15, 2022 at 3:30 p.m.

24. ADJOURNMENT

There being no further business to come before the Board, the Board unanimously agreed to adjourn the meeting at 6:19 p.m.


Larry Smith, President


Kelly Violette, Secretary
CHARLES McDONALD Vice President

