



Montgomery County Emergency Services District No. 10

DATE: April 28, 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 located at 18215 Buddy Riley Blvd, Magnolia Texas 77354 on **Thursday, April 28, 2022 at 3:35 PM** inside the boundaries of the District.

**AGENDA ITEM:**

**1. Call Meeting to order**

At 3:35 PM, Commissioner Smith called to order the Regular Meeting of the Montgomery County Emergency Services District No. 10 (the "District") of the duly appointed officer's to-wit the roll was-called:

**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	Present
Heath Schultz	Assistant Secretary/Treasurer	Present
Jeffrey Cunningham	Board Member	Present

5 of 5 Commissioners were present thus constituting a quorum.

Also present was Fire Chief Jeffrey Hevey; Business Manager, Eloise Roberson; Assistant Chief of Operations, Gary Pangarakis; Assistant Chief of Administration, Chuck Grant; Division Chief of Training, Jason Herrman; Division Chief of Planning and Logistics, August Naumann; District General Counsel John Peeler of Coveler & Peeler, PC; Ricardo Martinez, President of Martinez Architect firm; Niraj Shah and Sharron Buckley of the Shag Group and Ross Winkler of Winkler Public Relations. Also present was Captain Christopher Thornton, Battalion Chief's Jeff Jackson and Magnolia Steward of the Montgomery County Professional Firefighters Association IAFF Local 4183; Jay Smith and David Farley and Montgomery County Constable Deputy Eric Gray.

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 welcomed everyone to the meeting of the ESD 10 and invited comments from the public. No public comments were offered.

**4) Presentation of Certificates for Promotions, Recognitions and Appointments of District firefighters, fire officers and administrative staff.** Jeffrey Hevey (Fire Chief) presided over the Battalion Chief pinning ceremony in the promotion of Jay Smith, David Farley and Jeffrey Jackson from the position of Captain to Battalion Chief.

**5) To approve the Minutes of prior meeting(s)** Staff and counsel noted that draft minutes have not been completed, noting that the District office manager is expected to be absent through the end of June 2022. Mr. Peeler and Ms. Roberson said they would work to get the minutes caught up in the near future.

**Agenda item number 21 advanced to discuss prior to agenda item number 6.**

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

Ricardo Martinez, President of Martinez Architects provided an update on the progress of District projects, including the new maintenance/logistics facility and fire station 183 renovations, noting Pogue Construction Co., LP of McKinney, TX and Law Construction & Consulting of the Houston area having submitted proposals to the district on April 7, 2022. Mr. Martinez also noted the presence and input from the Montgomery County Hospital District. There was a motion by Jeffrey Cunningham, second by Health Schultz Schulz to select Law Construction & Consulting to complete the fire departments new maintenance/logistics facility and fire station 183 renovation. The motion carried.

The Board also briefly discussed the timing for construction financing and MCHD's participation in the construction costs.

**6) To address financial matters including depositories, audits, Investment Policy and investments, financial reports, tax reports and to pay District bills.** Eloise Roberson (District Business Manager) presented the audited January, February and March 2022 Financials representing General Ledger (G/L) entries for all department expenditures for the 1<sup>st</sup> quarter – QTR, noting the financials were audited by the Shah Group, the District's accounting firm. The first QTR. report 1) charted the actual operating expenses in comparison to the adopted budget against collected district revenue; 2) outlined the first QTR. schedule of investments and debt service payments and 3) illustrated the District's annual operating budget confirming revenues and expenses for each month. There was a recommendation to consider payments for district debt service earlier than scheduled dates to realize noteworthy savings in interest. The Commissioners requested the Shah Group provide a report on the savings to the district for discussion and consideration at a future meeting. The Shah Group recommended instituting a mid-year rebalance of the allocated fund amounts listed in each category of the 2022 adopted annual operating budget. The Shah Group informed the district of the firm's availability to assist the District in other financial matters and can progress district financial activity in the absence of the Business Manager when needed. There was a motion by Kelly Violette, seconded by Charles McDonald to authorize mid-year re-balancing of the District's Annual Operating Budget with excess allocated funds credited to the Capital account. The motion carried. The Business Manager concluded her report noting revenue received for the sale of surplus property totaling \$60,000.00 and receipt of a check for \$62,464.58 representing credit from Texas Mutual for adjustments granted after completion of the department's Workers Compensation policy premium audit. She then noted that all other authorized financial transfers completed by the end of the second QTR. Reporting.

The Board agreed by unanimous consent to pay District bills are presented.

District Counsel John Peeler indicated consideration for debt service on projected future tax revenue collections by the District; projects a 33% increase in revenue collection over calendar year (CY) 2021 in CY 2022; Recommendation of 4% increase when preparing 2023 Department Operating Budget for District; From Reports, MCAD increases are set by a different set of rules; 10% Limit from Year to Year set by the State of Texas; Projected: 45.7 Market Increase; Taxable value 33%.

**7) To receive a report and act as appropriate to revise District budgets.** No action was necessary

**8) To review and act on District insurance policies.** No action was necessary

**9) To address sales tax matters, including reviewing monthly sales tax information.** The District Business Manager noted Revenue Management (Ryan Fortner) forwarded a revised Tax Report to the District for their review and consideration noting that the data originally presented for the February and April 2022 reports was correct; however, there was a correction to a date on both reports.

**10) To review and take action on public outreach and communications, including reports from consultants and District Committees on same.** Dennis Winkler reviewed the "Year in Review" of the story that outlines the activities of the district for the entire year (March 2021- March 2022) highlighting all the positive accomplishments of the Montgomery County ESD No. 10 as the district engaged towards transitioning to the direct provider of community emergency services.

**11) To review and take action on all matters related to transition by the District to direct provider of services, including transfer of assets from Magnolia Volunteer Fire Department to the District.** The District Business Manager noted an upcoming Magnolia Volunteer Fire Department meeting to discuss their 2021 Audit, that is in process and to put closure on matters related to the now closed Magnolia Volunteer Fire Department 401(a) plan and Records Management and Retention.

**12) 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.** No action was necessary

**13) 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.** Fire Chief Hevey informed the Commissioners on the RFP for District IT services and that the RFP not published for solicitation of service providers; as the full scope of work is in development for district IT services so that all accessed services are included in the request.

**14) To review and act on records retention matters.** Contract with Iron Mountain is complete and representatives are preparing to get started with service to the District and concluding the Magnolia Volunteer Fire Department's long-term contract with "Shred-it". Iron Mountain will be delivering 2X shred bins and District employees will begin the process of identifying documents that have reached their retention life (*according to adopted retention schedule*) and identifying records for permanent archival. There will be 2-years of records retained physically in the office.

**15) To receive a report from District Fire Chief and staff regarding Fire Department activities and operations.** The Fire Chief provided the following information on Department activities and issues:  
He noted his absence from the April 14, 2022 ESD meeting to attend the Texas Fire Chiefs Convention in Waco, Texas.  
He updated on the review of contractors for the Station 183 Maintenance Building Projects. Interviewed were Pogue Construction – of the Dallas Area and Law Construction – of the Magnolia area who met the needs of the architect. In attendance were the Command Staff and the recommendation to select Law Construction for the projects.  
He noted necessity for long-term temporary housing while Stations 182 and 186 are under construction with a recommendation to use a third party (broker) to assist in locating properties which allow access to building; can house large vehicles, and where residential trailer have access to sewer, water and electrical with easy access to FM 2978 and/or Tamina Road (186). In the immediate area for each station, WMPID website may provide some assistance [Westwoodmpid.org/datacenter/available-properties](http://Westwoodmpid.org/datacenter/available-properties). The third party broker can assist the District with properties in the Audubon area, the newly planned community in the area of Station 189 and other locations.

Construction at Station 183 shall provide the cost of long-term living in a trailer. We need to work on that cost soon for Station 183.

New Ladder truck under construction.

Ladder 186 OOS at repair shop – broken motor mounts. Ladder 181 – STILL waiting on parts to allow for the repair of the aerial ladder. HydroTrax – OOS broken track. Tankers 181 and 184 OOS – awaiting tank repairs. Engine, Booster and Tahoe sold as surplus.

Attended Magnolia Rotary Club meeting, provided fifteen (15) minute presentation on the Department, District, what we are doing and where we are going.

He has been attending the Westwood Magnolia Improvement District meeting for several months.

Presentation on Friday, 4/8/22. Monthly thereafter; PowerPoint report.

On Monday, April 11, 2022, the District on boarded twelve (12) new full-time Firefighters; in the process of providing a Lieutenants test written and practical exam; 4/21/22 at 0900 hours, Interviews and hiring to follow. Plan to promote three (3) immediately to fill the void left by the new Battalion Chiefs. Another six (6) to eight (8) to hire in the near future to fill other officer vacancies.

The Chief noted that he would like to start a Strategic Planning Group in July to formally plan for the next fifteen (15) year of MCESD No. 10 and MFD. We have already started, but formalize the process. Strategic planning is not a sprint but a marathon when developing critical plans. The group should include the following: Several Commissioners; Command Staff personnel; Legal representation; Fire Department Employees, full-time, part-time and volunteers; Civilians from the Community.

He is in the process of registering MCESD No. 10 / Magnolia Fire Department with the Texas Intrastate Fire Mutual System, to participate when large incidents happen in the State of Texas. Early process is now ongoing. Reimbursement from the State is much quicker than any reimbursement from FEMA.

**16) To review and act on issues related to the District transition to direct provision of emergency services. No action was necessary**

**17) To review and act on mutual aid agreements with neighboring emergency services provide. 18) To review and act on agreement(s) with Magnolia Volunteer Fire Department regarding the transfer of Department assets and/or lease of Department real property to the District and other matters relevant for the transition to the District becoming the direct provider of fire suppression services. No action was necessary**

**Agenda items number 18 and 19 were repetitive of earlier items and not discussed again.**

**20) To review, discuss and act on the disposition of surplus and/or salvage property including but not limited to the process to dispose of same.** Chief Hevey reported that an old booster has a bad pump, so the Department wants to remove the skid unit and sell it for scrap. He noted that the F-450 chassis would be kept for other uses. He noted that an old boat should be disposed of as surplus.

Kelly Violette exited the meeting at 4:45 PM

**22) 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 did not convene in Closed Session on this item

**23) 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

**24) 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 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

25) To meet in Closed Session pursuant to Government Code §551.089 to deliberate regarding security assessments or deployments relating to information resource 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

26) To review and take action on matters related to lawsuits or claims, including potential settlement of same. No action was necessary

27) 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. No action was necessary

28) 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. No action was necessary

29) To review and act on improvements, repairs, maintenance and construction of facilities, including utilities, architectural or engineering services and selection of contractors  
No action was necessary

30) To review and take action on scheduling District meetings.

Regular Meeting on May 12, 2022 at 3:30 PM.

Regular Meeting on May 26, 2022 at 3:30 PM.

Regular Meeting on June 9, 2022 at 3:30 PM.

Regular Meeting on June 23, 2022 at 3:30 PM.

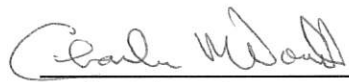
Regular Meeting on July 7, 2022 at 3:30 PM.

Regular Meeting on July 21, 2022 at 3:30 PM

### 31) ADJOURNMENT

There being no further business to come before the Board, the Board unanimously agreed to adjourn the meeting at 5:54 PM.

  
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Larry Smith, President

  
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Kelly Violette, Secretary  
Charles McDonald Vice President

