



Montgomery County Emergency Services District No. 10

DATE: August 11, 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, August 11, 2022 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.

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 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; Division Chief of Logistics and Planning, August Naumann; Battalion Chief's, David Farley & Adam Vulgamott; Pinning Ceremony Recipients and Attendees, Cody Harris, Steven Kasper, Chance Lane, Walter Sassard, Gary Woodard, Captain's Joey Czichos, Dallen Dains, Scott St. Joh & Justin Trimm, Firefighter's Steve Guidry, David King & Clark Zwerneman; District Legal Counsel, John Peeler of Coveler & Peeler, PC; Dennis & Ross Winkler of Winkler Public Relations; Ryan Fortner with Revenue Management Services; and Montgomery County Constable Deputy Eric Gray.

Members of the public were Vivian Kahla and Irene Collins.

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 where to there was no public comment.

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

Jeffrey Hevey (Fire Chief) presided over the Lieutenant Pinning Ceremony in the promotion of Daniel Wooten, Gary Woodard, Walter Sassard, Chance Lane, Steven Kasper, and Cody Harris from the position of Firefighter.

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

Upon a motion duly made by Commissioner Violette and seconded by Commissioner McDonald, the Board unanimously approved the minutes of the Minutes of the District's Tax Setting Meeting held August 8, 2022 as presented.

The Board was in agreement to address item #8 before addressing item #6.

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

Ryan Fortner with Revenue Management Services presented the August 2022 Sales and Use Tax Report. He announced that going forward he will be presenting the monthly sales tax report at the second monthly meeting and will also provide a copy of the respective monthly tax reports which do not contain confidential information. He conveyed to the Board that he doesn't receive the reports from the state until the second Wednesday of the month which isn't enough time to prepare the report for the District's first monthly meeting. He noted that he will be sending an email to the District of all of the accounts that have been turned over to the state for unpaid taxes and will also provide the state's response.

Upon a motion duly made by Commissioner McDonald and seconded by Commissioner Schultz, the Board unanimously approved the August 2022 Sales Tax Report as presented.

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

Ms. Roberson presented a report titled Financial Statements January 1, 2022 – June 30, 2022 inclusive of the 1st and 2nd quarter, to which the Board approved the audit for the 2nd quarter, to provide the Board with a good understanding of the District's financial position before consideration of other endeavors. She made special mention of the following:

\$9.9 million Total Assets; \$135,226.44 Texas Class & \$241,202.24 Frontier Bank CD will be transferred to reserve; The reallocation will be presented at the meeting on Aug 25, 2022, as was approved; Will be meeting with staff to determine the expenditures for the remaining of the year so we can determine the amount that needs to be put in reserve; Schedule of loan payments – The final payment for the four (4) Tankers will be in November, ; The District paid off three (3) loans this year which will leave the District with one (1) loan; Loan costs will be included in the 2023 budget and anticipate \$680,000.00 for the \$8 million construction loan; \$446,000.00 allocated to Miscellaneous Income, and provided a breakdown which consisted of LDF Settlement, Open Record Requests, sale of Surplus Equipment, reimbursement from workers' compensation policy resulting from the annual payroll audit, Dividend from workers' compensation carrier, and Magnolia Volunteer Fire Department, which was a component of the transition process; cumulative amounts listed on the last page are \$11.8 million collected, \$9.59 Million expenses January-June 2022 included payroll; surplus of \$2.2 million however, this amount will go towards funding the remainder of the year.

Chief Hevey reminded the Board that the District sold a 20 year old engine, a Booster, and an aging Tahoe to a department that is down in the Boliver peninsula. Also, the engine that is going to the Texas A & M Forest Service,

Fire Department, Helping Hands Program is almost done with essential repairs; the mechanics have been instructed to make necessary repairs so it doesn't leave our possession on a tow truck.

Ms. Roberson noted that the command staff has been diligent in making sure that they are cautious about their expenditures, which is shown on the financial report as presented.

The Board requested an update on payroll issues and the implementation timeline of the new ADP platform.

Ms. Roberson reported to the Board; employees will be able to see their leave time tomorrow; the process has been a team effort and the Battalion Chief's, who are ultimately responsible for submitting time; a new process has been developed which has resulted in less human entry; the schematics in T-Sheets will be changed going forward, everybody will clock in and out to eliminate manual entries; discovered that we were not using T-Sheets to its full capacity and the District's overtime and holiday time rules differed from the MVFD rules so, as a result the existing program will be reprogrammed so that Ms. Roberson will only be required to dump the time from T-Sheets into ADP; the time cannot be changed after payroll has been submitted; The Battalion Chiefs have refined their check and balance system; the excel spreadsheet has been the timekeeping system for full-time employees which allows for human error whereto the new ADP platform will turn on automated options to reduce human error; will shadow the new ADP platform and the excel spreadsheet system until everyone involved in the timekeeping process is confident in using the new ADP platform, then the Excel spreadsheet will no longer be used to which that will be articulated to timekeeping staff. The Board requested an update and desire for the ADP time clock/timekeeping software/Kiosks to be completed in a timely manner since ADP has had ample time to have this module operational. Ms. Roberson reported that ADP is still in the process of updating the schematics in accordance with our handbook and will implement the complete ADP HR Platform by the first of the year; the time clock/timekeeping software/Kiosks will be turned on as soon as the programming is done whereto she will provide a timeline to the Board at the next meeting.

The Battalion Chiefs have expressed the need for a new scheduling software that will interface with ADP.

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

Eloise conveyed that on August 25, 2022, the budget will be presented, and any decisions that are made today will be included. No action was necessary.

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

Ross Winkler provided an update on the Magnolia360 newsletter. He conveyed that it should be ready to go out next week. He worked with Walter Sassard, Chief Hevey and Chief Herrman and provided the Board with a brief narrative on the format, design, and content.

The Board directed questions to Mr. Sassard whereto he briefly noted on the newsletter format and content, noting that the headline under announcements and important information will be that Chief Hevey accepts 3-year extension. The newsletter will be distributed electronically department wide, realizing that most firefighters will be reading it on their phone. The content will be to firefighters from firefighters. The Board thanked Mr. Sassard. Chief Hevey noted that a new recruit informed him of his extensive website experience so he may be able to provide assistance on newsletter. Mr. Winkler also conveyed to the Board that he has reached out to local media about the Firefighter Graduation Ceremony scheduled for August 19, 2022 with the focus on the District is increasing public safety. Mr. Winkler noted the local press covered the previous Firefighter Graduation story and photos focusing on the growth of the area and the need for more firefighters.

Mr. Winkler conveyed to the Board that he will be drafting a proposal to implement the District's Social Media Program for the Board's review and consideration at the upcoming meeting after consulting with District legal counsel.

10. 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.

Chief Hevey and the District's legal counsel provided an update noting there are still some remaining real estate items noting he needs copies of deeds.

11. 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.

Chief Hevey provided an update on new Ladder Truck 181; manufacturer is almost done with production and January is the expected delivery time; will be meeting with a representative from Pierce to discuss a new ladder truck to replace Ladder 186 in a couple of years, with the understanding that the anticipated delivery time to be a couple of months after new Station 186 is expected to open; will also discuss an Engine Tender aka Engine/Tanker which is two (2) fire trucks in one (1) with a cost savings of \$400,000.00; they are used in areas with more fire hydrants but will not work in areas without hydrants.

12. To review and act to approve construction financing documents.

The District's legal counsel conveyed to the Board that he has loan documents from the lender approved at the last meeting to which a \$60,000.00 placement fee is required to be paid by the District noting, that it was a component of the bid tabulation presentation that was reviewed and discussed at the last meeting.

Upon a motion duly made by Commissioner Violette and seconded by Commissioner Schultz, the Board unanimously approved the loan documents as presented and authorized the signature by the Board President and Secretary, and also approved to pay the Placement Fee of \$60,000.00 to Government Capital Corporation.

Ms. Roberson conveyed to the Board that as part of the loan requirement, a TexPool account was opened solely for the aforementioned loan, pending the Board's signature(s). A condition of the loan is to open an account to receive and track funds separate from the District's other funds; legal counsel noted that the funding is scheduled for August 19, 2022; the District will be able to wire funds to the contractor.

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.

Chief Grant provided an update and projected timeframe of completion of the MDC iPad project approved at the last meeting; Discussion ensued on multi-agency technology integration due to the growth in the District's response area whereto Chief Hevey, in conjunction with staff, conveyed to the Board that the iPads assist with incident routing, patient refusals on medical calls, digitizing fire pre-plans, and FDC connections for new commercial construction; there is software available that can attach the digitized pre-fire plans to the address in Responder 360. Chief Herrman communicates frequently with the Montgomery County Fire Marshal's office about improving integration and technology between both agencies. The Board advised the staff the importance of informing the Board of technology needs for immediate consideration as part of the strategic planning process.

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

Chief Hevey reported on the following topics:

The new full-time firefighters will be training at the ESD 3 burn building next week;

August 19, 2022 is the graduation pinning ceremony for new Full-Time Firefighters;

August 25, 2022 is the pinning ceremony for Engine Operators;

Meeting tomorrow with a representative with Pierce to go over the Engine/Tanker and L186;

Experiencing warranty and repair issues with Lone Star, a REV Group maintenance vendor;

The cost for maintenance and repair for Engine 18 as mentioned earlier, is approximately \$15,000.00, which is more than anticipated, however, the department it is going to doesn't have a large budget; have instructed the mechanics to make necessary repairs;

Advertised for the open Quartermaster position via TFCA, LinkedIn, Indeed and Internal. Had to contact applicants to reschedule interviews that Indeed took the liberty of scheduling as the interviews were not coordinated through him or conducive to his schedule; received one (1) internal candidate; should have decision in three (3) weeks;

Announced his three (3) year contract to command staff;

We are responding to 6-7 grass fires on a daily basis and spend 1-2 hours on each call, some of the calls take 6-7 hours to extinguish;

Commissioner Violette made special comment to the staff that the Board was very cautious with Chief Hevey's contract with the main emphasis to provide protection and continuity to the staff. The Board is trying in every way possible to be fair, cautious, and aware, and as not, to create uncertainty. We were happy to extend the three (3) year contract, to be able to reassure security for the staff and Chief Hevey.

15. 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.

No action was necessary.

16. 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 provided an update on the Station 183 remodel and Logistics Building construction project; the bids for Station 183 are due back by August 23, 2022; Logistics Center bids are due back by August 24, 2022. Mr. Martinez indicated he should be able to provide the District with the GMP on August 25, 2022; Chief Grant and Mr. Martinez will meet tomorrow with the subcontractors at Station 183 for the final walk through.

Discussion ensued between the Board and the District's legal counsel concerning the GMP in comparison to the loan amount, especially if the GMP amount is more.

Chief Hevey noted the need for temporary housing and the placement of, during Station 183's remodel project and eventually for the Station 186 project.

17. To review and take action on an interlocal agreement with Montgomery County Hospital District ("MCHD") regarding MCHD's participation in the planning, design or construction of District emergency services facilities, including financial terms of such participation.

Chief Grant advised the Board that MCHD is waiting on the GMP before they commit to a funding amount. The District's legal counsel will reach out to their attorney to get an official financial commitment.

The Board was in agreement to enter into Closed Session after addressing Item #17.

18. 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 5:12 p.m. to 5:52 p.m.

19. 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.

20. 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 did not convene in Closed Session on this item.

21. 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.

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

No action was necessary.

23. 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.

Upon a motion duly made by Commissioner Cunningham and seconded by Commissioner Violette, the Board unanimously accepted the proposal as presented, regarding Texas First Insurance.

24. 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.

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

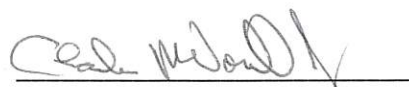
Special Meeting on August 19, 2022 at 12:00 p.m.

Regular Meeting on August 25, 2022 at 3:30 p.m.

26. ADJOURNMENT

There being no further business to come before the Board, the Board unanimously agreed to adjourn the meeting at 5:57 p.m.


Larry Smith, President


Kelly Violette, Secretary
Charles McDougal Vice President

