



Montgomery County ESD No. 10

Magnolia Fire Department

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DATE: September 20, 2023

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 Wednesday, September 20, 2023, at 3:30 p.m. inside the boundaries of the District.

AGENDA ITEM:

1. Call meeting to order.

At 3:30 p.m., Commissioner Smith Called to order the Regular Meeting of the Montgomery County Emergency Services District #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.

Larry Smith	President	Present
Charles McDonald	Vice President	Present
Jeffrey Cunningham	Assistant Secretary/Treasurer	Present
Laurie Clifton	Board Member	Present

4 Commissioners were present, thus constituting a quorum.

Also present were acting Fire Chief: Assistant Chief of Administration Chuck Grant; Business Manager Eloise Roberson; Division Chief of Logistics & Planning August Naumann; Division Chief of Training Jason Herrman; Battalion Chief of Training Chris Thornton; Community Risk Reduction Captain Bryan Perry; Battalion Chief Jeffrey Jackson; Office Manager Rhonda Reinholz; Assistant Office Manager Joanna Padilla; District legal counsel Krystine Ramon of Coveler & Peeler, PC; Ross Winker of Winkler Public Relations; District human resources consultant Angela Zacharias from Organizology LLC; sales tax consultant Ryan Fortner of Revenue Management Services; Joe Mark Robinson of Robinson Group Realtors; Ricardo Martinez from Martinez Architects; Jacob Pillon from LaW Construction & Consulting, LLC; Ron Welch from Municipal Information Services; Montgomery County Constable Deputy Eric Gray; and other Department Officers and Staff.

Commissioner Smith led the Board in the Pledge of Allegiance to the U.S. Flag.
Commissioner Smith led the Pledge to the Texas Flag.
Commissioner Cunningham gave the Invocation.

3. To receive Public Comment. 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.

Lesha Roberts made a public comment in regard to Payroll and the recently completed Payroll Audit. She also passed along comments she's received from firefighters. Such comments included firefighters being unmotivated to seek out direction from superiors due to fears of retaliation, lack of faith in accountability, and in changing procedures.

Recommendations were made to have superiors speak to firefighters on a one-to-one basis to address any questions or concerns and have the Board take on more independence in decision-making instead of seeking direction from their legal counsel.

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

A recent addition for acknowledgment was introduced by CRR Captain Bryan Perry, Employee of the Quarter. Members of the Department can submit their nomination along with any instance in which said member went above and beyond their expectations in representing themselves and the Department. The Employee of the Quarter award was thus presented to full-time firefighter Bailey DuBose.

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

No minutes were presented for approval.

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

Ryan Fortner presented the Board with his sales tax findings for the past month: He reported that conversations with Rachel Steele, Economic Development Director of the City of Magnolia, have been ongoing; the current allocations for September reflect a 15% increase (a total of \$917,228.06) compared to September of last year; \$7,590,259.74 has been received by the District so far for the Fiscal Year 2023, which is 76% of the revenue required to achieve the \$10,000,000.00 set forth in the annual budget. Mr. Fortner has documentation that he will present to the City but would like the Board to review it beforehand. By general consent, the Board agreed to have Mr. Fortner present said documents to the city.

7. To review and act on improvements, repairs, maintenance and construction of facilities, including but not limited to permits, utilities, architectural or engineering services, selection of contractors, approval of costs/budgets for projects, and payment of construction-related bills.

A motion to pay invoices for Martinez Architects (\$27,640.00) and LaW Construction & Consulting, LLC (\$931,160.55) out of the construction loan was made by Commissioner Clifton and seconded by Commissioner McDonald. The motion was approved.

The Board moved to address items # 12 to 22 out of order

17. To review and act 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 taken on this item.

12. To review and act on matters related to lawsuits, claims against the District, or Public Information Act requests.

No action was taken.

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

Eloise Roberson presented the General Ledger for review. Nearing the end of the third quarter, while most heavy spending has been done for the year, she advises spending be kept to a minimum and referenced current open purchase orders, which total \$131,583.21 that will come out of the Operations Budget. A notice was given to members regarding the online uniform portal closing at the end of the week.

The Board was also informed of invoices due to abip for \$45,000.00. Commissioner Clifton is not satisfied with the results presented and would like to have their work reviewed internally before releasing payment. Ms. Ramon advised if the scope of services per their agreement/contract were completed, as there were no amendments made, then the consultant should be paid, but that if the scope of services were not completed, the advisors should be contacted and informed of any services not completed to have fulfilled.

Commissioner Clifton made a motion to pay all the District bills with the exception of abip, which Commissioner Cunningham seconded. The motion was approved.

A motion to provide Chief Jason Herrman access to ADP, similar to access given to Chief Chuck Grant and HR representative Angela Zacharias, in order to review the payroll audit was made by Commissioner Clifton and seconded by Commissioner Cunningham. The motion was approved.

Ron Welch presented his findings on census tracts and provided both short and long-run projections for 2027 through 2038, and inflation is not included in his revenue from property taxes. The population in Montgomery in 1980 was projected to be about 6,836 individuals to 90,835 in 2022. In the short-run, projections for the population in 2027 are estimated to average 115,700 persons to an average of 167,931 in the 2037s long-run.

Major transportation plans for Montgomery County, as well as multiple MUDs with their major property owners, have been mapped out. According to Dr. Welch's report, three pertinent factors instrumental in establishing tax rolls for January 1, 2023 are:

"(1) the real and personal property that existed in the ESD on January 1, 2022; (2) real estate development, construction of taxable improvements and the net inflow of personal property into the ESD that occurred during 2022; and (3) any changes in appraisals for existing real and personal property brought about by reappraisals by the MCAD or by any adjustments made as a result of hearings during the appraisal review process by the Appraisal Review Board (ARB)".

In the short-run, the projected taxable value is expected to be \$14,466,276,300.00 and increase at the end of 2027 to \$17.26 Billion. In the long-run, the projected taxable value is expected to be nearly \$23.23 Billion.

15. To review and act on public outreach and communications, including reports from consultants and District Committees on same.

Ross Winkler provided an update on projects he is currently working on as well as those he has been continuously collaborating alongside others:

- The month of October is Fire Prevention Month. Information and the importance of following safety precautions are being spread regarding the burn ban.
- On October 5th, the Department will be showcasing the new Ladder truck at Unity Park for National Night Out.
- The ladder truck had its bell placement ceremony and with that the ringing of the bell six times. The ringing of the bell comes from earlier times and represents a change in shifts. Six rings in this case represent the beginning of the new shift starting at 6 AM.
- AimVets, a program that assists veterans who are in the prison system and helps acclimate them once they are out. They are requesting sponsored teams to join an event on October 14th. Per Commissioner Clifton, a resident of High Meadow Ranch has already paid for a team to participate in the event.
- A strategic planning meeting is scheduled for the following week.

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

Chief Chuck Grant provided updates on the upcoming apparatus purchases. The deadline for receiving quotes from numerous HGAC cooperative purchasing program vendors ended on Friday. Delivery dates ranged from 500 days to 1,020 as for pricing, \$2,064,163.00 - \$2,484,869.00. The apparatus committee recommends going with Metro Fire for a new ladder truck as they produced the lowest delivery time as well as lowest cost; 500 delivery days, quoted price \$2,064,163.00, and quote with additional equipment needs \$2,225,963.00. Additionally, requests for quotes for the Engines will be going out tomorrow. F150s will be looked into the following year and are expected to be paid in cash. With any loans taken out for investments in purchasing apparatus, TexPool and Texas Class can be of great use as they currently provide 5-5.5% in interest. Commissioner McDonald made a motion to proceed with the purchase of a Ladder truck per the recommendations of the committee, and Commissioner Clifton seconded.

Eloise Roberson informed the Board of the contract being signed with Better Bookkeepers. The agent who's to take on the role has not been chosen, but they will be attending meetings on Tuesday in order to shadow Ms. Roberson on how to process payroll.

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

Eloise Roberson informed the Board that estimates from numerous vendors had been received regarding health insurance. To prepare for open enrollment, the vendors will attend upcoming ESD meetings to better explain what they are offering, and to have the Board make a selection.

19. To review and act on mutual aid agreements.

No action was taken.

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

The Hydratrek is up for bidding and is anticipated to sell. Commissioner Smith inquired about putting the old ladder truck up for surplus. The unit is undergoing repairs and waiting for backordered parts for air conditioning as well as the ladder which was damaged during training. Chief Grant advised that having it in the shop waiting for repairs will not affect the District's ISO rating, but getting rid of the unit will.

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

No major updates were passed along from Fire Chief Hevey per Assistant Chief Chuck Grant. Chief Grant noted the arrival of the new Ladder truck has been the latest news since the last ESD meeting. It has a few issues with bad sensors going off, but nothing that any new apparatus usually deals with. The truck vendor requested the ladder truck be sent to their shop for repairs.

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.

Eloise Roberson presented a newly written policy for premium pay and overtime pay. As Chief Hevey has yet to review said policy, it is being requested that the Boards review and take it into consideration for approval at the next ESD meeting.

Angela Zacharias has been attending the Tuesday meetings with Ms. Roberson and the bookkeeper and documenting policies and processes. Ms. Zacharias reported on her recent activities for the District: She has received two written complaints and a few comments since the last ESD meeting. Ms. Zacharias said that Chief Hevey made comments at a previous meeting that individuals are to be terminated for not following the chain of command, to which she has advised that it is not a terminable offense. Commissioner Smith stated he did not hear Chief Hevey make such a statement, to which Commissioner Clifton said she did. One last topic she mentioned came as a complaint from a former member having their social media posts be copied and sent to his current fire chief with the possible intention of disrupting his employment there. No formal accusations were made or further action taken.

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, including engagement of realtor(s)/broker(s) and acquisition financing.

Ricardo Martinez provided an update on the feasibility studies for the Coe Loop and Patricia Lane properties. The following construction matters were also discussed:

- Discussions with Quadvest are to begin regarding constructing a water well or tank installation. Commissioner Clifton inquired about having a comparison done on drilling on the property by its own contractors versus Quadvest. Chief Chuck Grant responded that having land studies done would not be worth the cost or trouble as the property had not been touched for many years.
- The property on Patricia Lane has been scoped out, and recommendations for installing a retention pond with drainage were given.
- Commissioner Smith inquired about the Dobbin Huffsmith property. Chief Grant confirmed that the land survey had been completed, but building designs will be on hold as the focus on construction will be on Stations 182 and 186.

- Platting the property will take about 6-8 months. Chuck Grant will put together proposals for selling unused land on Dobbin Huffsmith by the next meeting.
- Station 183 will begin work on its fire tank infrastructure and have sheetrock completely installed by the end of October. Commissioner Clifton inquired if anything would be done to cover up the AC units, which seem a bit "tacky." Chief Grant advised landscaping to be done, as well as adding a chain link fence alongside the building. The certificate of occupancy is to be received by November.

Joe Mark Robinson confirmed the land survey for the property on Patricia Lane has been completed and will be approved. However, a second survey will be requested by another company for comparison and sent to legal counsel for review. The lease on Honea Egypt is due to expire on June 15th, with the possibility to extend further until the tenant is able to relocate his business. Chief Grant recommends tenant relocate sooner rather than later as TxDot warns it can take up to 14 months to get a permit to get access to the property to begin construction.

Mr. Robinson reported that the feasibility study for the property on Patricia Lane is due on October 2nd. A motion to approve an extension on the feasibility date for an additional \$5,000.00 on the Patricia Lane property was made by Commissioner McDonald and seconded by Commissioner Clifton. The motion was approved.

The Board agreed to enter into Closed Session at 5:34 p.m. on the following agenda items:

8. 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.
9. To meet in Closed Session pursuant to Government Code §551.072 to deliberate regarding real estate matters.
10. 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 Session discussion of the matters if they are present at the meeting.
11. 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 re-convened Open Session at 6:53 p.m.


23. To review and act on scheduling District meetings.

October 04, 2023, at 3:30 pm

October 18, 2023, at 3:30 pm

24. Adjournment.

With no further business to come before the Board, the Board unanimously agreed to adjourn the meeting at 6:57 pm


 Commissioner Larry Smith
 President


 Commissioner Charles McDonald
 Vice President