



Montgomery County ESD No. 10 Magnolia Fire Department

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DATE: April 10, 2024

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, April 10, 2024, 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
Kelly Violette	Secretary/Treasurer	Present
Laurie Clifton	Board Member	Present

5 Commissioners were present, thus constituting a quorum.

Also present were Fire Chief Jeffrey Hevey; Business Manager Eloise Roberson; Assistant Chief of Operations Gary Pangarakis; Assistant Chief of Administration Chuck Grant; Division Chief of Logistics & Planning August Naumann; Division Chief of Training Jason Herrman; Battalion Chief of Training Chris Thornton; Community and Risk Reduction Captain Bryan Perry; Battalion Chiefs Adam Vulgamott and Jeffrey Jackson; Office Manager Rhonda Reinholz; Assistant Office Manager Joanna Padilla; District Legal counsel Krystine Ramon of Coveler & Peeler, PC; Dennis Winkler and Ross Winker of Winkler Public Relations; District human resources consultant Angela Zacharias from Organizology LLC; Joe Mark Robinson of Robinson Group Realtors; 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.

No Public Comments Received.

The Board moved to address Items # 4, 5 and 6 out of order

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

Assistant Chief of Administration Chuck Grant presented to the Board a proposal for construction services for Station 182. The proposal consists of leasing a five-bedroom home as a temporary living quarter while construction takes place. Alongside the leased home, the proposal indicates additional charges for the construction and demolition of temporary parking and a temporary building for the apparatus. In having Law Construction as the general contractor, Chief Grant presents the options to cover the additional expenses by increasing the construction management fee, using funds from this year's budget, or adding the costs to the loan. He states that the guaranteed maximum price for construction costs will be acquired in the next 45 days.

Chief Grant requests that the Board consider the proposal for additional construction costs, starting at \$155,904, not including monthly lease payments. Commissioner McDonald made a motion to entertain the proposal for Station 182, which was seconded by Commissioner Violette. The motion was approved 5 to 0.

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

Fire Chief Hevey presented the Employee of the Quarter award to Ryan Marshall for his handywork in building Department props, lockers and much more.

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

After review, Commissioner McDonald motioned to approve the minutes from the March 06, 2024 and March 20, 2024, Board meetings with an amendment to the March 20, 2024 minutes. Commissioner Clifton seconded, and the motion was approved 5 to 0.

The Board moved to address Item # 12

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

No further action was taken.

13. 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.

No further action was taken.

14. 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 and District bills for review and approval of payment. She also brought to the Board's attention that her list of current open purchase orders is lower than usual.

The following points of interest were further discussed:

- The sales tax that was received today was \$849,404.30, which represents an increase of \$90,000.00 as compared to this time last year.
- Country Air invoiced \$15,680.00 for the installation of the new air conditioner system in Station 188.
- A \$500,000 check for the recently damaged apparatus was received and per the Board's direction, was deposited into an investment account.
- A payment for ADP, which is paid in arrears, was questioned. Eloise assured the Board that this was the last payment per the representative she spoke to.
- The annual fee for the Texas Fire Chiefs Association(TFCA) was paid, \$ 129,712.59, which was considerably lower than the previous years.

- New lapel mics were purchased at \$39,916.80.

After further discussions of the District bills, Commissioner McDonald made a motion to pay the District bills, which was seconded by Commissioner Cunningham. The motion was approved 5 to 0.

Eloise excused herself from the meeting.

The Board moved to address Item # 7

7. To review and act on resolution(s) and loan documents with Community Leasing.

Krystine Ramon provide updated information for the Burn Building Loan. The loan is for \$1.1 million and the first annual payment begins on April 12, 2025 up until 2031. A motion to approve and act on the \$1.1 million loan was made by Commissioner McDonald and seconded by Commissioner Violette. The motion was approved 5 to 0.

Chief Grant reported that the construction loan for Station 183 and the Logistics Building is needing an additional \$1.3 million from the original \$8 million loan, which is unrelated to the newly presented loan. Commissioner Smith and Commissioner Clifton are requesting bank statements for all expenditures related to the \$8 million loan to review and confirm transactions.

A special meeting to workshop and discuss the Department's budget and loans is scheduled for Wednesday April 17, 2024 at 1:00 pm.

The Board moved to address Item # 15

15. To receive a report from Shah Group Consulting, Inc and act as appropriate to the District's budget.

No further action was taken.

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

No further action was taken.

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

No further updates were provided at this time.

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

Dennis Winkler informed the Board that the Annual Report is currently being worked on and will include insights into the Department's last three years. This report will focus on the Department's capital, the community, and the investment in people. Completion is expected in May.

19. 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 non-capital items and expenses.

Chief Grant reported on the four Engines and a mid mount Tower that have been ordered. He reminded the Board that a loan for the apparatus will have to be taken out by late this year. It is being anticipated that the Engines will be made available by January or February of next year, while the Tower is to be expected by Summer of next year.

Chief Hevey reported on the two Ford F-150s that are to replace the Battalion Chiefs current vehicles. Hevey, alongside Chief Naumann are still in the process of securing the vehicles but estimate the cost to be \$300,000.00 for two units.

20. To review and act on information technology ("IT") matters, including engagement of consultants.

No further action was taken.

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

Fire Chief Hevey had the following to report:

- Per Chief Herrman there are several members currently out taking classes such as Tower Rescue, FDIC Conference, and Structural Collapse class.
- Ten Firefighters have completed their one-year probation phase testing, Class 23-01.
- Several minor structure fires this past month.
- It was reiterated that a check for \$500,000.00 for the totaled Engine was received.

22. To review and act on payroll procedures and policies, including implementation of services for same.

No further action was taken.

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

No surplus or salvage property to report on.

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

Fire Chief Hevey reported one Firefighter having submitted his resignation, another Firefighter that is in the process of resigning, and it is being anticipated that sometime in July or August a Captain will also be submitting their resignation. The open Firefighter positions will be filled by Part-Time Firefighters as there are currently no plans for recruiting new hires until 2025. As for the Captain, internal promoting will take place for the Engine Operators and Lieutenants. Per Chief Herrman, there will be testing taking place for the Firefighters looking to advance into the Engine Operator position. No further action was taken.

25. To review and act on administrative policies and procedures.

No further action was taken.

The Board agreed to enter into Closed Session at 4:53 p.m. on the following agenda items:

6. 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.

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

8. 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.

9. 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 6:58 p.m.

26. To review and act on scheduling District meetings.

April 17, 2024 at 1:00 pm – Special Session

May 1, 2024 at 3:30 pm

May 15, 2024 at 3:30 pm

27. Adjournment.

With no further business to come before the Board, the Board unanimously agreed to adjourn the meeting at 7:02 pm