



# Montgomery County ESD No. 10 Magnolia Fire Department

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**DATE:** February 21, 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, February 21, 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; 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; Ryan Fortner of Revenue Management Services; 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.**

Lesha Roberts made comments on the district financials, including her thoughts on payroll and deductions still being "messed up," the payroll audit that was recently completed, and wanting transparency on reserve bank accounts. She also spoke about having had discussions with several firefighters regarding the selectiveness and distribution of

overtime hours as well as several “white shirts” making condescending comments towards firefighters and concerns they have brought up.

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

There were no promotions to present at this time.

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

Minutes from January 10<sup>th</sup> and 24<sup>th</sup> were presented to be signed as they were approved at the previous meeting.

**6. 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.**

Chief Chuck Grant reported on the completion of Station 183 and its Grand Opening. A meeting was held with Chief Herrman to discuss the Training Center, and a punch list was created to outline the tasks that need to be completed. Business Manager Eloise Roberson presented an invoice from LaW Construction for \$299,847.55 to the Board. Per Chief Grant, it is estimated that there is about \$1.5 million left to pay for this project, which does not include expenses for the Logistics Center. Construction costs for Station 187's Logistics center are to be near the same costs as those of Station 183. They were budgeted at \$2.6 million, which ended up at \$2.679 million, \$79,000.00 over budget. Currently, there is a balance of about \$600,000.00 in the loan for the Logistics Center.

The loan proposal for the Burn Building will be ready for review at the next Board meeting.

A motion to approve the payment of Law Construction was made by Commissioner McDonald and was seconded by Commissioner Clifton. The motion was approved.

***The Board moved to address Item # 11***

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

No further action was taken.

**16. To address sales tax matters, including reviewing monthly sales tax information.**

Ryan Fortner from Revenue Management Services presented the District's most recent tax allocations. For the month of February 2024, a total of \$949,738.79 was received in local sales tax, a 5% increase from the previous year. Ryan is actively working with the State to collect information on businesses that have not been reporting their sales tax. Unpaid funds are recoverable for up to five years.

***The Board moved to address Item # 12***

**12. 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 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 presented the General Ledger to the Board. Of the anticipated \$12.199 million in ad valorem to be collected, the District is within \$800K of meeting that full collection as of February 21<sup>st</sup>. From October 2023 to February 21, 2024, the District has collected \$11.4 million; included in the total amount collected is money from previous tax years that had not been collected, bringing the current collection rate to 95%.

A list of bank and investment assets was also presented to the Board. In the list, the total funds available for daily operations, payroll, and Ad Valorem add up to \$9,128,558.07. The total amount in investments and reserve accounts adds up to \$2,421,003.55. Finally, the income received from the recently sold ladder truck and boat was included, \$30,000.00 and \$800.00, respectively.

A motion to pay the District bill was made by Commissioner McDonald and seconded by Commissioner Cunningham. The motion to pay District bills was approved.

A request to pay the debt service for two tankers due on March 3<sup>rd</sup> for \$209,272.33, as well as the health insurance premium for \$148,402.94, was made. A motion to pay the debt service and health insurance premium was made by Commissioner Violette and seconded by Commissioner McDonald. The motion was approved.

**14. To receive a report from Shah Group Consulting and take any necessary action.**

No action was taken.

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

The District's fiscal year has changed from October 1, 2023 – September 30, 2024, to January 1, 2024 – September 30, 2024, and will need to be revised.

***The Board moved to address Item # 17***

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

Ross Winkler reported on the re-opening/ribbon cutting of Station 183, mentioning that several community partners had been in attendance, including Commissioner Charlie Riley, Constables, MCHD, and officers of the City of Magnolia, among others. Community Impact also featured a story on the re-opening.

Captain Bryan Perry shared a press release post on the Department's Facebook page regarding Engine 187's loaner from Metro Fire. He also commented that HEB will be replacing the groceries the firefighters lost from the accident.

**18. 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 provided details on the short-term rental truck received from Metro Fire. Compared to competitors who would not have been able to provide a vehicle for several weeks and at a higher price, Metro Fire was able to have the unit delivered and back in service within a week of the accident. Chief Grant noted that the Districts insurance will cover \$12,500.00 of the rental fee which will not cover any maintenance/upkeep the apparatus will need, such as tires.

Eloise informed the Board that the apparatus involved in the accident was to go up for auction in the near future. The District should receive an amount from the insurance for the loss of their apparatus. This does not include the additional \$300/day for the first 40 days for a rental unit. Chief Grant informed the Board of a 'good-will' arrangement with his long-time contact at Metro Fire. This arrangement is for a one-time payment of \$12,000.00 for the rental unit. Commissioner Smith expressed his concerns of not having the agreement in writing.

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

Eloise informed the Board of having had an introductory meeting with the new IT consultants, Shape Integrations. According to the new consultants, no changes to cost have been made. However, a second employee will be available to work on-site, and they will be able to increase the number of days they are in the office. A contract for the transfer of services from Qzip to Shape Integrations will be presented to the Board at the following meeting.

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

Fire Chief Hevey reported on the recent accident with Engine 187 as well as four structure fires in the past month. Chief also went on a tour of a new water plant, which will expand the water system for more businesses.

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

Angela Zacharias reported that progress is being made in payroll. PTO balances are being tested and adjusted. It was requested that Eloise provide Excel sheets from TCDRS for 2022-2023, as those will be getting audited and discrepancies reconciled next.

**22. To review discuss and act on approval of the payroll audit and its completion.**

The payroll audit from 2022-2023 has been completed and documents have been signed. All but a few part time firefighters have picked up their payments.

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

The most recent units sold were a ladder truck for \$30,000.00 and a boat for \$800.00. No further action was taken.

**24. 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.**

Chief Hevey reported a recently hired Firefighter was injured and was released on light duty. He is working his 48/96 shift as an Incident Command Technician. Ready Rebound was credited in assisting both the injured firefighter as well as several of the firefighters involved in the vehicle accident with Engine 187, receive the assistance needed to get back to work.

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

No action was taken.

***The Board agreed to enter into Closed Session at 5:15 p.m. on the following agenda items:***

**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.**

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

**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, 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.**

**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 re-convened Open Session at 7:04 p.m.***

***Commissioner McDonald excused himself from the meeting at 5:31 pm***

**26. To review and act on scheduling District meetings.**

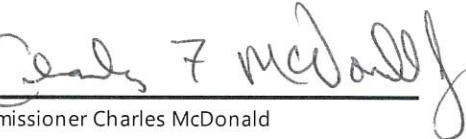
March 06, 2024, at 3:30 pm

March 20, 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 7:08 pm

X   
Commissioner Larry Smith  
President

X   
Commissioner Charles McDonald  
Vice President