



Montgomery County ESD No. 10 Magnolia Fire Department

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DATE: June 5, 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, June 5, 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
Jeffrey Cunningham	Assistant Secretary/Treasurer	Present
Kelly Violette	Secretary/Treasurer	Present
Laurie Clifton	Board Member	Present

4 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 Training Jason Herrman; Community and Risk Reduction Captain Bryan Perry; Battalion Chiefs Adam Vulgamott, Jay Smith, and 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; 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.

The following Public Comments were received:

Brian Prince – Spoke on the lack of Part-Time Firefighters pay raises as compared to those given to the Full-Time Firefighters. He also commented on the work part-timers put in to cover full-time positions when they call out and are left short-staffed and that pay raise for part-time firefighters has not been given since 2017.

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

There were no awards to present at this time.

The Board moved to address Item # 6

6. To review, discuss, and take action regarding the District's 2023 audit prepared by BrooksWatson.

Eloise Roberson informed the Board that there are just a few items from outside sources pending review to have the yearly audit completed. She also explained that the district has been using BrooksWatson's services for the last seven (7) years, even though it is recommended to change vendors at least every three (3) years. Krystine Ramon agreed with Eloise and advised the Board to solicit another auditor for next year's audit. A 30 day extension for submitting the audit has also been filed by legal counsel with the County.

7. 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.

Chief Grant informed the Board that the property on Dobbin Huffsmith has had the power turned on and the new AC installed, making it ready for closing on Thursday.

Commissioner Violette joined @ 3:46 pm

Eloise requested direction from the Board as to where to place the funds received from the Dobbin Huffsmith closing. After further discussion, Commissioner Cunningham motioned to have the proceeds from the Dobbin Huffsmith closing placed in a TexasClass account, which was seconded by Commissioner Clifton. **The motion was approved 4 to 0.**

Eloise presented to the Board two (2) new invoices from Martinez Architects. The first invoice is for continuing construction on Station 187 for a total of \$17,560.00. The second invoice is for the preliminary phases of Station 182's construction for a total of \$32,450.00. The Board agreed in implementing a construction procedure, to acquire accurate and final quotes before beginning a new project for the next fiscal year. Legal Counsel Krystine Ramon informed the Board they could pay the fee for Station 187 out of the Burn Building Loan as it is part of the same project. Commissioner Violette motioned to pay the \$17,560.00 invoice from the \$1.1 million Burn Building Loan and the \$32,450.00 invoice from the capital expenditure line item, and Commissioner Clifton seconded the motion. **The motion was approved 4 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 action was taken at this time.

13. To review and act on real estate matters, including but not limited to purchase, sale, lease, utilities, encumbrances, easements, resolutions, and other matters related to real property transactions, including engagement of realtor(s)/broker(s) and acquisition financing.

Commissioner Violette motioned to allow the Board President to sign a resolution for the property on Dobbin Huffsmith that legal counsel has drafted pertaining to real estate matters, Commissioner Clifton seconded. **The motion was approved 4 to 0.**

14. 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 for review and approval to pay District bills. She mentioned that the current operating expenses are at 53%, with 4 months remaining in the fiscal year. She noted there were over \$35,000.00 in credit card transactions, and Mark Frank will assist in reconciling. After further discussion, Commissioner Clifton motioned to approve the District bills and was seconded by Commissioner Violette. **The motion was approved 4 to 0.** Commissioner Violette motioned to approve payment for Constable Eric Gray's services and was seconded by Commissioner Cunningham. **The motion was approved 4 to 0.**

15. To designate the Montgomery County Tax Assessor-Collector's Office to prepare the District's No

New Revenue Tax Rate and related tax rate calculations for 2024, and to authorize District counsel to publish the necessary 2024 Tax Rate setting notices.

Legal Counsel Krystine Ramon presented to the Board that each year the District needs to designate who will prepare their tax rates. Ms. Ramon presented that the tax rates must be calculated by a certified Tax Assessor. Ms. Ramon presented a resolution that if the District wants to continue to use the Montgomery County Tax Assessor Collector to prepare their tax rates, the Board would need to approve such resolution. Commissioner Cunningham motioned to designate the Montgomery County Tax Assessors Collectors office to prepare the Districts' new revenue tax rate, and was seconded by Commissioner Clifton. **The motion was approved 4 to 0.**

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

There were no changes to report on the District budget.

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

The next sales tax disbursement is expected to be received on June 14, 2024. No further action was taken.

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

Ross Winkler reported that he is assisting with the search for the next fire chief, and he's communicating with Commissioner Clifton about what information will be sent out. Ross also presented a preliminary copy of the year in review showcasing the current and past two years. This will focus on the community, people, and investments of the District.

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 informed the Board that the cost of the four new engines and one ladder truck would be approximately \$5.4 million. This includes \$925,000 per engine and \$1.8 million for the ladder truck, excluding any additional equipment or add-ons.

Chief Hevey advised that the prices of the two BC trucks have been lowered, but not enough to fit into the next fiscal year's budget. He also commented on having radios replaced, as the decommissioning process should have begun at least two years ago.

Commissioner Clifton asked about alternative payment methods for large purchases. Krystine Ramon suggested looking into grants and bonds, and she will also explore other alternatives.

The Board moved to address Item # 5

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

After reviewing the minutes from the May Board Meetings (May 1st, May 15th, and the Special Meeting on May 29th), Commissioner Clifton motioned to approve them, which was seconded by Commissioner Cunningham. **The motion was approved 4 to 0.**

The Board moved to address Items # 20-23 at the same time

20. To review and take action on the ratification of a continuing Contract with a private law firm pursuant to §6.30 of the Tax Code for the collection of delinquent District ad valorem property taxes and providing for the payment of up to 20% of the delinquent taxes, penalties, and interest which are collected by the attorney under said Contract.

21. To discuss and take action on the imposition of additional penalty on delinquent taxes pursuant to §33.07 of the Tax Code and adoption of a Resolution regarding same for taxes.

22. To discuss and take action on the imposition of additional penalty on delinquent taxes to defray costs of collection by the District's delinquent tax attorney, pursuant to §33.08 of the Tax Code and

adoption of a Resolution regarding same.

23. To discuss and take action on the imposition of early additional penalty for collection costs for taxes imposed on personal property on delinquent taxes pursuant to §33.11 of the Tax Code and adoption of a Resolution regarding same.

Krystine Ramon informed the Board of the current contracted services with Linebarger Goggan Blair & Sampson, LLP, in which they collect delinquent taxes from AD Valorem and they keep 20% of all findings. After discussing items #20-23, Commissioner Violette motioned to continue services from Linebarger Goggan Blair & Sampson, LLP. Commissioner Clifton seconded. **The motion was approved 4 to 0.**

The Board moved to address Items #24 and 25 out of order

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

Fire Chief Hevey had the following to report:

- The Admin staff is working on the budget for the next fiscal year.
- Chief Grant is to speak with several vendors and create a five-year plan to replace current radios. The estimated total project costs are \$100-200,000.00.
- Ladder 181 is back at Metro Apparatus, having faulty electrical parts worked on.
- As six members have resigned this past year, there are plans to fill said positions with room to hire more.
- Over twenty (20) firefighters with rescue experience assisted in the recent fatal building collapse. Chief Hevey thanked those in attendance as well as mentioned the numerous mutual aid agencies.

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

Chief Grant provided an update on the contracts with Consolidated Communications and T-Mobile. After further discussion, Commissioner Cunningham motioned to proceed with the Consolidated Communications contract pending legal review, and was seconded by Commissioner Violette. **The motion was approved 4 to 0.**

Commissioner Violette motioned to proceed with the T-Mobile contract stage, and was seconded by Commissioner Clifton. **The motion was approved 4 to 0.**

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

No action was taken.

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

No action was taken.

28. 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.

No action was taken.

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

No action was taken.

30. To review and act on scheduling District meetings and items to be added to meeting agendas.

June 19, 2024 at 3:30 pm

July 3, 2024 at 3:30 pm

July 17, 2024 at 3:30 pm

The Board agreed to enter into Closed Session at 5:07 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 7:50 p.m.

5. Adjournment.

With no further business to come before the Board, the Board unanimously agreed to adjourn the meeting at 7:50 pm