



Montgomery County ESD No. 10

Magnolia Fire Department

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DATE: March 20, 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, March 20, 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 Business Manager Eloise Roberson; Assistant Chief of Operations Gary Pangarakis; Assistant Chief of Administration Chuck Grant; Division Chief of Logistics & Planning August Naumann; Battalion Chief of Training Chris Thornton; Community and Risk Reduction Captain Bryan Perry; Battalion Chiefs Jay Smith and Adam Vulgamott; 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 McDonald 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.

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

No promotions were presented at this time.

The Board moved to address Item # 20

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

Joseph Ades from Shape Integrations, the District's new IT consultant, introduced himself to the Board. He explained the billing process and their contract, which requires a minimum commitment of one year and can be canceled with a 30-day notice. He also explained a breakdown of their available services and steps taken for security measures, such as monthly audits.

The Board moved to address Item #5

Commissioner Violette joined the meeting at 3:46 pm

5. To review and act to grant property tax exemptions for 2024.

Krystine Ramon provided a recap of how the Board voted in the previous year's tax exemptions: Homestead at 0% and both Over 65 and Disability at \$50,000.00. After further discussion, Commissioner McDonald made a motion to adopt the same rates as 2023, and Commissioner Cunningham seconded. The motion was approved 5 to 0.

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

There were no minutes to present.

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.

An invoice from LAW Construction for \$622,504.63 was presented to the Board for review and approval. Eloise requested the Board's advice on where to take the funds for the additional construction costs, as there isn't enough in the Loan account. After discussion, the Board advised taking the money from the line item labeled 'Pre-Construction costs' and creating a new line item labeled 'Maintenance Construction Overage.'

Chief Grant had the following construction-related projects to discuss:

- The Burn Building is to have a maximum cost of \$1.058 million, as there were some savings in bundling certain jobs along with the Maintenance/Logistics Center.
- Station 188's new air conditioning unit has been installed. They are waiting on a temperature rinse to test the new unit fully before proceeding with the remaining stations.
- The home on Dobbin Huffsmith has had its roof fixed and is soon to be fully painted. Chief Grant estimates that the property will be ready to be on the market by the middle of next week.
- Chief Grant presented to the Board a proposal from Martinez Architects for his next construction project on Station 182. He is also requesting permission from the Board to move forward with selecting a Contractor of Record for the same construction project. Based on the information he presented, he is recommending LAW Construction.

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 on this item.

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 action was taken on this item.

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

Eloise Roberson presented for review and approval the General Ledger. After reviewing the ledger, Commissioner McDonald made a motion to pay the District bills, which Commissioner Violette seconded. The motion was approved.

Krystine Ramon spoke with Abip and was able to waive the additional charge of \$850.00. However, after receiving a 17% discount, a balance of \$4,000 remains. Commissioner Cunningham suggested the District pay only \$2,000.00 of that remaining balance as they were unsatisfied with the findings and methods used. By general consent, the Board agreed to offer to pay only \$2,000.00 of the \$4,000.00.

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

Eloise contacted Nick from the Shah Group about attending the Board Meetings. She was informed that they are currently unable to attend due to the ongoing tax filing season but will attend once available.

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

Eloise presented an updated and reworked budget for 2024, in which she requested the Board's feedback as it still needs to be revised and approved. The Board had previously approved moving the fiscal year from October 1 – September 30 to January 1 – September 30. Eloise also requested revenue for the fourth quarter be placed into an investment account to cover the District's year-end costs. Commissioner Clifton requested YTD financials from 2023, which Eloise said are available in a shared Dropbox. No further action was taken.

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

Ryan Fortner from Revenue Management Services reviewed the District's monthly sales tax matters. Of the budgeted \$10,700,000.00, \$2,609,774.10 has been received at a monthly average of \$869,924.00. Ryan informed the Board the current sales tax status at the 'Golden Triangle' and will be presenting an area report the next time he attends the meeting. He's noted several businesses that are not registered for reporting sales tax in the area, nor are they in the State's list. Ryan along with Chief Grant and others will be visiting HEB and several other local businesses in the area to gain more information on the missing sales tax remittance.

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

Ross Winkler gave an update for the year in review including the past three years including the following:

- He's been in talks with a local District Director who would like to offer assistance and partner with the Department in their next facility re-opening.
- Drone footage of the new Training facility was shared on the Department's Facebook page and received positive feedback. Plans to build a greater presence in the community are in the works.
- The American Heart Association is having their Go Red for Women event on April 18, 2024. Ross will be getting in contact with firefighters from Station 186 regarding volunteering for the events First Responder Fashion Show.

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.

No action was taken on this item.

The Board moved to address Item #21

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

Fire Chief Hevey was not in attendance. No other action was taken on this item.

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

Commissioner Smith inquired about the current payroll overpayments with workers compensation. Angela Zacharias stated that the overpayment is on account of being disorganized, but she believes there are currently two policies in place that will guide her in the right direction moving forward. There is a meeting scheduled on April 2 to sort out the overpayment on workers compensation and payroll.

Commissioner Clifton inquired about the Texas Workforce Commission Tax Rate Notice having increased, as well as the amount of total wages paid, \$1,078,301,426.21. Eloise explained that the tax rate went up and was adjusted in both the new budget and Paycor to reflect the change. In regards to the amount of total wages paid, that is the combined amount of all Taxed Political Subdivisions within the area the Commission has set in which the Department is a part of.

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

No action was taken on this item.

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.

No action was taken on this item.

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

No action was taken on this item.

The Board agreed to enter into Closed Session at 4:44 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 6:27 p.m.

The Board re-opened item # 12

12. 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 pursue a Construction Manager Risk (CMAR) for Station 182 was made by Commissioner Violette, Commissioner Cunningham seconded.

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

April 03, 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 6:31 pm

X 

Commissioner Larry Smith
President

X 

Commissioner Charles McDonald
Vice President