



Montgomery County ESD No. 10 Magnolia Fire Department



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DATE: August 10, 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 Thursday, August 10, 2023, at 3:45 p.m. inside the boundaries of the District.

AGENDA ITEM:

1. Call meeting to order.

At 4:10 pm., Commissioner McDonald 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.

Charles McDonald	Vice 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; Training Battalion Chief Chris Thornton; Battalion Chief Jeffrey Jackson; Office Manager Rhonda Reinholz; Assistant Office Manager Joanna Padilla; District Legal counsel John Peeler of Coveler & Peeler, PC; Dennis and Ross Winker of Winkler Public Relations; Angela Zacharias from Organizology LLC; Ryan Fortner of Revenue Management Services; Joe Mark Robinson of Robinson Group Realtors; Eric Huddleston and Margie Dowdy from abip accounting firm; 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 McDonald led the Pledge to the Texas Flag.

Battalion Chief Mark Akers 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.

A pinning and swearing-in ceremony was performed and led by Chief Hevey, who swore in three (3) Lieutenants and four (4) Engineer Operators.

The Board moved to address Item # 6.

6. To receive a report from representatives of abip, P.C. regarding their review of payroll records and take any necessary action on same.

Eric Huddleston provided an update on the ongoing payroll audit, noting there will be no deliverables/results until the audit has been completed. Before the update was given, Commissioner McDonald passed along a message from Commissioner Smith (who was absent for this meeting): if the audit comes out that firefighters were underpaid, the District will make sure they are compensated accordingly, if they were overpaid the District will not seek out reimbursement.

Mr. Huddleston noted:

- The review of data for full-time employees has had its first and second review of time and payroll, and results are being accumulated into a report.
- The part-time report is approximately 30% completed, whereas the volunteers have only had time, no payroll, reviewed.
- Six hundred and twenty (620) hours have currently gone into the project thus far with a projected fifteen thousand dollars (\$15,000) to be estimated for additional hours. With the additional estimate of hours, Commissioner Clifton advised it no longer seems pertinent to have the volunteers' payroll audited.
- A scope from January 2022 through May 2023 is being used for this audit with each payroll cycle calculated per employee.
- The audit includes suppression employees; full-time, part-time, and Volunteers.
- Documents used in determining any under or overpayment include: the Fair Labor Standards Act (FLSA) requirements applicable to the District as a public employer of firefighters, paid time off (PTO), Higher Class, paid holidays, promotions, etc.
 - Additional documentation and sources were recommended to add on for comparison, an excel file (both an original file and an audited file) and eSchedule. Mr. Huddleston does not recommend the use of the excel file as a reliable source as it had changes made after its original payroll submittal.
- Information required is being gathered through: ADP, archived reports provided by the ESD (QuickBooks /TSheets). District Policies and procedures, along with interviews with the fire board, fire chief, and personnel.
 - Commissioners Violette and Clifton would like for additional interviews of key employees to take place. Mr. Huddleston confirmed a time can be scheduled for the additional interviews.
- Some sample figures were discussed, including 1,374 calculations were completed for full-time suppression staff with the following results.
 - 242 instances had payments within \$1 range.
 - 509 instances had overpayment.
 - 623 instances had underpayment.
- Ninety (90) selected employees were chosen as samples:
 - 41 were within \$1 pay range.

- 47 had overpayments.
- 42 had underpayments.

Eloise Roberson explained the current payroll auditing process includes Tsheets and ADP, with the recent Vector Solutions program being shadowed before implementation. The question of how to eliminate human error in this process was asked to which Chief Hevey advised he is working with HR and the command staff on finalizing payroll policy and procedures, with the intent to have a finalized draft by the end of September.

Mr. Huddleston noted that he plans to submit final payroll audit report on September 7, 2023. The Board asked that HR consultant Orginazology receive the report as well.

Commissioner Violette made a motion to approve the additional charges not to exceed \$115,000.00, Commissioner Cunningham seconded. The motion was approved 3 to 0, with Commissioner Clifton abstaining.

The Board agreed to enter into Closed Session at 5:39 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 7:22 p.m.

The Board moved to address Item # 5.

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

Minutes of the July 6, 2023, and July 27, 2023, meetings were presented for approval. Upon a motion made by Commissioner Violette and seconded by Commissioner Clifton, the Board approved the prior meeting minutes with minor revision to the July 27th draft minutes. The motion was approved.

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-relate

Assistant Chief Chuck Grant provided updates on the following:

- Station 183 is estimated to have construction completed and be move-in ready within the next 75 days.
- Station 187/Logistics will have limited access to its side driveway for 6 weeks due to ongoing construction.

Eloise Roberson presented invoices to be paid for LaW Construction LLC and Martinez Architects, LP. Commissioner Cunningham moved to pay construction bills, which Commissioner Violette seconded. The motion was approved.

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.

Based on discussions during Closed Session and as advised by *Cokinos & Young*, motion by Commissioner Violette to move forward with mediation on the ongoing issues against LDF Construction related to the Station 181 roof. Motion was seconded by Commissioner Cunningham. The motion was approved by a vote of 4 to 0.

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.

Based on discussions during the Closed Session legal counsel recommends approving negotiation as discussed in Closed Session, execution of the contract at a price within the limit discussed. Commissioner Violette moved to approve the negotiation by District realtor Jo Mark Robinson, to authorize execution of the contract within the parameters discussed in closed session and to release earnest money upon execution. Commissioner Clifton seconded the motion. The motion was approved.

Chief Hevey informed the Board of a 30-inch, high pressure gas pipeline that a company wants to build on Station 188 property. Chief Hevey made clear his disapproval of the plans to have the gas pipeline anywhere near the Station. The company in question is to conduct another survey for re-location.

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 for review as well as requested to pay District bills. She also informed the Board of an upcoming money transfer request from the Construction loan account back to the Operations account.

Commissioner Clifton questioned if both payments of \$25,000 and \$30,000 to abip Advisors were for the retainer. John Peeler will request the Advisors resubmit their invoices to correctly state which is the retainer and invoice for hours worked. By general consent, the Board approved paying all District bills with the exception of abip Advisors, noting the need for clarification.

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

No further action was taken.

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

The Board and staff noted that Ryan Fortner will present at an upcoming meeting, as he had to leave when the Closed Session ran long. No further action was taken.

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

Ross Winkler provided updates on the following ongoing projects:

- The showcasing of the new ladder truck with HEB is tentatively scheduled for mid-September.
- The graduation for class 2023-02 is scheduled for Friday, August 25, 2023. Mr. Winkler is reaching out to news outlets for coverage.
- Burn Ban announcements spread throughout news outlets and social media have been positive.
- Local news station KPRC picked up a story on a recent fire.

Ross and Dennis Winkler briefly explained to the Board their workload and billing procedures. The Winklers will provide the Board with a report of total hours worked/ billed spanning the last year.

The Board moved to address Items # 18 and 22 jointly.

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 Hevey notes the September 7th expected delivery date of the new ladder truck. He noted that the maintenance staff is working very hard to repair and maintain older and out of service fire trucks.

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

Fire Chief Hevey provided updates on apparatus old and new.

- Delivery date for the ladder truck is expected on September 7, 2023.
- The District is currently working on the next ladder truck as well as three (3) new engine purchases.
- An old tanker truck is to be placed up for salvage/surplus.
- The District has recovered over \$100,000.00 from selling old apparatus thus far.
- The maintenance crew is working hard on all apparatus currently out of service. The scope of work for the mechanics will be expanded in the future.

19. 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 further action was taken.

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

Fire Chief Hevey presented on the following:

- There have been both structure and grass fires in the last 6-7 days. There are no casualties to report.
- The latest 17 full-time firefighters are halfway into their orientation. The results of their physical evaluations will be presented at their graduation. There is excitement within the department, as company officers are already discussing their picks.

Eloise Roberson included all new hires have been on boarded: TCDRS, Payroll, Deferred compensation plans, etc.

21. To review and act on mutual aid agreements.

No further action was taken.

The Board moved to address Items # 23 and 24 jointly.

23. 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.

24. To review and act on District administrative policies and procedures, including social media policies.

Chief Hevey is currently working alongside staff on SOPs.

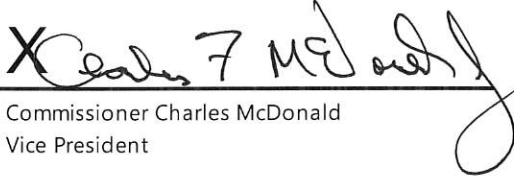
25. To review and act on scheduling District meetings and items to be added to meeting agendas.


August 24, 2023, at 3:30 pm for the tax hearing and regular meetings.

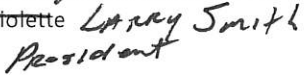
August 25, 2023 for the firefighter graduation.

26. Adjournment.

With no further business to come before the Board, the Board unanimously agreed to adjourn the meeting at 7:54 pm


Commissioner Charles McDonald
Vice President


Commissioner Kelly Violette
Secretary/Treasurer


President