



# Montgomery County ESD No. 10 Magnolia Fire Department

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**DATE:** October 18, 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 Wednesday, October 18, 2023, 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
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 Administration Chuck Grant; Division Chief of Training Jason Herrman; Battalion Chief of Training Chris Thornton; Community and Risk Reduction Captain Bryan Perry; Assistant Office Manager Joanna Padilla; District Legal counsel John Peeler of Coveler & Peeler, PC; Dennis Winkler and Ross Winker of Winkler Public Relations; District human resources consultant Angela Zacharias from Organizology LLC; Ryan Fortner of Revenue Management Services; Ricardo Martinez from Martinez Architects; 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.**

Public Comments were received from the Plantersville VFD Fire Chief, Jessica Bomar. Chief Bomar addressed the Board to introduce herself and the VFD, noting that the VFD is seeking r assistance from larger departments like Magnolia Fire Department and that they would like to enter into mutual aid agreements with Magnolia Fire Department and other neighboring departments. She noted: Plantersville VFD currently has 24 active members and no Fire Marshall; their area is experiencing an increase in new developments, which they are currently unable to

properly provide service. Chief Hevey and Division Chief of Training Jason Herrman noted that Magnolia Fire Department will be looking into any surplus inventory to be able to offer as well as other types of assistance the Department can offer.

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

No certificates or promotions were awarded at this time.

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

No minutes were presented for approval.

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

Ryan Fortner provided an update to the Districts' monthly sales tax information. He also noted that collaborations with City of Magnolia sales tax analyst Ms. Steele are ongoing, but no new updates were made available to present. He noted the sales tax allocation for October 2023 is \$852,202.60, which is a 15% increase compared to October 2022. He noted that he has consulted with District staff regarding budget projections and currently advises caution on future sales tax projections due to uncertainties in the overall economy.

#### **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.**

The following updates were provided for Stations 182, 183, and 186 by Chief Hevey and Assistant Chief Grant:

- Station 182: civil engineering consultant has raised concerns regarding the pond on site affecting the total area available to build on, and changes in the station design will need to be made. The old septic system will possibly need to be relocated based on final station plans. Chief Hevey stated the current station will not be closed as it is an active area. Commissioner Clifton inquired about the seemingly abandoned building across the street and if it could house the station's apparatus. To which Chief Grant stated the bay doors are not tall enough to do so.
- Station 183 and Logistics: The painting job has been completed. Concrete work is ongoing. Per Chief Grant, the new move-in date is now the week before or during Thanksgiving. The delivery date for the structural steel for Logistics building is November 7, 2023.
- The property for future Station 1810 is proving to be an ideal location as there are numerous incidents coming from both east and west. Adding on the 500+ new residential homes currently being constructed.

A motion to approve and pay construction bills for Martinez Architects at \$104,482.50 and LaW Construction & Consulting, LLC at \$542,307.27 was made by Commissioner McDonald and seconded by Commissioner Clifton. The motion was approved.

#### ***The Board moved to address Item # 13***

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

Business Manager Eloise Roberson presented the General Ledger for review along with bills listed for payment approval and consideration.

- The funds for the recently sold Hydratek (\$63,000.00) have been deposited into the ESDs account.
- After a short discussion with Ryan Fortner, Sales Tax is anticipated to come in higher than has been budgeted for.
- A new vendor, Moffit (on-site fuel services), has been added to the ledger with recurring bills.
- The District's accounting firm is currently working on the quarterly audit but noted that additional time is needed.

- Revenue for the next two months is anticipated at \$5.4 million. \$2.7 Million going towards payroll, \$581,000 towards Debt payments, leaving \$2.1 Million for Operations.
- Additionally, payroll will be higher at the end of the year on account of recent new hires, as well as the unbudgeted paid holiday, which was added mid-year.
- Per reports received, Ad Valorem for next year is anticipated to come in at \$11.66 Million. The Board confirmed that 98% should be accounted for and assumed to be collected in the next year.

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

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

Eloise Roberson informed the Board of ongoing discussions for next year's health insurance policies. An insurance committee was formed, which includes both firefighters and administration, in order to gather different opinions and select health policies for the District to offer at the upcoming open enrollment. The committee is interested in offering four separate plans with varying coverage.

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

Ross Winkler provided the following updates to recent public outreach events:

- National Night Out on October 5, 2023, had a positive turnout with the new ladder truck being on display.
- Communication with local press, such as Community Impact, has been ongoing in regard to the recent land purchases for future Stations. An official press release is planned to go out once purchases have been finalized.
- As Station 183 is nearing its completion, plans to invite officials and members of the community to its re-opening/open house are forthcoming.
- CRR Captain Perry commented on the annual Haunted House, which is to take place at Station 183. Social media coverage has been posted and is receiving a great amount of traction and support.

#### **16. 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 noncapital items and expenses.**

Specifications for the three new engines will be received in the coming weeks. A vendor who had requested the specifications in an untimely manner had plans to submit them late. To which Chief Hevey informed the Board that as the specs are due on November 5<sup>th</sup>, he has spoken to the vendor to have them expedite the plans as the error was on their end.

#### **17. 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.**

Chief Hevey and Assistant Chief Grant updated the Board regarding the Department's current IT vendor, Qzip: Qzip seems to be under new ownership and as their services are on a month-to-month contract, which may not be renewed, there is a sense of urgency in searching for a replacement. Chief Grant proposed and is requesting the Board create a position for 'IT Systems Manager,' to which the Board agreed.

The Board also discussed implementation of new payroll processes, including a presentation from a representative from Paycor. Chief Herrman noted the possibility of getting rid of QuickBooks/T-Sheets as Paycor has its own clocking-in system. Angela Zacharias complemented Paycor in their transparency, which is what the firefighters have been requesting in their payroll. As switching over payroll companies was not on this meeting's agenda, John Peeler advised the Board to table any further decisions until the next Board Meeting.

#### **19. To review and act on mutual aid agreements.**

Fire Chief Hevey informed the Board of there being no progress from Waller-Harris as they have yet to elect a Fire Chief. A mutual aid agreement letter was sent to Todd Mission and has been accepted. Having just had the Plantersville Fire Chief request mutual aid, Chief Hevey agreed to provide assistance and has plans to visit their District in the near future.

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

Ladder Truck 181 is to be put up for surplus. It is a 23-year-old apparatus in need of repairs costing upwards of \$60-80 thousand dollars. A motion to designate old Ladder Truck 181 as surplus and authorize putting it up for auction on the Rene Bates internet auction site was made by Commissioner McDonald and seconded by Commissioner Cunningham. The motion was approved.

**21. 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.**

Fire Chief Hevey informed the Board of several Part-Time and Volunteer Firefighters having resigned from their positions. He notes that changes and clarification in regard to leave and attendance policies will be revisited and formalized in the handbook. The District's HR representatives, alongside David Manley from Coveler & Peeler, are continuing to work on policies and the handbook.

Angela Zacharias would also like to look over pay discrepancies that have been brought to her attention in regard to recent promotions. Regarding complaints received by Ms. Zacharias, those in the Department who have come forward to complain about issues, such as payroll, have not submitted formal statements as they would like to keep their identities confidential for fear of retaliation. These complaints, in turn, make it difficult for the HR representative to further be able to provide assistance. Ms. Zacharias will be doing some more research and look into said issues to see if these complaints are truly valid. She will also meet with and assist Fire Chief Hevey and Business Manager Eloise Roberson, who are currently overseeing COLA adjustments.

***The Board agreed to enter into Closed Session at 5:14 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 5:59 p.m.***

***The Board moved address Items # 12 & # 22 out of order***

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

John Peeler requested the Board approve the stipulations requested by trial counsel on the Noriega suit. Commissioner McDonald made a motion to approve the stipulations requested by trial counsel on Noriega suit and seconded by Commissioner Clifton. The motion was approved.

**22. 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.**

John Peeler has reviewed the loan documents from Government Capital and advises to move forward. A payment of \$25,000.00 is due at closing and is to be sent once documents are signed. Commissioner McDonald made a motion to approve the loan documents from Government Capital, and Commissioner Cunningham seconded. The motion was approved.

Commissioner Clifton made a motion to authorize Commissioner Smith and any other necessary Board officers to partake in closing on the real estate as soon as it can be scheduled after funding. Commissioner Cunningham seconded the motion. The motion was approved.

**The Board moved to re-open Item # 21**

**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.**

A motion to create the IT Systems manager position, and to name Matt Potter as designee, was made by Commissioner McDonald and was seconded by Commissioner Clifton. The motion was approved.

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

Special Meeting – October 24, 2023, at 10:00 am

November 01, 2023, at 3:30 pm

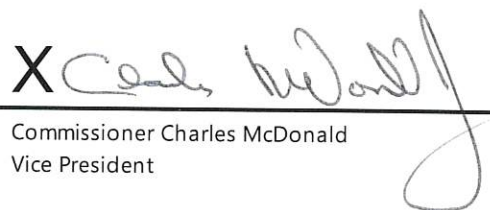
November 15, 2023, at 3:30 pm

**13. Adjournment.**

With no further business to come before the Board, the Board unanimously agreed to adjourn the meeting at 6:10 pm

X 

Commissioner Larry Smith  
President

X 

Commissioner Charles McDonald  
Vice President