



# Montgomery County ESD No. 10 Magnolia Fire Department

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**DATE:** June 1, 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, June 1, 2023, at 3:31 p.m. inside the boundaries of the District.

## **AGENDA ITEM:**

### **1. Call meeting to order.**

At 3:31 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; Division Chief of Logistics & Planning August Naumann; Division Chief of Training Jason Herrman; Assistant Chief of Administration Chuck Grant; Assistant Office Manager Joanna Padilla; District Legal counsel John Peeler of Coveler & Peeler, PC; Ross Winker of Winkler Public Relations; Ryan Fortner from Revenue Management Services; Jacob Pillion from LaW Construction and Consulting, LLC; 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.**

No public comments were received.

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

No further action was taken.

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

Upon a motion duly made by Commissioner Clifton and seconded by Commissioner Violette, the Board unanimously approved the following Minutes of the District's Regular and Special Meetings as Amended:

May 11, 2023, and May 25, 2023. The motion was approved.

**6. 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.**

Assistant Chief Chuck Grant and Mr. Pillion discussed the current progress on Stations 183 and 187:

Station 183 is currently having dirt work done and stair framing. Also discussed and presented a change order for review on Station 187, a total of \$1,013,952, with an estimated \$610,000.00 going into the addition of a burn prop for multiple training uses at the facility and \$16,000.00 for concrete pad work.

Commissioner Clifton questioned the planned location for the burn prop at station 187 in relation to the location of nearby residences. Chief Grant informed her that studies were done in regard to how and in which direction the smoke from the burn building will blow, and it should be of no concern. Chief Herrman also informed the Board of having constant communication with the possibly affected communities, providing information for planned burns and training, as well as inviting the public to attend, participate and observe the training sessions. Mr. Peeler noted that he is not concerned about legal issues based on the statements by staff.

By a motion made by Commissioner McDonald and seconded by Commissioner Violette, the Board approved the change order for the Logistics Center and Training Center.

**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.

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

See item #13.

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

Eloise Roberson presented items 12 and 13 together, addressing the District's current financial matters and amended budget:

She reassured the Board that the expected budgeted ad valorem and sales tax revenue will be received. The month of May has seen an increase of 7% compared to May of last year and a total 8% increase year to date compared to the previous year. It is projected to receive a total of \$10,498,132.68 in sales tax by December of 2023.

Also discussed was the \$8,000,000.00 loan, which has earned about \$300,000.00 in interest. A transfer of \$1,321,845.00 is scheduled from District reserve funds to cover the purchase of a ladder truck. Additionally, \$1,501.063.39 will be transferred for construction costs.

In addition, Ms. Roberson provided a recap on payroll thus far. Of the budgeted \$14,668,492.34, wages paid as of May 31, 2023, total \$5,052,381.98, with an estimated \$7,349,000.00 estimated for the remaining 10 pay periods. With the incoming 15 newly hired full-time firefighters, it is expected to lower the amount of unscheduled overtime.

Lastly, Eloise Roberson requested that the Board approve the payment of current bills. By a motion made by Commissioner McDonald to approve the monthly financial report and pay bills, with a second by Commissioner Cunningham. The motion was approved.

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

Ryan Fortner presented the monthly sales tax report from RMS. The current allocations for May reflect a 7% (\$881,295.84) increase in revenue compared to May of last year (\$823,018.98). The total funds received by the District so far total \$4,172,749.97, with the average monthly allocation totaling \$834,539.00.

**15. To review and discuss District sales tax revenues and review matters related to a potential election to increase the sales tax rate and reasons to consider same.**

The Board discussed several factors which could influence the decision of whether to hold an election to increase the District's sales and use tax rate in areas where the 2% local maximum has not been reached, and received information from Mr. Fortner: they noted the need to establish if there are any locations with sales tax still available; They reviewed issues with the current overlap with the sales tax rates imposed by the City of Magnolia and Westwood Magnolia Parkway Improvement District ("WMPID"); the Board discussed the cost of holding an election, based upon the costs from the November 2020 election; the Board briefly discussed the ability of the District to spend funds to inform the public about the election, with Mr. Peeler providing brief review of the prohibition on the use of public funds for advocacy or similar political advertising stating that the District is able to use public funds as long as the information remains neutral and fact-based. No further action was taken.

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

Ross Winkler provided an update on Magnolia 360: Commissioner Clifton questioned why the publication is kept internally and not released to the general public, Ross informed her that the publication tends to include private information on members of the District Fire Department. Walter Sassard stepped down from assisting in providing updates; in his place, our CRR Bryan Perry will take over his role. A new dashboard is being worked on, as well as a competition within the Department based on response times. The next publication will go out in June, covering the months of March, April, and May.

Also discussed, a press conference on the recent double fire will take place on location. CRR Bryan Perry and staff will speak on the Smoke Alarm Blitz, which is to take place the following Saturday, May 17, 2023.

**17. To review and act on engagement of District legal counsel.**

No further action was taken. Mr. Peeler apologized for leaving this item on the agenda when it was resolved at a prior meeting.

**18. To act on the engagement of consultant(s) to study and prepare forecasting on District growth, property tax revenue, demographics and related information for long-term planning.**

No further action was taken. Mr. Peeler apologized for leaving this item on the agenda when it was resolved at a prior meeting.

**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.**

Eloise Roberson informed the Board of transferring \$3,650,000.00 from the Loan account for payment on the purchased properties. Ms. Roberson and Mr. Peeler will coordinate with the Board officers and title company to complete the transfer of funds for the real estate transactions.

**20. 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.

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

Fire Chief Hevey discussed the ongoing hiring process for the Full Time Fire Fighters. The number of applicants has gone up since the Department's Facebook page went live. A total of 36 applications were received, and of them, 32 will be moving on to take the PAT test.

The Strategic Planning Meeting will take place on June 14<sup>th</sup> at 6 PM. Ron Welch from MIS, as well as a community member Paul Gregory, are to attend alongside other Department members and staff. This planning committee will eventually ask for more members of the public to join and be involved with the decision-making of the Department.

The former Magnolia Volunteer Fire Department Fire Chief, Charles (Chuck) Ringler, passed away recently, and a funeral service will take place. Those involved with the Department are welcome to attend, show their respects, and represent the Department.

Part-time firefighters have minimum requirements for hours worked that they have to meet. Chief Hevey is currently going through all part-time members and speaking with those that have not met the requirements thus far. He is also working on posting up advertisements for part-time firefighter openings.

**22. To review and act on mutual aid agreements.**

No action was taken on this item.

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

Per Chief Naumann, we are reviewing potential pricing for the Hydratrek before listing it with an internet auction site.

**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.**

The District is currently looking to hire 15 Full-time Fire Fighters, with interviews to take place in the next coming weeks.

The Board was informed of a 6% raise for the Assistant Office Manager, Joanna Padilla, as her duties and responsibilities have grown.

Chief Hevey also requested a promotion to be approved, Captain Chris Thornton to be promoted to Battalion Chief. This promotion will also raise his position on the chain of command to be in line with his current responsibilities. Commissioner Violette made a motion to approve the promotion, seconded by Commissioner Cunningham. The motion was approved.

**25. 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 discussed that the loan funds for the purchased properties have been received. Mr. Peeler and Joe Mark Robinson presented the Buyer's statements for the properties on Honea Egypt and Dobbin Huffsmith, noting that minor changes are possible up until closing day. A motion to approve the Buyer's statements and authorize the wire for the amounts required to close on the two purchases was made by Commissioner McDonald and seconded by Commissioner Clifton. The motion was approved.

Ross Winkler suggested sharing the properties' closing with the press to inform the community.

Chief Hevey also noted that the developer for the Audobon community has reached out to the Department about meeting to review possible fire station development within that community.

**26. To review and act on scheduling District meetings, including but not limited to the**

groundbreaking for the new Logistics Building.

The Board noted the following upcoming meetings:

June 15 at 2:00 PM Logistics Building Groundbreaking; June 15 at 3:00 PM Regular Meeting.

**The Board entered into Closed Session at 6:00 PM 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 6:20 PM**

**The Board Moved to Address Item # 27**

## 27. Adjournment.

With no further business to come before the Board, the Board unanimously agreed to adjourn the meeting at 6:21 pm.

X 

Commissioner Larry Smith  
President

X 

Commissioner Kelly Violette  
Secretary / Treasurer