

Montgomery County Emergency Services District No. 10

DATE: July 9, 2015

THE BOARD OF COMMISSIONERS OF MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT #10 (the "District") met in a regular session, open to the public, at the Magnolia Volunteer Fire Department, Station 181, 18215 Buddy Riley Blvd, Magnolia Texas 77354, on Thursday, July 9, 2015 at 3:00 p.m. inside the boundaries of the District.

At 3:36 p.m., Commissioner Buschardt called to order the Regular Meeting of the Montgomery County Emergency Services District #10 and the roll was called of the duly appointed officers to-wit:

| COMMISSIONER | BOARD POSITION | |
|---------------------|-------------------------------|---------|
| Robert Buschardt | President | Present |
| Wesley Werner | Vice President | Present |
| Andrew Brown | Secretary | Present |
| Dwight Arnold | Treasurer/Investment Officer | Present |
| Johnnie Bryant | Assistant Secretary/Treasurer | Present |

All five Commissioners were present, thus constituting a quorum.

Also present were Fire Chief Gary Vincent and Assistant Fire Chief Kevin Walters of Magnolia Volunteer Fire Department ("MVFD" and the "Department"), District Bookkeeper Cathy Branco of Municipal Accounts & Consulting L.P., Howard Katz and John Peeler, the District's Attorneys, and Norman S. Reed, Project Manager with Arete Real Estate & Development Co.

The following business was transacted:

AGENDA ITEM:

1. Roll Call, Pledge of Allegiance, Pledge of Texas and Invocation.

Commissioner Arnold led the Board in the Pledge of Allegiance of the United States.
Commissioner Arnold led the Board in the Pledge of Allegiance to the Texas state flag.
The Invocation was given by Commissioner Werner.

2. To receive public comment.

There was no public comment.

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

Upon a motion duly made by Commissioner Brown and seconded by Commissioner Werner, the Board unanimously approved the minutes of the District's Regular Board meeting of June 11, 2015 as presented.

4. To receive a Financial Report from the District Bookkeeper.

Cathy Branco presented the Bookkeeper's Report including a listing of the disbursements presented for the Board's approval and signatures. A copy of the Bookkeeper's Report for July 9, 2015 is attached hereto as **Exhibit A**.

5. To receive a Tax Report from the District Bookkeeper.

No tax report was available.

6. To receive a report on District investments and take action on investment of District Funds.

Upon a motion duly made by Commissioner Werner and seconded by Commissioner Brown, the Board unanimously authorized Municipal Accounts & Consulting, L.P. to reinvest the following two Certificates of Deposit:

| | |
|--|-----------|
| Third Coast Bank CD maturing 07/21/2015 | \$240,000 |
| The Bank of River Oaks maturing 07/23/2015 | \$240,000 |

7. To receive and review the monthly sales tax report.

No sales tax report was available.

8. To pay District bills.

Upon a motion duly made by Commissioner Werner and seconded by Commissioner Brown, the Board unanimously approved the payment of district bills as presented in the Bookkeeper's Financial Report with the addition of check number 1308 to Hickory Corral in the amount of \$65.00 for July Meeting Expense.

9. To conduct mid-year budget review and amend 2015 budget.

Upon a motion duly made by Commissioner Brown and seconded by Commissioner Arnold, the Board unanimously approved amending the 2015 budget as presented by Cathy Branco.

10. To review and discuss the proposed District 2016 budget.

Cathy Branco presented a preliminary proposed budget for 2016 for the Board's review. No action was taken.

11. To receive a report from Magnolia VFD regarding the good and welfare of the Fire Department.

Chief Vincent presented the Fire Chief's MVFD and ESD July 2015 Board Reports with special mention to the Board about the following topics:

Chief Naumann and Firefighter Travis Barrett travelled to the Ferrara factory to evaluate repairs on Engine 181.

The required annual ladder testing was performed July 7-8, 2015.

Bids have been obtained for emergency generators for Stations 182 and 185. These are the last two stations without emergency power.

The quotes need to be revised on the rescue boat and the new tanker 185. The approved funds would not allow the Department to get a boat trailer for the boat. After meeting with Ferrara, Chief Vincent would advise some slight modifications to the specifications that would help the District with recent ISO regulation changes and increase our points in the next evaluation. The requested changes on the boat and the tanker 185 projects together total an increase of \$19,115.50. (see agenda item #26)

The Department participated in a "Big Water Class" that was taught by Mike Johnson and demonstrated methods of increasing water flow credit with ISO by changing water delivery systems. Chief Griffith represented the Department at the class. The Department supplied several apparatus to help support this county wide class.

The Department has major issues with its air packs and the Duracell batteries. The Department is working with Scott, Duracell, and MES to resolve the issues and make the needed repairs. The Department is conducting the annual air flow testing in conjunction with the repairs to save money.

The Department has recently completed pump testing.

The Department needs some more help in two areas in particular. The part-time mechanic has resigned and the Chief requested that the Board consider adding a second full-time mechanic. The Department also needs some additional help in the administration office.

The Chief has been asked if the District would entertain an offer for the sale of certain older equipment (two fire trucks).

Let the records reflect that at 5:04 p.m., the meeting was suspended. The meeting reconvened at 5:35 p.m.

12. To review and take action on proposed Mutual Aid Agreement for Fire Protection, Rescue and Emergency Services.

No action was taken.

13. To review and take action on announced plan of City of Magnolia to form a municipal fire department.

No action was taken.

14. To review and take action on proposed Department 2015 budget.

No action was taken.

15. To receive a financial report from the Department.

Assistant Chief Walters presented the Department's May 2015, and June, 2015, general ledgers as well as the Rolling Budget through the second quarter of 2015.

16. To review and take action on the payment of operations funding pursuant to 2015 budget and service agreement with the Department.

Upon a motion duly made by Commissioner Arnold and seconded by Commissioner Brown, the Board unanimously approved the payment of Operation's Funding as presented in the Bookkeeper's Report, which was check number 1300 in the amount of \$250,275.55 for the Department's payroll and check number 1301 in the amount of \$68,147.76 for the Department's Maintenance & Operations. A copy of the Bookkeeper's Report July 9, 2015 is attached hereto as **Exhibit A**

17. To review and take action on the payment of capital funding pursuant to 2015 budget and service agreement with the Department.

Upon a motion duly made by Commissioner Brown and seconded by Commissioner Arnold, the Board unanimously approved payment of checks:

#1304 to Witmer Public Safety in the amount of \$113.98 for Throw Bags with 70 foot rope for Ladder 186

#1299 to Flame Sim, LLC in the amount of \$19,999.00 for FLAME-SIM Training Simulator Package

#1298 to Ferrara Fire Apparatus, Inc. in the amount of \$1,902.10 for Rescue Pulley, aerial ladder tip for Ladder 186

#1305 to Motorola in the amount of \$1,698.75 for Radio Heads for 2015 Tahoes

18. To receive a report and take action as appropriate to revise District and or Department operating and capital budgets pursuant to Department quarterly re-allocations and/or other matters.

No action was taken.

19. To review and discuss appraisal values of the District and authorize county tax assessor to prepare and publish Effective Tax Rate Notice.

Upon a motion duly made by Commissioner Werner and seconded by Commissioner Bryant, the Board unanimously authorized Tammy McRae to prepare and publish Effective Tax Rate Notice and other necessary notices.

20. To review and take action on 2015 appraisal valuations and commencement of adoption of 2015 tax rate, including review of 2015 effective tax rate calculations, and scheduling any necessary public hearings to adopt District 2015 tax rate.

After some discussion led by John Peeler, no action was taken.

21. To review and take action on any necessary Texas Property Tax Code changes.

John Peeler reported that there were no significant tax law changes that affect the District.

22. To receive a report and take action on design-build project with Bass Construction for three (3) New Fire Station Projects.

Commissioner Werner reported that progress is being made, but that Bass Construction is finding that obtaining building permits is going much slower than desired. No action is necessary at this time.

23. To review and take action on contract and payment for water service, sanitary sewer and other utilities for three (3) New Fire Stations.

After a brief discussion led by Commissioner Werner, no action was deemed necessary at this time.

24. To review and take action on a proposal to exchange a 60 foot strip of real property owned by the District for services to install water and sewer utilities on the District property.

Norman S. Reed, Project Manager with Arete Real Estate & Development Co., reported to the Board it's plans to develop certain areas near the planned Fire Station on Lone Star Ln. The reception of the Board and feedback was very positive. No action was taken at this time.

25. To review and take action on refinancing loans on Station 181 and three (3) fire engines.

No action was deemed necessary at this time.

26. To review and take action to approve the purchase of capital assets, including a Fire Apparatus proposal for up to three (3) Engines and one (1) Tanker and any other fire fighting apparatus/vehicles, equipment and tools to be considered.

Chief Vincent led a discussion regarding two items (rescue boat and Tanker 185) that were approved by the Board at the June Board meeting. Chief Vincent requested the Board revise the amounts based on updated costs.

The rescue boat and trailer quote is \$23,462.50, while the approved amount was \$20,000.00. Chief Vincent requested the additional \$3,462.50.

For Tanker 185, an additional \$15,653.00 is needed for certain upgrades required for recent changes in the ISO grading schedule.

Upon a motion duly made by Commissioner Bryant and seconded by Commissioner Brown, the Board unanimously approved the authorization of the additional costs.

27. To review and take action regarding purchase of Rescue Boats for Department flood & swift water rescue operations.

No action was deemed necessary at this time.

28. To review and take action related to financing and acquisition of District equipment, vehicles, real property and improvements to real property.

No action was deemed necessary at this time.

29. To review and take action on ISO project.

No action was deemed necessary at this time.

30. To review and take action on long term apparatus purchases and operational changes.

No action was deemed necessary at this time.

31. To review and take action on establishment of District pension (TCDRS) and employee benefit plan.

Upon a motion duly made by Commissioner Werner and seconded by Commissioner Brown, the Board unanimously approved the adoption the Blue Cross/Blue Shield "PPO Gold 020" medical insurance plan, as well as dental and vision coverage, as a benefit for the District's employees, to be implemented as soon as administratively feasible.

Upon a motion duly made by Commissioner Arnold and seconded by Commissioner Werner, the Board unanimously agreed that the District will cover 100% of the cost of such coverage for the employee. And that the employee will be responsible for the cost of any additional family members that the employee includes in their coverage.

Upon a motion duly made by Commissioner Brown and seconded by Commissioner Werner, the Board unanimously approved the adoption of the Texas County & District Retirement System ("TCDRS") as its retirement plan benefit for the District's employees.

32. To take action on the disposition of surplus/salvage property including, but not limited to, the District's photocopier machine.

No action was deemed necessary at this time.

33. To meet in Closed Session, pursuant to Section 551.071 Government Code, to discuss possible litigation concerning the Buddy Riley Road fire station with District Counsel.

The Board did not meet in Closed Session.

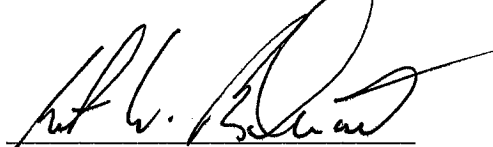
34. To meet in Closed Session, pursuant to Section 551.074 Government Code, to discuss District personnel.

The Board did not meet in Closed Session.


ADJOURNMENT

There being no further business to come before the Board, upon a motion duly made by Commissioner Werner and seconded by Commissioner Brown, the Board unanimously approved adjourning the meeting at 6:36 p.m.

Next regularly scheduled meeting will be on August 13, 2015 at 2:00 p.m.



Robert Buschardt, President



Andrew Brown, Secretary