



DATE: January 21, 2016

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 Volunteer Fire Department, Station 181, 18215 Buddy Riley Blvd, Magnolia Texas 77354 on Thursday, January 21, 2016 at 2:00 p.m. inside the boundaries of the District.

At 2:08 p.m., Commissioner Buschardt 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:

COMMISSIONER	BOARD POSITION	
Robert Buschardt	President	Present
	Vice President	Vacant Position
Andrew Brown	Secretary	Resigned before the meeting convened
Dwight Arnold	Treasurer/Investment Officer	Present
Johnnie Bryant	Assistant Secretary/Treasurer	Present

All of said Commissioners were present thus constituting a quorum.

Also present were Fire Chief Gary Vincent, Assistant Chief Kevin Walters, Assistant Chief Rusty Griffith and Rhonda Reinholz of Magnolia Volunteer Fire Department ("MVFD" and the "Department"), Cathy Branco of Municipal Accounts & Consulting LP., John Peeler, the District's Attorney, and Ryan Fortner with Sales Revenue Inc.

The following business was transacted:

AGENDA ITEM:

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

Commissioner Buschardt led the Board in the Pledge of Allegiance.

Commissioner Arnold led the Pledge to Texas.

The Invocation was given by Commissioner Bryant.

2. To administer oath of office to recently appointed commissioner(s).

Let the minutes reflect the following amendment:

John Peeler, the District's Attorney administered the oaths of office to Robert Buschardt for the two year term ending December 31, 2017 after reappointment and Scot Wall for the two year term ending December 31, 2017 replacing Commissioner Wesley Werner, after appointment as District Commissioner by Montgomery County Commissioner Charlie Riley thereto Commissioner Andrew Brown will be replaced at a later date.

3. To elect board officers.

Upon discussion this item was Tabled.

4. To receive public comment.

There was no public comment.

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

Upon a motion duly made by Commissioner Arnold and seconded by Commissioner Bryant, the Board unanimously approved the minutes of the District's Regular meeting of December 10, 2015 as presented.

6. To receive a Financial Report from the District Bookkeeper and pay District bills.

Ms. Branco presented the Bookkeeper's Report including a listing of the disbursements presented, for the Board's approval and signature.

A copy of the Bookkeeper's Report for January 21, 2016 is attached hereto as **Exhibit A**.

Upon a motion duly made by Commissioner Arnold and seconded by Commissioner Bryant, the Board unanimously approved the payment of district bills as presented in the Bookkeeper's Financial Report with the addition of check number 1424 to Hickory Corral in the amount of \$60.00 for January meeting expense.

7. To receive a tax report from the District Bookkeeper, including report on District investments and take action on investment of District Funds, including annual review of Investment Policy.

Ms. Branco presented the December 2015 Tax Report. There was no comment on the investments since they will apply on the next meeting date.

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

Ryan Fortner with Sales Revenue Inc. presented the January 2016 Sales Tax Report

9. 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 Bryant, the Board unanimously approved the payment of Operation's Funding as presented in the Bookkeeper's Report which was check number 1409 in the amount of \$66,339.81 for Maintenance & Operations and check number 1408 in the amount of \$367,422.58 for Payroll.

A copy of the Bookkeeper's Report January 21, 2016 is attached hereto as **Exhibit A**

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

Upon a motion duly made by Commissioner Arnold and seconded by Commissioner Bryant, the Board unanimously approved payment of check number(s):

2015 Capital:

1416 to Southern Care in the amount of \$2,882.00 for Pressure Wash & Re-Stripe Station 181 parking lot;

1413 to Rios Fence in the amount of \$3,380.00 for Fence for Ladder 186 Housing project;

1407 to D3 and Sons Services in the amount of \$1,370.00 for Lettering for the new Mechanic's Truck;

1415 to STS360 in the amount of \$11,642.96 for Access Control and Security Servers at Station 181 Server Room

2016 Capital:

1417 to The Murillo Company in the amount of \$2,228.00 for Materials Testing at Stations 188 & 189;

1411 to Motorola in the amount of \$15,127.13 for Radios and Radio Equipment for 3 New Engines and 1 New Tanker;

1423 to Dooley Tackaberry in the amount of \$7,474.60 for Fire Hose for 3 New Engines.

11. 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.

Fire Chief Gary Vincent presented a check in the amount of \$54,446.44 representing the Department's 4th Quarter 2015 reallocation.

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

Fire Chief Gary Vincent presented the Fire Chief's MVFD and ESD January 2016 Board Reports with special mention to the Board about the following topics:

- 2015 Annual Response Report is here! We had another great year!
- The new Mechanic Truck is fully operational! Thank you for this upgrade and the retirement of the old mechanic truck! We will need permission to sell the old mechanic/cascade truck (2003 Ford F-350 Cascade Truck) on the auction site.
- We have received a quote on the renewal of the 4 Station Generator Maintenance contracts. There is no price increase over the 2015 contracts. We would like to renew the 4 contracts.
- Once again, we were under budget in 2015. We were able to return over \$150,000.00 to the ESD from our operating budget while meeting the needs of the Department in 2015.
- I would like to invite the ESD Board members to consider attending the FRI or FDIC conference Vendor show. It is an opportunity to become familiar with the many facets of the fire service equipment area and to meet our vendors face to face.
- As we begin the new 2016 budget year, it is time to begin the process of obtaining the items we need to complete the 2016 Department Goals. To meet our 2016 Goals, I am requesting funding from the 2016 Capital Budget for the following items:

A) \$650,000.00 for new Engine 185 to replace the last of the 15 year old 2001 E-One front line Engines. We also need \$125,000.00 for equipment. Total = \$775,000.00. We have been able to

move 2001 equipment from old Engines over but have used almost all of those items on E-187, 188, 189 to lower those costs. (Much of E-185 equipment needed for reserve Engine.)

B) \$12,661.00 for the repair of the Air Pacs HUD units for 19 Air Pacs.

C) \$3,555.00 for the Radio Frequency Identification equipment tracking system. We are starting with one apparatus and one fire station to build the model.

D) \$4,400.00 for the new computer network system server to replace our 2 old network Servers that Microsoft no longer supports the operating systems on.

E) \$2,500.00 for Telephone, internet, & computer network upgrade project. The \$10,488.00 monthly fee will be funded from our existing utility budget since 187, 188, 189 will not open until later in the year.

F) \$10,376.97 for 3 new Tablets with software to upgrade Engines to Pre-plan software for ISO requirements. (1 of 2 orders for all Engines). (3 x \$3,458.99).

G) \$22,000.00 for 2 Thermal Imagers for Engines 188 & 189. E-187 still will NOT have a Thermal Imager.

H) \$32,000.00 for Station 185 38KW Emergency Station Generator.

Upon a motion duly made by Commissioner Bryant and seconded by Commissioner Arnold, the Board unanimously approved the renewal of Station Emergency Generator Maintenance Contract pending the completion of the Form 1295.

Upon a motion duly made by Commissioner Bryant and seconded by Commissioner Arnold, the Board unanimously approved to repair Air Pacs HUD units for 19 Air Pacs as presented pending the completion of the Form 1295.

Upon a motion duly made by Commissioner Arnold and seconded by Commissioner Bryant, the Board unanimously approved to purchase Radio Frequency Identification equipment tracking system as presented.

Upon a motion duly made by Commissioner Arnold and seconded by Commissioner Bryant, the Board unanimously approved up to \$4,400.00 for the new computer network system server to be purchased with Gary Vincent's ESD credit card.

Upon a motion duly made by Commissioner Arnold and seconded by Commissioner Bryant, the Board unanimously approved to increase the Computer and Communications Budget by \$2,500.00 to the Department for the telephone, internet, & computer network upgrade project.

Upon a motion duly made by Commissioner Bryant and seconded by Commissioner Arnold, the Board unanimously approved up to \$10,400.00 for Pre-plan Engine Tablets upgrades.

Upon a motion duly made by Commissioner Arnold and seconded by Commissioner Bryant, the Board unanimously approved to purchase 2 Thermal Camera Imagers for \$22,000.00 pending completion of the Form 1295.

13. To receive a financial report from the Department.

Assistant Chief Kevin Walters presented the Department's 2015 4th Quarter Rolling Budget, 2015 Annual Rolling Budget Summary, November 2015 GL, and December 2015 GL.

14. To review and take action on engagement of auditor to perform District FY 2015 Audit.

Upon a motion duly made by Commissioner Bryant and seconded by Commissioner Arnold, the Board unanimously authorized up to \$15,000.00 to engage BrooksCardiel, PLLC to perform the District's FY 2015 Audit.

15. To review and take action on mutual aid agreement(s) for emergency services.

Discussion ensued that the District is not imposing the objections in the Mutual Aid Agreement thereto upon a motion duly made by Commissioner Arnold and seconded by Commissioner Bryant, the Board unanimously agreed to withdraw from the 2010 Mutual Aid Agreement.

Upon a motion duly made by Commissioner Arnold and seconded by Commissioner Bryant, the Board unanimously approved to enter into the new Mutual Aid Agreement as presented.

Let the records reflect at 3:42 pm the meeting was suspended. The meeting reconvened for regular business at 4:15 pm.

16. To review and take action on any municipal action(s) affecting the District and provision of District services.

No action was necessary.

17. To review and take action on Service Contract with Magnolia Volunteer Fire Department.

Upon a motion duly made by Commissioner Bryant and seconded by Commissioner Arnold, the Board unanimously approved to extend the Service Contract with Magnolia Volunteer Fire Department for 90 days pending the completion of Form 1295.

18. To review and take action on real estate matters, including but not limited to purchase, sale, utilities, encumbrances and/or easements.

Upon a motion duly made by Commissioner Arnold and seconded by Commissioner Bryant, the Board unanimously approved the Right-Of-Way easement for Entergy Texas at Station 189 pending final approval from the District's Attorney.

19. To review and take action on requested water supply agreement(s) with local utility districts or community associations.

Upon discussion of this topic this item was Tabled.

20. To receive a report and take action on construction, improvements, repairs and construction for District facilities, including utilities, construction payments, engagement of architectural or engineering services and selection of contractors.

Upon a motion duly made by Commissioner Arnold and seconded by Commissioner Bryant, the Board unanimously approved to pay the following Draw Requests from Bass Construction

Station 187 \$9,884.75

Station 188 \$113,109.85

Station 189 \$50,924.15

21. To review and take action on a Department Generator Maintenance contract.

Action taken under Item #12.

22. To review and take action on signage at construction sites of the three new Stations.

No action was necessary.

23. To review and take action on District debt, including refinancing existing debt and incurring debt for new acquisitions.

Upon a motion duly made by Commissioner Bryant and seconded by Commissioner Arnold, the Board unanimously authorized Municipal Accounts to set up a new Wells Fargo account and authorize the auto debit from said account for loan payments.

24. To review and take action to approve the purchase of capital assets, including vehicles, fire fighting apparatus and equipment.

Action taken under Item #12.

25. To review and take action on ISO project.

Action taken under Item #12.

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

No action was necessary.

27. To review and take action on the payment of insurance premiums.

No action was necessary.

28. To review and take action on employment/personnel issues, including hiring, retention, compensation, benefits and scheduling for District employees, including administrative staff, Fire Chief, suppression staff and command staff.

Upon a motion duly made by Commissioner Arnold and seconded by Commissioner Bryant, the Board unanimously approved to give Rhonda Reinholz a 3% raise effective January 01, 2016.

29. To review and take action on the disposition of surplus or salvage property.

Upon discussion of this topic this item was Tabled.

30. To discuss and take action on the ratification of a continuing Contract with a private law firm for the collection of delinquent District ad valorem property taxes, and providing for the payment of 20% of the delinquent taxes, penalties, and interest which are collected by the attorney under said Contract.

Upon a motion duly made by Commissioner Arnold and seconded by Commissioner Bryant, the Board unanimously approved the motion to retain the law firm of Linebarger, Goggan, Blair & Sampson, LLP.

31. To discuss and take action on the imposition of additional penalty on delinquent taxes pursuant to Section 33.07 of the Property Tax Code and adoption of a Resolution regarding same.

Upon a motion duly made by Commissioner Arnold and seconded by Commissioner Bryant, the Board unanimously adopted a resolution for the imposition of an additional 20% penalty on delinquent taxes for 2015 pursuant to Section 33.07 of the Property Tax Code.

32. To discuss and take action on the imposition of additional penalty on delinquent taxes to defray costs of collection by the District's delinquent tax attorney, pursuant to Section 33.08 of the Property Tax Code and adoption of a Resolution regarding same.

Upon a motion duly made by Commissioner Arnold and seconded by Commissioner Bryant, the Board unanimously adopted a resolution for the imposition of an additional 20% penalty on delinquent taxes for 2015 pursuant to Section 33.08 of the Property Tax Code.

33. To discuss and take action on the imposition of early additional penalty for collection costs for taxes imposed on personal property on delinquent taxes pursuant to Section 33.11 of the Property Tax Code and adoption of a Resolution regarding same.

Upon a motion duly made by Commissioner Arnold and seconded by Commissioner Bryant, the Board unanimously adopted a resolution for the imposition of an additional 20% penalty on delinquent taxes for 2015 pursuant to Section 33.11 of the Property Tax Code.

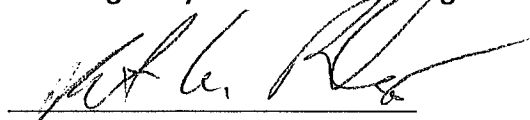
34. To meet in Closed Session, pursuant to Government Code Sections 551.072, 551.074 and 551.071 to discuss District real estate, personnel matters and to consult with legal counsel on litigation and other matters requiring confidentiality under the rules of the State Bar of Texas and Tax Code §323.3022 to review sales tax information.

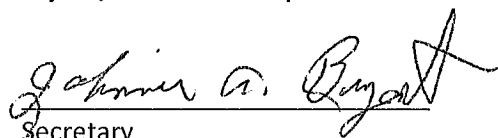
The Board entered into Closed Session at 6:11 pm and reconvened for regular business at 6:43 pm.

ADJOURNMENT

There being no further business to come before the Board, upon a motion duly made by Commissioner Arnold and seconded by Commissioner Brown, the Board unanimously approved adjourning the meeting at 6:45 pm.

Next regularly scheduled meeting will be on February 11, 2016 at 2:00 pm.


Robert Buschardt, President


Secretary