



# Montgomery County ESD No. 10

## Magnolia Fire Department

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**DATE:** May 25, 2023

THE BOARD OF COMMISSIONERS OF MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 10 (the "District") met in a Special Session, open to the public, at the Magnolia Fire Department, Station 181, 18215 Buddy Riley Blvd, Magnolia, Texas 77354, on Thursday, May 25, 2023, at 3:30 p.m. inside the boundaries of the District.

### AGENDA ITEM:

#### 1. Call meeting to order.

At 3:40 p.m., Commissioner Smith Called to order the Special 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
Kelly Violette	Secretary/Treasurer	Present
Laurie Clifton	Board Member	Present

#### **3 Commissioners were present, thus constituting a quorum.**

Also present were Fire Chief Jeffrey Hevey; Business Manager Eloise Roberson; 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; Joe Mark Robinson from R Group Realtors; 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.

Assistant Chief of Administration Chuck Grant 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. To review, discuss and take action to approve and execute loan documents to finance the acquisition of real property and construction and any related actions.**

Mr. Peeler presented the Loan Documents for approval and execution by the Board for the loan of \$3,650,000 with First Security Finance based upon the loan proposal from Community Leasing Partners with a 4.400% interest rate and a 15-year payment term. Motion to approve the Loan Documents as presented and authorize execution of same and to authorize the payment of the lender fee of \$22,000 by Commissioner Violette with a second by

Commissioner Clifton. Motion was approved by a vote of 3 to 0. Mr. Peeler provided information for the Loan Documents to be delivered to the lender's attorneys.

***The Board Moved to Address Item # 7***

**7. To review and take any action regarding real estate, including sale, purchase, lease, platting, utilities, encumbrances, maintenance and legal actions related to real estate.**

John Peeler presented and proposed a resolution for the acquisition of two real estate properties for the purpose of constructing new emergency service stations within the District: one tract of approximately 8.2 acres located at 31353 Dobbin Huffsmith, Magnolia, TX for \$1,131,910.00 and the second tract of approximately 2.685 acres located at 310 Honea Egypt, Magnolia, TX for \$2,500,000.00. By General Consent, the Board approved the Resolution approving the purchase by the District of both properties.

Joe Mark Robinson presented a new engagement agreement to expand the area where he is currently searching for land to purchase for future stations. Commissioner Violette moved to accept the new agreement to expand the search for land in a newly proposed location, and Commissioner Clifton seconded. The motion passed.

The Board generally discussed the possibility of engaging a seller on property currently on the market. Seeing how this property could be a positive future investment for the District, the Board tabled the item for the next ESD meeting.

Chief Hevey, Chuck Grant, and Larry Smith have a meeting scheduled with a developer from the Audubon community in Magnolia. Discussions will pertain to the possibility of opening up a new station within said community. Commissioner Violette questioned as to whether a type of reimbursement deal can be made with the developers in terms of splitting tax revenue, Mr. Peeler was not able to give a definitive answer but mentioned it being worth looking into.

**8. To review and take action on matters related to construction, renovation, repair and improvements to District facilities and real property, including engagement of design professionals or engineering services, selection of builders/contractors and cooperation with other county entities regarding the development of stations, including action on construction financing.**

Chuck Grant along with Jacob Pillion presented three Change Proposals which would change the scope for construction at Stations 183 (renovation) and 187 (new Logistics Facility). The Change Proposals presented were:

CP 8: \$67,846 for exterior wall panel replacement which includes color matching and painting. Commissioner Violette made a motion to accept Change Proposal 8 with the condition that the construction team report back with multiple quotes for the paint, Commissioner Clifton seconded. Motion was approved.

CP 3: \$1,013,952 for a burn training prop, including earthwork and concrete needed for the burn structure at Station 187. The Board discussed how this would constitute a substantial change in scope to the project, but still well under the limit for total change orders before having to re-bid the project. The Board asked Mr. Pillion about the need for action on this Proposal quickly, noting that they would prefer to have time to review it for action at the meeting on June 1<sup>st</sup>. Mr. Pillion said waiting one week would not jeopardize the project. The Board unanimously agreed to hold action until June 1<sup>st</sup>.

CP 9: \$120,000 for changes to the roofing at Station 183 was briefly presented but no action was taken at this time.

***The Board entered into Closed Session at 5:15 pm on the following agenda items:***

**5. 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.**

**6. To meet in Closed Session pursuant to Government Code §551.072 to deliberate regarding real estate matters.**

**9. Adjournment.**

With no further business to come before the Board, the Board unanimously agreed to adjourn the meeting at 6:16 pm.

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Commissioner Larry Smith  
President

X   
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Commissioner Kelly Violette  
Secretary / Treasurer