

**MEDINA COUNTY EMERGENCY SERVICE DISTRICT #1
PO BOX 1037
CASTROVILLE, TEXAS 78009**

MINUTES

WEDNESDAY, AUGUST 12, 2020 6:00PM

Meeting Location: Courtroom of the Medina County Sub Courthouse at Precinct 2, 8366 FM 471 S, Castroville, TX 78009

I. OPEN MEETING:

1. CALL TO ORDER and ROLL CALL:

President Marvin Dziuk called the meeting to order at 6:00pm, and established a quorum with Board members Rodney Hitzfelder, Michael Echte, Terry Beck, and Pam Mathis present. Administrative Coordinator Polly Edlund, Assistant Chief of Administration John Banning, and Ronda McNew were also in attendance.

2. PLEDGE OF ALLEGIANCE and ANY SPECIAL GUESTS/RECOGNITION:

President Dziuk requested all in attendance to rise, face the United States flag and the State of Texas flag and pledge their allegiance to the United States of America and the State of Texas. President Dziuk thanked all for their patriotic participation.

II. EXECUTIVE SESSION – CLOSED MEETING:

Rodney moved to meet in closed executive session under Texas Government Code 551 under the following sections: §§ Section 551.072 (*Deliberation about Real Property*), 551.073 (*Deliberations about Gifts and Donations*), and 551.087 (*Economic Development*) Texas Government Code.

His motion was seconded by Michael. Motion carried with a 4-0 vote. The Board went into executive session at 6:01pm.

A. Discussions and Deliberations related to Alsatian Oaks TIRZ, Demographic Reports and Economic Development in the area, the impacts related to Fire and EMS and District's Master Planning; to include Real Property and/or future station planning and land acquisitions.

CLOSED EXECUTIVE SESSION:

Pam moved to close the executive session. Michael seconded her motion which was approved with a 4-0 vote. The closed executive session concluded at 7:31pm.

The Board took a break to allow visitors to enter before reconvening in open session.

III. RECONVENE IN OPEN SESSION:

1. OPEN MEETING: CALL TO ORDER and ROLL CALL:

President Marvin Dziuk called the meeting back to order at 7:36pm, and established a quorum with Board members Michael Echte, Rodney Hitzfelder, Terry Beck, and Pam Mathis present. Administrative Coordinator Polly Edlund, Assistant Chief of Administration John Banning, Ronda McNew, Castroville VFD Chief Rick Lair, Castroville VFD representatives Melanie Godwin and Billy-Jim Perez, Mico VFD representatives Susan Tinsley, Ian Zubel, and Mico VFD Board Secretary Kelly Hall were also in attendance.

The District had made special arrangements to hold its meeting at the larger Medina County Castroville Courtroom, and had setup the gallery with chairs for individual seating arrangements 6' apart. County rules posted also required masks in the gallery. Due to COVID-19 several Mico Board Members requested special permission to allow them to watch the meeting via phone video, due to their health risks in attending in person. This one-time permission allowed Mico VFD Secretary Kelly Hall to broadcast the meeting via phone video communication to other Mico VFD Board members: Linda Murphy, Jenny Ferren, and Jamie Esquivel.

2. DISCUSSION and POSSIBLE ACTIONS FOLLOWING EXECUTIVE SESSION:

2 – A. POSSIBLE ACTION ON DISTRICT'S PARTICIPATION WITHIN ALSATIAN OAKS TIRZ:

The Board took no action on this agenda item following executive session.

3. CONCERNED CITIZEN COMMENTS:

None.

4. DISCUSSIONS & POSSIBLE RESOLUTIONS ON THE FOLLOWING:

4 - A. MINUTES, RESOLUTION OF ACCEPTANCE (July):

Polly noted that Anna Whorton's last name was misspelled on the draft minutes, and the error had been corrected prior to the meeting. Rodney moved to approve the minutes from the July 29, 2020, meeting as presented. Pam seconded his motion which was approved with a 4-0 vote.

5. TREASURER'S REPORT - DISCUSSIONS and POSSIBLE RESOLUTIONS ON THE FOLLOWING:

5 - A - 1. TREASURER'S REPORT and CURRENT BILLS DUE - (July-August Report and Bills/Transfers Due):

To clarify 'reserve funds' for the Board and to show the District's allocation of financial obligations, Polly prepared and reviewed the '2020 Reserve Worksheet'. Polly discussed each fund account individually, the financial plan associated with each account as it related to the 2019-2020 Budget Year, annual and projected expense totals associated, and the impact those totals had on the end of year balance of each fund. She then presented a projected '2021 Reserve Proposals and Budget Worksheet'. This worksheet gave the board a snapshot of the funds available for the coming 2021 budget year, and pointed out the funds already allocated to special projects in prior year's budget discussions. Copies of these worksheets were included in the Board's meeting folder. In an effort to assist the board with a clearer visual of any Sales Tax Reserves and M&O Reserves, Polly proposed setting up a 'Non-Encumbered Reserves Fund' with the amount in this fund, detailing to the Board, the total amount of funds they have clear title to spend.

The Finance Committee presented and reviewed the revised Financial Loan document to go with the upcoming Financing RFP, reflecting the project cost estimates on the 'Rio Medina Station #15 Project'. Polly noted the draft had been revised following the July meeting, after the facilities committee updated the Finance Committee with a more accurate construction estimate on the project. Pam had run estimated amortization schedules again based on the new totals, to give the board an estimated budget number for loan payments. A copy of this worksheet and the amortization schedules were included in the Board's meeting folder.

A lengthy discussion followed between committees on the proposed loan structure, allocated funds for apparatus, and why each committee had its preferences. The 2019 allocated amounts for current budget construction projects in progress (i.e. Paris Street Project), and the fund account that held these funds was also clarified. Commissioners not as familiar with the fund accounts as the Finance Committee, did not remember how funds were setup in 2019 for CIPs and wanted to re-visit the fund account structure, suggesting the Finance Committee was 'water holing' funds in different accounts. Polly reminded Board Commissioners a financial plan had been discussed during the 2019 budget planning process, and all fund had been setup with board knowledge and approval.

The A&E Estimated Costs by Phase worksheet for the Potranco Station Project, now re-titled the Rio Medina Station #15 project, was presented to the Board in their meeting folders. Polly reviewed the A&E numbers with the Board and noted the amounts paid to date.

Polly reviewed the updated 'Capital Items Budget Request for FY 2021' worksheet with revisions discussed at the July meeting. A copy of this worksheet was included in the Board's meeting folder. Following discussion, Rodney moved to add \$40,000 to the proposed Capital Items Budget worksheet for A&E for a new LaCoste North Station with the disclaimer that next year more monies would be added. Michael seconded his motion which carried with a 3-1 vote, Terry voting nay. Polly noted that this new capital item would be listed under the Sales Tax Fund on the proposed budget worksheet.

Pam moved to fund e-Dispatch for interested Board members to keep them informed, and to allow interested Board member to call for additional aid as needed. The cost to the District for this service would be nominal. Following discussion, Michael seconded her motion which was approved with a 3-0 vote, Rodney abstaining.

Michael moved to accept the 'proposed' capital items Budget Requests for FY 2021 as presented with the addition of \$40,000 for LaCoste North Station A&E, and Pam's request for Commissioner's to have e-dispatch. Pam seconded his motion which was approved with a 4-0 vote. Polly would incorporate the items into the 'proposed' budget to be presented at the required hearing in September.

5 - A - 2. SALES TAX REPORTS (August):

Polly reported that the August sales tax reports will be emailed to the Board upon completion of the report when the data is available from State Comptroller. Polly requested that the Board contact her if there were any questions or concerns. Polly noted that the annual sales tax revenue for the 2019-2020 fiscal year reflected an approximate 15.91% total revenue increase

over the previous fiscal year. Polly stated that Board members can view the year-to-date comparisons on monthly deposits by viewing the different workbook tabs. The 'cash flow' tab reflects the gross revenues and projected commission payments.

5 – A – 3. INSURANCE – ANY INSURANCE ISSUES OR CLAIMS/ANNUAL RENEWAL:

Nothing new to report at this time. Polly continues to work with the Treasurer of each department to assure all reimbursements are current and completed before the end of September.

5 - B. ACCEPT FINANCIAL REPORT and MOTION FOR PAYING ALL BILLS:

Michael moved to accept the financial report as presented to the Board and to pay all necessary bills and transfers as needed. Rodney seconded his motion which carried with a 4-0 vote.

5 - C. MCESD#1 - PROPOSED BUDGET DISCUSSIONS and CONSOLIDATION OF INFORMATION TO DATE:

5 – C – 1. CERTIFIED VALUATIONS:

Polly presented the Medina County CAD Valuations detailing 2020 Certified Totals for the District at the July meeting. The total certified net taxable valuation of MCESD#1 was \$1,677,474,094. At last year's tax rate, \$0.0950/\$100, this amount will generate approximately \$1,593,600 revenue for the District which equated to about \$162,517 over last year's property tax revenue. The certified valuation was used to calculate the De minimis Rate for the District. Since the July meeting, the Medina County Tax Office had prepared the new calculation worksheet. The District's new "Voter approved Rate" (old rollback rate) came in at .0923. This new rate would generate approximately \$1,548,308 of property tax revenue for the District. At the new .0923 rate, the District would have \$45,292 less revenue than last year. This shortfall was also reflected on the proposed property tax budget worksheet.

5 – C – 2. CERTIFIED DISCUSSIONS ON NEW "No New Revenue Rate" (Old Effective Rate) & NEW "Voter Approved Rate" (Old Roll Back Rate):

Polly detailed the District's calculations worksheet for the new De minimis rate, the 'No-New-Revenue Tax Rate' (NNR M&O Tax Rate formally called the effective rate), the new Voter Approved Rate (formally the old roll back rate), and the various Board options using each rate was discussed.

5 – C – 3. CERTIFIED NEW TAX RATE CALCULATIONS WORKSHEET and De MINIMIS RATE:

Polly and Pam reviewed the rate worksheet with the board and explained how the new De minimis Rate plays a role in setting the tax rate process. They also explained the laws related to the automatic election rule in the new SB2 legislation.

5 – C – 4. BUDGET/FINANCE COMMITTEE'S SUMMATION OF PROPOSED BUDGET WITH INFORMATION TO DATE and PROPOSED BUDGET OVERVIEW and DISCUSSIONS:

The Board had no questions regarding the 2020-2021 budget that were not previously addressed.

5 - D. APPROVAL of MCESD#1's 2020 - 2021 PROPOSED BUDGET and PROPOSED TAX RATE:

After asking for any further discussion or questions regarding the budget, President Dziuk requested a vote on the adoption of a resolution of acceptance to approve the 'proposed' 2020-2021 overall budget. Pam moved to approve the MCESD#1 2020-2021 Proposed Budget as presented, using the proposed tax rate of \$0.0950/\$100. Rodney seconded her motion.

President Marvin Dziuk took a roll call vote to approve the proposed tax rate at .0950: For: 5 (Marvin, Rodney, Michael, Pam, and Terry); Against: 0; Not Voting: 0

Terry moved to approve the MCESD#1 proposed 2021 tax rate of \$0.0950/\$100, last year's rate. Rodney seconded his motion. President Marvin Dziuk took a roll call vote to approve the proposed tax rate: For: 5 (Marvin, Rodney, Michael, Pam, and Terry); Against: 0; Not Voting: 0

6. COMMITTEE/STAFF REPORTS - DISCUSSIONS & POSSIBLE RESOLUTIONS ON THE FOLLOWING:

6 - A. EMS COMMITTEE – Committee Updates

**6 – A – 1. ALLEGIANCE and FIRE District-Wide Reporting - (Zoned Run Reports Fire and EMS):
(EMS, Castrovilla, LaCoste, Mico run reports in Excel for District-Wide Report by Grid with Type of Call)**

Allegiance submitted the July run report and the report will be emailed to the Board. Please contact Polly if there were any questions and concerns. The Allegiance run report was combined with the received-to-date VFD run reports producing the 'Marvin Report' which captures the monthly/annually fire and EMS calls by grid number. Polly also noted that the Castrovilla VFD and LaCoste VFD run reports are behind schedule due to the current world-wide COVID-19 pandemic. She stressed the urgency of completing these reports and the past data was still required. CVFD Melanie Godwin reported that she was in training and learning how to do the exporting process, she hoped to have it to the District by next week.

At the EMS Committee meeting on August 11th, President Dziuk requested a visual report showing the number of EMS & Fire calls by coverage area or GRID number. Polly explained how Allegiance run data was up to date, per Medina County grids for 2018, 2019, and 2020 and Ronda was able to use this data to draft 'Grid Visual' reports of the average EMS runs by Grid. A copy of these reports was included in the Board's meeting folders and was discussed by the Board. She further noted that once all the 2019 data for LaCoste is received, and the 2020 data for both LaCoste Fire & Castroville VFD, Ronda could prepare the same type reports for Fire.

John reported on the August 11th EMS committee meeting. The EMS Committee discussed the Allegiance Contract coming up with an expiration date of February 2021, and he was asked to do gather additional research for the Committee, and costs per unit if the District increased units. The EMS committee would update the board as things progressed.

6 – A – 2. ALLEGIANCE YEAR-TO-DATE REVENUE REPORT:

Polly reported that the Allegiance 2020 revenue data is current through June 2020 with a copy of the most recent continual work-in-progress report emailed to Board. The ageing 2019 accounts receivable report is still pending; however, Polly sent a reminder to Allegiance (via Jorge) that MCESD#1 requires the requested data before remitting the September 2020 Q4 contract payment. The item was tabled.

6 – A – 3. FRO PROGRAM – UPDATES AND INSURANCE ISSUES:

John stated that there was nothing new to report.

6 – A – 4. MCESD#1 Northern 336/337 Coverage Area – EMS Contract:

John reported that the EMS Committee discussed the agreement, and the edits made by the provider, and the draft was being sent to the attorney for final approval. Upon final approval from the attorney, the contract would be sent back for signature and the agreement would have a start date of January 2021, once completed.

6 - B. MCESD#1 – ADMINISTRATIVE STAFF REPORTS:

6 – B – 1. BILLING SCHEDULE – Update:

John reported that there were no new updates, the project was on hold, and this agenda item was tabled.

6 – B – 2. ISO - Update:

John reported he had no new updates. Marvin reported he had spoken with the ISO gentleman, and nothing would be happening anytime soon with the Covid-19 situation, so this project was on hold for now. This agenda item was tabled.

6 – C. STATION CONSTRUCTION IN PROGRESS – COMMITTEE UPDATES:

6 – C – 1. MCESD#1 Paris Street Station #10 Annex Project, RFP and Other Project Updates:

Recap: Following the Q&A at the December meeting, the Committee met with architect Debra Dockery at the Paris Street location. At the November meeting the approval was given to move forward with the evaluations/testing of that facility.

A copy of Architect Debra Dockery's revised January 7, 2020 new reduced proposal was included in the Board's meeting folder. The Paris Street project was now broken down into three projects. Rodney recommends that the ESD hold off on Project 1 for now. Proceed with Project 2 without the elastomeric roof coating and do project 3 when the exterior is done.

Pam moved to spend up to \$47,000 on Project 2 (not including elastomeric roof coating). Terry seconded her motion which was approved with a 4-0 vote.

Project 2 – Exterior Repairs (to match the new building)

Remove existing office addition	\$ 2,925		
Remove existing patio cover	\$ 2,600		
Remove section of chain link fence & other clean-up	\$ 700		
Elastomeric roof coating		\$38,000	
New metal trims at roof	\$ 5,625		
New stucco over existing masonry – east side	\$ 4,000		
New metal "R" panel on south pilaster and fascia	\$ 2,400		
Replace exterior windows	\$ 1,500		
Replace exterior wall pack lights	\$ 1,800		
Miscellaneous repairs	\$ 5,000		
Project 2 – Construction		\$64,550	(\$26,550 w-out elastomeric roof coating)
Owner's administrative cost, A/E fees & contingencies	\$19,365		
RECOMMENDED BUDGET FOR PROJECT 2		\$83,915	(new estimate w/fees \$45,915 – fee % on new Total?)

Rodney reported that the ESD received two quotes on this phase of this project (*Project 2*), and both were too high. They both came in above the \$50,000 threshold which would require a bid process. Until this project receives a different direction by the committee, there are smaller projects that can be done on the property, by the District. (i.e. demolish the old shack, take down additions, clean up the exterior and interior, tree trimming, etc...) This agenda item was tabled.

6 – C – 2. MCESD#1 Rio Medina Station #15 – Project Updates, Budgetary Needs and Legal Agreement:

Commissioner Hitzfelder requested an update, from Polly, on the budget status for the construction project manager for the Rio Medina Station #15. Polly reported the Board had a discussion at the July meeting on this topic, and she was instructed to remove the project manager option from the loan document for the financing RFP. She asked the Board to once again view the financing loan document, previously discussed under the Treasurer's report, which reflected no funding for a project manager. The board was unanimously in agreement that the project manager option was no longer an item of discussion for the Rio Medina Station #15 project. With board consensus, Marvin asked if the Commissioners were ready to move on to the next items to grant approval of the bid process and the financing RFP? With no additional discussion requested, he entertained motions on items 6-C-2-a & 6-C-2-b.

6 – C – 2 – a. Approval for Finance Committee to start Financial RFP on Rio Medina Station Project:

Rodney moved to give approval to the Finance Committee to start the Financial RFP on the Rio Medina Station Project. Terry seconded his motion which was approved with a 4-0 vote.

6 – C – 2 – b. Approval for Facilities Committee to start Bid Process on Rio Medina Station Project:

Rodney moved to give approval to the Facilities Committee to authorize the Architect to start the bid process on the Rio Medina Station #15 Project. Terry seconded his motion which was approved with a 4-0 vote.

7. MASTER PLANNING and NEEDS ASSESSMENT FOR THE DISTRICT – DISCUSSION and POSSIBLE ACTIONS:

7 – A. FUTURE STATION PLANNING, LAND ACQUISITION(S) and DEMOGRAPHIC REPORTS, MASTER PLANNING, FUTURE STATIONS, ECONOMIC DEVELOPMENT, and OTHER:

7 – A – 1. Land Acquisitions, Donations, and Updates:

Nothing new to report. This agenda item was tabled.

7 – B. DISTRICT OPERATIONAL NEEDS - (Inventory, Equipment, PPE, Trucks, Insurance, Training, Etc.):

7 – B – 1. GRANT UPDATES – PENDING or AWARDED IN BUDGET STATUS:

Nothing new to report. This agenda item was tabled.

7 – B – 2. Recruitment, Apparatus Acquisition(s), Equipment, PPE, Etc.:

President Dziuk stressed that volunteer recruitment was key in staffing the new Rio Medina Station and maintaining the current high level of firefighting roster personnel. He noted John had brought up an idea at the EMS Committee meeting, and he thought it was a good suggestion. San Antonio is very close to our District and could provide a great resource for us to recruit firefighters. Pam noted that the new website will have an application to also help with recruitment. The agenda item was tabled.

8. OLD BUSINESS – DISCUSSION and POSSIBLE RESOLUTIONS ON THE FOLLOWING:

None.

9. NEW BUSINESS - INTRODUCTION OF ANY NEW BUSINESS:

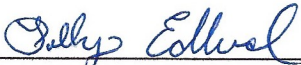
9 - A. SET NEXT MONTH'S MEETING(S) – SEPTEMBER:

The next proposed regular meeting of MCESD#1 will be at 6:30pm on Wednesday, September 16, 2020, in the Courtroom of the Medina County Sub Courthouse at Precinct 2, 8366 FM 471 S, Castroville, TX. Exact date and time will be confirmed when the agenda is posted. This meeting will also consist of a tax rate hearing, and the final vote on the budget and tax rate.

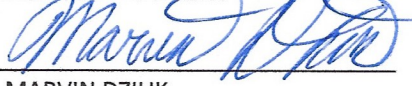
10. ADJOURN (MOTION):

Pam moved to adjourn the meeting. Michael seconded her motion which was approved with a 4-0 vote. President Marvin Dziuk adjourned the meeting at 9:37pm.

RESPECTFULLY SUBMITTED,


POLLY EDLUND

MCESD#1 PRESIDENT


MARVIN DZIUK