

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

PUBLIC MEETING MINUTES

WEDNESDAY, May 8th 2024 7:00PM

Meeting Location: Medina County Precinct 2 Bldg., Courtroom, 8366 FM 471 S., Castroville, TX

I. OPEN MEETING:

1. CALL TO ORDER and ROLL CALL:

President Marvin Dziuk called the meeting to order at 7:00pm, and established a quorum with commissioners Tom Page, Jenny Ferren, and Rodney Hitzfelder present. Newly appointed and soon to be sworn in, Commissioner Leroy Haby was present. Also, present were District Administrator Polly Edlund, Chief Cooke joined via TEAMS, Assistant Fire Chief Sarah Windsor, Deputy Chief of Operations Jamie Esquivel, Administrative Assistant Lori Stein, and Pct. 2 Justice of the Peace William Terry Tschirhart.

1 – A. PLEDGE OF ALLEGIANCE TO UNITED STATES AND TEXAS FLAGS:

President Dziuk requested all in attendance to rise, face the United States and Texas flags and pledge their allegiance to each. President Dziuk thanked all for their participation.

1 – B. INVOCATION:

At President Dziuk's request, Mrs. Edlund led the assembly in prayer giving thanks to God and asking for His guidance for the Board and His protection for first responders, and safe travels for all in attendance and those traveling and deployed around the State.

1 – C. INTRODUCTION OF ANY SPECIAL GUEST(S)/RECOGNITIONS:

President Dziuk welcomed Pct. 2 Justice of the Peace, Judge William Terry Tschirhart to the meeting to conduct the swearing in of the new commissioner, Leroy Haby.

2. COMMISSIONER STATUS – DISCUSSIONS AND RESOLUTIONS ON THE FOLLOWING:

2 – A. MCESD#1 Commissioner Status – Oath of Office/County Appointed ED Commissioner Sworn In

President Dziuk reported that the Medina County Commissioners Court held a meeting on April 15, 2024, accepting the resignation of Jason Bertie. Pct. 2 Justice of the Peace, Judge William T. Tschirhart administered the oath of office to the newly appointed commissioner, Leroy Haby, Jr., swearing him in for a two-year term of office as a commissioner on the MCESD1 Board. After collecting all the required signatures and documentation, Judge Tschirhart congratulated Mr. Haby and thanked the entire board for their service and President Dziuk thanked Judge Tschirhart for his time to perform this duty.

2 – B. MCESD#1 Board Officer Positions Established & Approved by new MCESD1 Commissioners

Following the swearing in, the Board voted on the officer positions each would hold. After some discussion regarding the new commissioner's background and expertise as a CPA, Commissioner Hitzfelder made a motion to place Commissioner Haby as the assistant treasurer, move Commissioner Page to the secretary position, and keep all others the same. (President – M. Dziuk, Vice President – R. Hitzfelder, & Treasurer – J. Ferren). Commissioner Ferren seconded the motion and the motion passed, 4-0.

2 – C. MCESD#1 Committee Positions Established & Approved by New MCESD1 Commissioners

At the request of President Dziuk, District Administrator Edlund reviewed the current committees and the commissioners who were currently on each committee. After a brief discussion to review the duties of each committee to the newly appointed Commissioner Haby, Commissioner Ferren made a motion to place Commissioner Haby on to the finance and budget committee, to replace Commissioner Page on those two committees. Commissioner Hitzfelder seconded the motion and the motion passed, 4-0.

3. CITIZEN COMMENTS

None.

4. ADMINISTRATION – DISCUSSION AND RESOLUTIONS/ACTIONS ON THE FOLLOWING:

4 - A. Minutes, Resolution of Acceptance – (April 10th Minutes)

Commissioner Tom Page, Secretary, made a motion to approve the minutes as submitted. Commissioner Ferren seconded his motion, and the motion passed 4-0.

4 - B. Treasurer’s Report – Financial Reports, Approval for Paying Bills and Appropriate Transfers

Chief Windsor gave the financial report as Chief Cooke was on deployment and in attendance via virtual meeting. The district had received 96.24% of the Ad-Valorem property tax revenues. The sales tax report for December through April showed a 1.23% increase as compared to this time last year. There has been a payment received of \$138,000 through an apparatus grant for Mico VFD. Fire billing had generated \$13,433.99 thus far with \$10,000 budgeted. The amount of current investment income sits at \$353,314.72 compared to the budgeted amount of \$225,000. This will slow down as funds are used to complete station construction projects. The District had completed sixteen pay cycles or 61.54%, current payroll was at 44.12%, not deducting the deployment OT reimbursed. There are no accounts out of line for the month of April. The District had open purchase orders to the sum of approximately 3.49M; and 1.8M in balances for station 11. The total unencumbered funds balance was approximately \$5M. President Dziuk asked how the current unencumbered funds amount compares to what the district had last year. Chief Windsor replied that she would have to get back to him on that to provide an answer. The report also provided a list of bills paid to date and a balance sheet with total account balances. Commissioner Ferren made a motion to approve the treasurer’s report. Commissioner Page seconded and the motion passed 4-0.

4-B-2 – Capital Budget Item – 02 Cascade System (Oxygen concentrator):

Chief Cooke discussed a particular bill that was for the downpayment on the capital budget item for the 02 Cascade System or oxygen concentration unit, to be placed at station 10. The current remodel would allow for ease of installation, and so the timeline to make the purchase would work very well now. The unit would be put into service as soon as it is installed and would provide breathing oxygen for the entire district. There was clarification to the commissioner’s questions that this was for medical breathing oxygen for the EMS operations, not the fire SCBA units. Those two cascade systems for fire operations were located at stations #12 and the annex at station #10. The oxygen concentration unit was budgeted and approved within the current 2023-2024 capital budget at \$110,000. Treasurer Ferren presented the details of the check; the total cost quoted by NOVAIR was \$102,450 with a 50% deposit of \$51,225 and the remaining 50% upon delivery. The 2-year maintenance option was not recommended by staff to be included with the purchase. It was also noted in the documentation that this was a sole source purchase. Following some discussion, Commissioner Ferren moved to amend her original motion under the treasurer’s report to include acceptance of the treasurer’s report, approval of paying the bills and making appropriate transfers, and authorizing the purchase of the 02 Cascade System with the initial 50% deposit of \$51,225. Commissioner Page seconded her amended motion, and the motion passed 4-0.

4 - C. SALES TAX REPORT (YTD/April)

The sales tax report for April had been given to the board at the April meeting. District Administrator Edlund noted the May deposit and May report normally arrive by the 10th of each month, and she had not seen the numbers dropped yet by the Comptroller. A copy of the May sales tax report would be placed in the teams folder when available. No other action was necessary.

4 - D. Discussion and Possible Action on Realignment of Bank Account Names and Purposes

Commissioner Ferren stated that the finance committee met and discussed ways to show a true unencumbered balance through the bank accounts, to give the Board a quick clear snapshot as they view account balances. She created a flow chart diagram to show how monies are currently received and distributed to each account, and a second diagram to explain the proposed new plan, reflecting the proposed changes, and how revenues would be received and redistributed going forward, if approved. The current diagram showed bank accounts set up with ad valorem (property tax revenue) and sales tax revenue both currently deposited into the surplus reserve money market account, which received the Tx Class rates. Each year the current budget funds were moved from this account into the current year budget fund at the beginning of the current fiscal budget year. The current year budget fund also received the Tx Class rates. The new plan would place both the ad valorem (property tax revenue) and sales tax revenue, budgeted for the current year, directly deposited from the MC Tax office and the State Comptroller into the current year budget account. Then at the end of each fiscal year, place any surplus monies less any open purchase orders or operating expenses to cover the 1st quarter October – December of the next fiscal year, into the surplus reserve account to show a clear reserve unencumbered balance, that would require board approval to encumber any reserve surplus funds. Commissioner Ferren moved to approve modifying the account flow and operations as depicted in the ‘new plan diagram’ flow chart. Commissioner Hitzfelder seconded her motion, and the motion passed 4-0.

4 - E. Consider and Approve Setting Up Online Banking to Pull Monthly Statements and Authorize Monthly Transfers To Cover Payroll and Required Operations Expenses with Documentation and Board Approvals for Audit processes:

Commissioner Page made a motion to approve online banking with Commissioner Hitzfelder seconding his motion. Discussion followed. Administrator Edlund stated that this item was specifically added because the second Wednesday of every month's board meetings came early, and the need to get statements and banking information before the statements arrived via US mail was needed. This item was also discussed at the prior ESD meeting. She had contacted legal counsel, Ken Campbell, to verify the laws and to remain compliant. He advised that online banking to acquire statements and approve transfers was legal, so long as documentation was kept verifying board approval of any actions taken. She had discussed with him the processes and use of supporting documentation out of QuickBooks, signed by two commissioners in accordance with the 775 statutes, to be printed out and signed to document authorizations and paper trails for auditing purposes as well. Commissioners also discussed possible security issues that may arise using online banking. President Dziuk called for a vote on the motion presented, and the motion passed 4-0.

4 - F. Update on Sales and Use Tax Agreement with City of La Coste

Administrator Edlund explained there was no seated secretary to attest to the President's signing of the document when the agreement was approved at last month's meeting. President Dziuk held the agreement until the May meeting when the vacant secretary position would be decided on and filled. Tonight, following the voting and approval of officer positions, the document can be signed at this meeting and then be delivered to the City of LaCoste. The document was signed at the meeting and no other action was needed.

4 - G. Discuss Truth in Taxation Calendar and Secure Meeting Dates for Adopting the Tax Rate

Administrator Edlund reviewed the annual truth in taxation calendar for setting this year's tax rate. This is a requirement for truth in taxation processes to document planning dates for setting the tax rate, meetings to be held concerning the budget, proposed tax rate, and lastly adopting a tax rate. Citizens have a right to know when these meetings are held, and this is just a review process required to secure calendar dates. She had also contacted the election office to inquire about this year's election deadline, and that date was August 19th, 2024. This date was important because the election code and the truth in taxation code require the adoption of a tax rate by this date, because some actions if taken during the truth in taxation process could trigger an automatic election. Chief Cooke strongly added that he did not plan on recommending any budgetary actions that would cause or trigger a requirement for an election, and his proposed budget was below the truth in taxation threshold that would cause this date to be relevant. No other action was required. The following dates were marked on the calendar:

June 12th - Preliminary Review of the proposed budget.

July 10th - Discussions on 'proposed' budget and vote on 'proposed' tax rate for public notices.

August 1st - Final Certified values sent to taxing units by Medina County Appraisal District.

August 7th - Deadline to post proposed rates and notices on governmental websites

August 14th - Hold any required hearings, Final Budget adoption, followed by the Vote to adopt the tax rate.

September 30th - Deadline to get all tax information to the Medina County Tax Office.

5. FIRE CHIEF'S REPORT – Discussions and Actions on the Following:

5 - A. Fire Chief's Report – Project Updates

Chief Windsor gave the Fire Chief's Report for April 2024, see report for details. Notes of interest or additional board discussion included:

- Station #14 was opened for response.
- Attended meetings with City of Castroville to plan 4th of July activities.
- Remodel for Station # 10 has begun.
- Visited Siddons-Martin plant in Wisconsin to view engine on order.
- Construction Updates along with photos of each project were included in the Chief's report for all station projects:
 - Station #11 (New LaCoste construction project) CIP project #1
 - Station #10 (Castroville 800 Madrid and Castroville Annex remodels) CIP project #3
 - Station #14 (FM471 North & FM 1283 temporary housing and metal building remodel) CIP Project #4
 - Station #12 (FM271 - Mico station additional bay add-ons) CIP#2

5 – B. Construction Committee Reports – Project Updates

5-B-1. Update on Purchase of 3.25-acre feet of water rights and transfer to City of La Coste

Commissioner Hitzfelder reported since the last meeting the City of LaCoste’s attorney had been authorized to purchase the water rights and then invoice MCESD1. This was to save costs in transfer fees and additional legal fees between the two governmental entities. All actions taken were in accordance with the signed development agreement, and this item was no longer needed on the agenda. President Dziuk thanked commissioner Hitzfelder for the update and noticed District Administrator Edlund to remove the item from future agendas.

5-B-2. Station #11 CIP Monthly Draw Approval, YTD Projects Costs & Any Construction Updates

Commissioner Page made a motion to approve the W.R. Griggs Construction draw #8 for \$773,737. Commissioner Hitzfelder seconded his motion, and the motion carried 4-0. The construction committee also discussed change order #2, which had been received for \$11,125.47. Commissioner Page explained the requested changes regarding labor and material to add 3 fire dampers that were not shown on the original drawings and engineer approved plans, louver revisions, and a gas line revision. The gas line for heaters was on the station #15 plan, and we used this same plan for the station #11 project. When planned changes were made for the original station #11 plans, engineering didn’t catch the differences between the two sets of planning documents, and the gas line alterations were needed to correct the issues. A detailed breakdown of all the change order requests was included in the board meeting materials:

Additional Fire Dampers - \$3,210.47
Louver revisions - \$1,355.00
Gas line revisions - \$6,686.00
Total Change Order #2 - \$11,251.47

- Rain Days were also noted in the documentation to reflect 11 calendar days, and an explanation was given to the board pertaining to how calendar days affect the contract.

Commissioner Page made a motion to approve the change orders as noted on the AIA Document change order #2 dated 05-06-2024. Commissioner Hitzfelder seconded his motion and the motion passed 4-0.

The Chiefs continued with the station updates:

The Station 11 project was moving forward, and staff consistently met with the general contractor to follow up on any needs. Staff were working on network items and will begin to order furniture fixtures and extras as they get closer to substantial completion. They believed they had addressed all concerns with the City of LaCoste. Regarding budget status, they had expended \$2,746,909 of the 4.5-million-dollar budget. The total balance due to contractor including retainage after processing pay app #8, in this meeting was \$1,560,241.00. This did not include what would be spent on FFE, but they were confident the project would remain within the current budget including any change orders already processed. This left \$192,000 available for FFE or future change orders.

5-B-3. Station Remodel Project #10 – Construction Project Updates & YTD Project Costs

Station 10 design was completed for the main Castroville facility. They were awaiting the final construction documents for the Annex. The main facility construction had begun. This includes demolition of the day room and training room and the erection of wall structure in that area that adds the restrooms and six dorm rooms. The electrician had delivered all his materials to the site and had begun working to rewire and add new LED fixtures throughout the facility. The plumber had completed his underground work in the dorm room addition. Regarding budget status, project costs to date were \$29,256.76 of the budgeted amount of \$500,000.

5-B-4. Station Remodel Project #14 – Construction Project Updates & YTD Project Costs

Station 14 is up and running utilizing the temporary mobile home. The engineering study had been completed on the property. The construction team was working with the rental management company to address minor maintenance issues, but nothing that would interrupt the facility's operational status. There was a sign placed at the front of the property showing the district's name and station number. Staff reinforced the rock driveway with base material. The metal building material was scheduled to be delivered the first week of May, and the construction team had a turnkey contractor lined-up to add concrete and erect the building. Total cost to date of the \$125,000 budget was \$85,316.25. Staff estimated an additional \$20,000 to complete the facility including furniture, fixtures, and extras. The year-to-date total included the earnest money payment on additional property and the initial rent on the mobile home.

5-B-5. Station Remodel Project #12 – Construction Project Updates & YTD Project Costs

The station 12 remodel had not physically started. The design had been completed and shared with both the Mico 501c3 Board and MCESD1. The project was to begin after the Mico BBQ was over, which was completed this past weekend. Staff

were currently in contact with sub-contractors to provide proposals for the project. This project would be primarily funded through a donation from the Mico 501c3 Board and its existing funds. Staff had been in contact with that Board to prepare the funding mechanisms.

5-C. Consider and Approve Training Officer Position

The Chiefs held a discussion with the Board regarding the training officer position. The district was currently well below budgeted payroll for the year, and in preparation for the additional personnel that would be hired for the upcoming EMS program, they had been evaluating gaps that needed to be addressed. They identified the training program as the largest need for the district. There is no single uniform approach as the current responsibilities of all our staff are full, and the continued increase in volunteers who are looking for solid training remains. Assistant Chief Windsor continues to write policies, guidelines, and protocols for Fire and EMS while working with vendors and governing agencies to set our baseline administrative needs, along with daily needs that must be addressed. Deputy Chief Esquivel is focused on project management of the three construction projects along with addressing the daily needs that arise. Fire Chief Cooke has been attending meetings, both in the district and with other governmental agencies, planning and preparing for the daily increase in responsibilities as well as emergency response and day-to-day items. The addition of a Division Chief of Training will bring uniformity, consistency, and oversight to the training side of operations that are currently piecemeal. The first job posting was a little too generic in some of its descriptions and has been adjusted to be reposted. The hierarchy of chief positions including bugles and ranks were also clarified by the Board. Commissioner Hitzfelder made a motion to approve the Division Chief of Training position. Commissioner Page seconded his motion, and the motion passed 4-0.

6. New or Upcoming District Developments – Discussion and Actions on the Following

There was nothing specific to discuss, but the growth both North and South on CR 381 was developing as well as continued growth along SH 211 and Potranco Road.

7. Old Business – Discussion and Actions on the following

None.

8. New Business - Introduction of Any New Business:

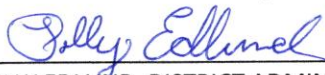
Commissioner Page requested that there be a cutoff date to the financial report to be the last day of the previous month. After some discussion, it was decided that the request will be put on next month’s agenda.

The next monthly MCESD1 meeting was tentatively scheduled for June 12th, 2024, at 7:00pm. The exact date and time will be confirmed with the posting of the agenda.

9. Adjourn:

Commissioner Page moved to adjourn the meeting. Commissioner Ferren seconded his motion, and the motion passed with a 4-0 vote. President Dziuk adjourned the meeting at 8:24 pm.

RESPECTFULLY SUBMITTED,



POLLY EDLUND, DISTRICT ADMINISTRATOR

MCESD1 PRESIDENT



MARVIN DZIUK, PRESIDENT