

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

**PUBLIC MEETING MINUTES**

WEDNESDAY, June 12, 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, Leroy Haby, Jr. and Rodney Hitzfelder present. Also present were Fire Chief Clinton Cooke, Assistant Fire Chief Sarah Windsor, Deputy Chief of Operations Jamie Esquivel, District Administrator Polly Edlund, and Administrative Assistant Lori Stein, Lieutenant Matt Ward, Firefighter Chris Rios, Firefighter Collin Waldron and Firefighter Matt Dixon. Others in attendance were Jennifer Konegni and William Booth, TXDEM's County Liaison Officer.

**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, Chief Cooke led the assembly in prayer giving thanks to God and asking for His guidance for the Board and His protection for first responders.

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

Chief Cooke introduced two special guests in the audience at tonight's meeting. Jennifer Konegni the current Medina County Treasurer, who recently ran a campaign for the elected position of Medina County Treasurer. The second individual was William Booth, TXDEM's County Liaison Officer for the State.

**2. CITIZEN COMMENTS**

President Dziuk recognized citizen Terry Beck of 104 Harvest Moon, formerly a Medina County ESD1 commissioner. Mr. Beck addressed the Medina County ESD#1 board and spoke about his concerns regarding the MCESD#1's proposed budget, county wide government entity spending, and his concerns with recent preliminary valuations he had received from the Medina County Appraisal District. He voiced his concerns about budgeting on projected "if/come and uncertainties" and the responsibility of acquiring correct data from the County. He thanked the Board for the tax exemptions recently passed by the ESD Board.

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

**3 - A. MINUTES, RESOLUTION OF ACCEPTANCE – (May 8th Minutes)**

Commissioner Page moved to accept the minutes as presented. Commissioner Hitzfelder seconded his motion and the motion passed 4-0.

**3 - B. TREASURER'S REPORT – FINANCIAL REPORTS, APPROVAL FOR PAYING BILLS AND APPROPRIATE TRANSFERS:**

Chief Cooke summarized the financial report in the board's meeting materials. The report included a budget vs. actual profit and loss report from October 1, 2023, through May 31, 2024. The financial report also contained bank account balances, transactions and bills paid for the month of May as well as June bills and transfers needed to pay current bills.

Commissioner Hitzfelder requested consideration of the terminology used on the agenda concerning the Treasurer's report versus the finance report that is presented during the meetings. Following the discussion the Board unanimously decided that going forward the terminology 'treasurer's report' will be changed to 'financial report' on future agendas. Commissioner Ferren moved to approve the finance report, pay current bills and authorize transfers needed to cover bills paid. Commissioner Haby seconded, her motion, and the motion carried, 4-0.

**3 - C. APPROVE END OF MONTH AS CUTOFF DATE FOR THE FINANCIAL REPORT**

Commissioner Page moved to set a cutoff date for financial transactions shown in the financial report to be the last day of the month. This report will be given at the following month's board meeting. Commissioner Ferren seconded his motion. After a short discussion President Dziuk called for a vote and the motion passed 4-0.



### **3 - D. AMEND CAPITAL BUDGET BY \$261,360 FOR THE PURCHASE OF A LAND ACQUISITION FOR THE NEW STATION #14**

Commissioner Hitzfelder moved to approve the budget amendment to increase the capital budget \$261,360 for the land acquisition for the new station #14 property with Commissioner Ferren seconding. After some discussion regarding total expenses for the project, Commissioner Hitzfelder requested to keep his original motion but to amend the motion to include all dollar amounts for the project. (The Capital Budget CIP#4 project including Escrow, A&E, rent, etc.) Commissioner Ferren seconded the amended motion and the motion passed 4-0.

### **3 - E. DISCUSSION AND ACTION OF CLOSING PURCHASE OF REAL PROPERTY LOCATED AT 8565 FM 471 IN MEDINA COUNTY, TEXAS, AND AUTHORIZE THE APPROPRIATE DISTRICT OFFICIALS TO EXECUTE ALL DOCUMENTS, AND TAKE ALL ACTIONS NECESSARY FOR SAME, INCLUDING AUTHORIZING PRESIDENT MARVIN DZIUK OR VICE PRESIDENT RODNEY HITZFELDER TO EXECUTE ALL NECESSARY DOCUMENTS FOR SAME**

Commissioner Page made a motion to approve the land acquisition and to authorize President Dziuk and/or Vice President Hitzfelder to execute the necessary closing documents to secure the purchase of real property, the 8565 FM 471 property for station #14. Commissioner Hitzfelder seconded the motion. Discussion followed. The closing date was expected to happen on or about June 20<sup>th</sup> and Chicago Title would be providing all documents for the closing. President Dziuk called for a vote and the motion passed 4-0.

### **3 - F. SALES TAX REPORTS (May/YTD)**

Commissioner Hitzfelder asked if there was any explanation as to why there was a reduction in the sales tax net deposit for this month compared to last year's net deposit for the same month. Chief Cooke explained it was an anomaly last year potentially caused by purchases for the large project on FM471 and electric services for that same project. If you look at the 2022 net revenues for the same month, the 2024 net deposit is more in line with the previous year's deposits.

Commissioner Hitzfelder requested that Chief Cooke explain the increase in property tax valuations, the 330 million, so that the board may have a better understanding. Chief Cooke explained that in the upcoming year, depending on what our property tax rate is, the single Microsoft data center building situated on the MCESD#1's eastern border, close to Omicron Drive, has now seen an increase in its valuations and this increase will generate more property tax revenue for the district in the upcoming budget year. The personal property has now been added to the valuation for that site, and the personal property inside that building has been appraised at 330 million dollars. Thus, increasing the tax valuations. It would also increase the district's property tax revenue for the upcoming budget year, and those property tax revenues would show up in the 2024-2025 fiscal year.

### **3 - G. UPDATE ON SALES AND USE TAX AGREEMENT WITH THE CITY OF LACOSTE**

District administrator Edlund stated that the Sales Tax Agreement had been signed by both entities and an executed copy had been received and filed. Commissioner Hitzfelder inquired if the document had been filed with the County Clerk's office. Mrs. Edlund responded that to her knowledge it had not, it had been internally filed within the ESD's record retention system (i.e the Board's Office 365 folder). However, the district could have a copy filed with the County Clerk should the Board wish to do that. No further action was taken.

### **3 - H. AUDIT REPORT FOR 2022-2023 COMPLETED**

Administrator Edlund stated that this item was for documentation purposes only. The audit for 2022-2023 fiscal year had been completed and the audit report had been filed with the county and accepted by the Medina County Commissioners' Court in their May meeting. The report had also been placed into the ESD's Teams folder for the Board to review, and is also posted on the ESD's website as required by law.

### **3 - I. PRELIMINARY REVIEW OF PROPOSED 2024-2025 MCESD1 BUDGET**

Chief Cooke had previously met with the Finance Committee on the proposed budget for the fiscal year 2024-2025 and gave a presentation to the board on the first draft proposed budget in the meeting for review and comment. Chief Cooke explained that this next fiscal year will be very different in that the district will begin providing its own transport EMS directly operated by the district itself and will end the practice of paying a 3<sup>rd</sup> party contractor. The finance committee looked at different options in service delivery models during the budget discussion process. The first option discussed was the no advancement in service delivery option, meaning the district would only place paid crews on 3 units, this is the same number of units the district currently pays the contracted service provider to operate. This would provide no increase to the service model currently operated, other than the names and colors on the ambulances would change. The district would be paying all the



operational costs. The cost of paying a third-party service provider would then transfer to those budget line-item expenses. Option two would be advancing the service delivery model, operating five ambulances out of all five stations. The increase from three to five medic units would involve a higher cost. This budget will also be fluid in-that the day EMS “flips on” this will affect monies spent. The district would essentially be creating a new business, and there would be upfront costs. He would like to use a portion of surplus funds that the district has already received over the last several years that has not been spent to cover the shortfall in this next budget. This request is being made with the intent that once the transition of putting EMS in place is complete, this will be the only year this request will be necessary.

Chief Cooke’s budget presentation included historical information and numerous data points which gave the Board a good overview of the district’s past, present and future goals and financial position. The Board discussed current finances, growth trends and revenues associated, prior year’s budgets vs actuals, current year goals and expectations, and the effects of new approved exemptions on property tax valuations. The Board also discussed an overview of past construction loans, capital items, construction costs, carryover, and overlapping projects.

The current projected start date for the new EMS transition was April 1<sup>st</sup> to activate EMS and the budget is based on this assumption at this time. His budget also entertained an additional administrative person hired to learn the financial processes of the district in preparation for future changes in administration. He proposed transitioning Ms. Stein into a personnel manager role. With the additional personnel coming on, this area of administration would focus on human resources duties for full-time and volunteer staff.

The largest change in this year’s budget would be the addition of 27 full-time personnel for a roster total of 55 personnel. Chief Cooke gave the board an overview of how these additional crews would be utilized. This budget contained a half year of EMS staffing costs, and in 2026 this budget amount would double to cover the full year needed the following year. Commissioner Page asked to clarify that the battalion chief would oversee both fire and EMS personnel. Chief Cooke gave a detailed summation of his plans. A crew will be placed at all 5 stations with both Fire and EMS capabilities with the Castroville and Rio Medina stations having dedicated fire responders. The Battalion Chief would help with oversight of stations and people. In the event all 5 medic units are called out, there will still be two fire crews available. With the addition of transport service, there will be more engagement with the district’s medical director. Dr. Wentling’s increased involvement and risk will necessitate an increase in compensation. A dual approach is being recommended by increasing her monthly stipend to \$1500 and purchasing a used vehicle for her to use as an assigned response vehicle.

The current proposed budget is based on a nine-cent tax rate, and this takes into account the effects of the newly imposed homestead exemption. The current proposed budget shows a total negative amount of 771,935.15 that would need to come out of reserves to supplement estimated incoming revenues. This is a one-time anomaly due to the district taking over EMS and the completion of station 11 and its opening/staffing.

Following the presentation and discussion, Chief Cooke was tasked to submit additional budget options to be reviewed and discussed at the July meeting. These options contained an EMS model to compare costs for starting up EMS at Station #11 upon the Fall completion of the station construction project in lieu of waiting until April 1, 2025. No further action was taken and the budget discussions were tabled until the July meeting.

#### **4. FIRE CHIEFS REPORTS – DISCUSSIONS AND ACTIONS ON THE FOLLOWING**

##### **4 - A. Fire Chief’s Report – Project updates**

Chief Cooke gave the fire Chief’s report for May 2024, see report for details. Notes of interest or additional board discussion included:

- DEA License for narcotics obtained for the new EMS startup project
- Donated truck to D’Hanis VFD through Helping Hands program
- Third Training Academy has been completed
- Medic unit design is finalized, and the used medic unit is currently being wrapped with the new MCESD1 logo
- Attended Castroville community center groundbreaking

##### **4 – B. CONSTRUCTION COMMITTEE REPORTS – PROJECT UPDATES**

The Construction updates for each project were included in the Chief’s report and financial report for all station projects. Below are the highlights on each station project:

##### **4-B-1. Station #11 CIP Monthly Draw Approval, YTD Project Costs & Any Construction Project Updates**



Commissioner Page made a motion to approve the W. R. Grigg's payment application #9 for \$258,685.00 with Commissioner Hitzfelder seconding his motion. The motion passed 4-0.

Chief Cooke gave the station updates, station 11 remains on schedule as we approach a late August substantial completion. The team meets bi-weekly with the contractor, and we visit the site multiple times per week. Exterior brick began last week and should be completed by the end of the week of ESD Meeting. Floors have been polished and are currently working through final electrical and wall cover up. To date we have spent \$3,036,049 of our 4.5-million-dollar budget. We expect to remain within budget on the project.

**4-B-2. Station Remodel Project #10 – Construction Project Updates & YTD Project Costs**

Station #10 the Castroville 800 Madrid and Castroville Annex remodels - CIP project #3: framing, electrical and plumbing inspections were completed this past week which delayed the plumbing and electrical cover by 3 weeks. The exterior and interior bays have been painted to where all exterior colors now match the add on bay addition. We have currently expended 125K of our 500K budget. We will begin the annex as soon as final plans are complete and permits are obtained with the city. We are comfortable we will remain within the 500K budget for both projects.

**4-B-3. Station Remodel Project #14 – Construction Project Updates & YTD Project Costs**

Station #14 the 8565 FM 471 North temporary housing and metal building remodel CIP Project #4 - the metal building is currently being constructed and we expect to have it ready for electrical next week. We have spent \$86,847 of the \$125,000 we budgeted to put that station online this year.

**4-B-4. Station Remodel Project #12 – Construction Project Updates & YTD Project Costs**

Station #12 is the 7121 County Road 271 Mico station additional bay add-ons CIP#2. We are working through the sub-contractor selection process on bidding and hope to begin this project within the next 1-2 months. No funds have been expended on this project to date.

**4 – C. Consider and approve the purchase of Lucas devices and Stryker Stretcher**

Chief Cooke discussed the status of the EMS licensing process. Ninety-five percent of the paperwork had been completed and they were working on the drug licensing now. They anticipated the approval of the licensing to be within three to four months. The DEA license was a big process. The stretcher needed to be placed in the newly purchased used ambulance to assist and continue the certification process for the district. This was a new equipment item; however, the EMS equipment was budgeted under the current capital budget. He discussed and requested the purchase of Lucas devices, the stretcher and stair chair from the Stryker vendor. Commissioner Page moved to approve the purchase at the cost of \$134,480. Commissioner Ferren seconded his motion and the motion passed 4-0.

**5. NEW OR UPCOMING DISTRICT DEVELOPMENTS – DISCUSSION AND ACTIONS ON THE FOLLOWING**

Nothing new to report. Chief Cooke suggested that the board members drive the district to view the changes happening every day.

**6. OLD BUSINESS – DISCUSSION AND ACTIONS ON THE FOLLOWING**

The Board asked Chief Cooke for an update on the Training Officer Position. Chief Cooke noted that he currently had 13 applicants and the deadline closed last Friday. The process continued and he anticipated September as the target start date.


**7. NEW BUSINESS – INTRODUCTION OF ANY NEW BUSINESS**

The next monthly meeting was tentatively scheduled for July 10th, 2024 at 7:00pm. The exact date and time will be confirmed with the posting of the agenda.

**8. ADJOURN:**

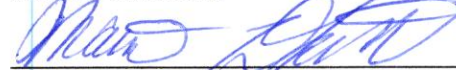
Commissioner Page moved to adjourn the meeting. Commissioner Ferren seconded his motion, and the motion passed with a 4-0 vote, President Dziuk concurred. President Dziuk adjourned the meeting at 8:51 pm.

RESPECTFULLY SUBMITTED,



POLLY EDLUND, DISTRICT ADMINISTRATOR

MCESD1 PRESIDENT



MARVIN DZIUK, PRESIDENT