

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

PUBLIC MEETING MINUTES

WEDNESDAY, November 13, 2024 7:00PM

Meeting Location: Medina County Precinct 2 Bldg., Courtroom, 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 7:01 pm, and established a quorum with commissioners Tom Page, Leroy Haby, Rodney Hitzfelder and Jenny Ferren present. Also present were Fire Chief Clinton Cooke, District Administrator Polly Edlund, Deputy Chief Jamie Esquivel and Administrative Assistant Lori Stein.

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 members of the MCESD#1, and for His protection and safety for all first responders.

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

None.

2. CITIZEN COMMENTS

None.

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

3 - A. MINUTES, RESOLUTION OF ACCEPTANCE – (October 9, 2024, Minutes)

Commissioner Page moved to approve the minutes as submitted. Commissioner Hitzfelder seconded his motion, and the motion passed 4-0.

3 – B. FINANCIAL REPORTS, APPROVAL FOR PAYING BILLS AND APPROPRIATE TRANSFERS

District Administrator Polly Edlund remarked to the board that she was still working on the end of year financial report for fiscal year 2023-2024. Due to the carryover expenses related to the construction projects, and charges still pending on the October and November credit card statements that would need to be included in the end of year totals as carryover and/or journal entries, she did not wish to present a preliminary report until it had been verified and finalized. She would submit the end of year report once completed. The November P&L was placed in the TEAMS fold just prior to the meeting. She gave Treasurer Jenny Ferren the monthly cash flow balances of all funds, \$6,587,711.31 as of November 13th, 2024. President Dziuk requested the total dollar amount of the clear reserves currently in the reserve fund. District Administrator Edlund reported the cash flow balance in the reserve fund as of today's date was \$5,557,290. and there were still open purchase orders from last fiscal year pending with a balance of \$3,331,329 as of today's date. The largest portion of that being the medic units and apparatus. So roughly, 2.2 million as of today's date. This did not include the first quarter's 2024-2025 fiscal year transfers made in the first quarter, October and November, that had already been used to cover the first quarter's bills for the new fiscal year nor any accounts receivables for pending reimbursements. Treasurer Ferren noted that first quarter property tax funds would be coming back after the new fiscal year's property tax revenues arrived in early 2025. Chief Cooke asked that the Board wait until all the final calculations were compiled; he thought the surplus calculation Mrs. Edlund just read was low. He concurred with Treasurer Ferren that the bulk of the current fiscal year's property tax revenues would not arrive until early in February to cover the current budget year. Commissioner Ferren moved to table the end of year Financial Report and approve the payments of current bills and authorize transfers needed to cover paying of the bills. Commissioner Haby seconded her motion, and the motion was approved 4-0.

Treasurer Jenny Ferren addressed the board about a letter received just hours prior to tonight's MCESD1 meeting from Castroville State Bank. The letter was sent from Steven Hoog EVP/CFO and stated that the bank had new terms for interest

rates effective November 18th. Chief Cooke noted with such short notice, he had not had the opportunity to discuss the letter with Mr. Hoog yet; however, it looked like the bank would no longer be matching the TX Class rates. The board discussed options and different scenarios to handle the situation, since the next monthly Board meeting would not be until December 11th. The Board unanimously agreed to ask Mr. Randy Parr for his recommendations and asked Chief Cooke to send his recommendations to the Board for review. They further agreed that if the Finance Committee agreed with his recommendations and if those recommendations included setting up accounts with Texas Class as an investment option, the Board authorized Chief Cooke and the investment officer(s) to move forward in getting the necessary paperwork and signatures to set up those accounts with Texas Class.

3 – C. SALES TAX REPORTS (JULY / YTD)

District Administrator Edlund presented the Sales Tax report for the fiscal year 2023-2024 with annual totals and comparative analysis for the past three years. The end of year net sales tax deposits/revenue was \$2,395,449.64 which reflected a -4.18% under the gross budget figure of 2.5 for the year. The gross sales tax collections for the year were 2,444,247.60 and the State's 2% portion retained by the comptroller was \$48,885. The Board discussed the anomalies of the 2022-2023 net revenues which came in higher (\$2.6 million) and what caused the prior year's anomalies. Chief Cooke and Commissioner Haby had reviewed the detailed sales tax reports and had a few ideas of what caused the one-year increase and gave input on the situation and if it could happen again in the future with upcoming economic development projects within the district. The Finance Committee agreed that if you took out the anomalies of 2023, the remaining revenues trended more in line with the annual % of increase of prior years, the net incomes reflected in the 2021 and 2022 reports. The Board reviewed the new 2024-2025 budget figure currently set at 2,625,000 and was hopeful this figure would be reached. No further action was taken.

3 – D. CONSIDER AND APPROVE ANNUAL REVIEW AND ADOPTION OF INVESTMENT POLICY AND PROCESSES

Chief Cooke had e-mailed the Board a copy of last year's Investment policy for review prior to the meeting. He discussed the annual process and legal requirements within the ESD's 775 Local Government Code Statutes, which required the Board to annually review and approve the investment policy. Following the discussion and annual review of the investment policy, Commissioner Page moved to approve the Investment Policy #P-030 as presented. Commissioner Ferren seconded his motion. The motion carried 4-0.

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

4 – A. FIRE CHIEF'S REPORT - Project updates

Chief Cooke gave the November Fire Chief's report which covered the activities for the month of October, see report for details. Notes of interest or additional board discussion included:

- Placed the medical director vehicle in service
- Onboarded two new Lieutenants to assist in staffing station 11
- Finalized roster for new volunteer recruit academy that had 15 new volunteers beginning with us.
- Worked with Allegiance for approval to operate our medic unit when the current Castroville and Rio Medina units are out on calls, allowing us to keep our Mico unit available up north.

Chief Cooke spoke about the SFFMA organization receiving a SAFER grant. This grant gave the ESD the ability to apply for reimbursement costs, up to approximately \$5000 per cadet, that participates in our academy. Once certified, reimbursements could be made for the cost of physicals, proof of testing, the cost of the gear and the cost of the training.

Chief Cooke had held discussions with Allegiance concerning the use of the ESD's medic unit when station 10 and 15's medic units were in service. Allegiance agreed with the concept and at this point it was just a matter of working out the specifics of response guidelines.

Commissioner Hitzfelder asked Chief Cooke when automated dispatch would become a reality. Chief Cooke explained that this would take some time and would involve training at other agencies.

Medic units and updated arrival dates – It was previously reported at an ESD meeting that the new medic units were coming from Florida, and with a hurricane in the gulf headed to Florida, there were concerns this might affect the early 2025 ETA of the new medic units. Well, Chief Windsor reported sadly the hurricane had in fact affected our medic unit's delivery dates. The expected date is now April first, but a true arrival date remains to be seen. They remained hopeful.

Chief Cooke reported the brush truck at the Ford dealership for engine repairs was still out of service. They had given Lt. Wells an updated ETA that the truck may be ready next week. The new engine for station 14 is on the production line and is expected to arrive sometime in January 2025.

4 – B. CONSTRUCTION COMMITTEE REPORTS AND PROJECT UPDATES

4 – B – 1. STATION #11 CIP - Monthly Draw Approval, Construction Project Updates & YTD Project Costs

Station 11 was substantially completed, and some punch list items and warranty items were still being completed with the contractor. Crews had moved into the facility. Overall, the local community was very excited about the new station. There had been good dialogue with a resident across the street from the station that had an issue with some lighting, but the overall public response had been positive. An open house would be planned to introduce this station to the community. There was no final pay app presented for the November meeting, and it would be presented after all items on the final punch list had been addressed.

4 – B – 2. STATION #10 CIP3 – Remodel Project Construction Updates & YTD Project costs

Construction was complete except for a few punch items concerning the HVAC and the electrical systems. Low voltage was ongoing by in house personnel. Something that had been previously discussed was fixing the driveway. Estimates have arrived and have been reviewed for the driveway project. The driveway could be constructed for approximately \$60,000 to pour a concrete driveway from station #10 annex to the station#10 bays. Last year's budget figure for both the station #10 project and the Annex project was \$500,000. The Annex portion of the project and the driveway were not completed by September 30th. Chief Cook wanted to ensure that the board was comfortable spending the funds during the new fiscal year, since the project was not finished last fiscal year as previously planned. Commissioner Haby and District Administrator Edlund both agreed that it would be cleaner for the auditor to just do the budget amendment for 2024-2025, and this would allow the end of year journal entries for last year's projects to close out, and to move forward without large end of year carryover, except for the pending open purchase orders on apparatus and equipment which were tracked on the PO sheet with solid numbers. Chief Cooke was asked to compile project figures and bring back the discussion regarding a 2024-2025 budget amendment for both the Station #10 annex project and the driveway at another meeting.

4 – B – 3. STATION #14 CIP4 – Remodel Project #14 - Construction Updates & YTD Project costs

Construction was 98% complete except for some electrical that was being installed in the bays at station #14. Chief Esquivel was working to get this project to completion. Much like the station #12's project, all his time was spent working through getting station #11 open by October 1. Commissioner Haby inquired about carryover expenses for this project, and if all the materials had already been purchased. District Administrator Edlund commented that she thought there might have been a few October and November credit card charges that carried over; however, some carryover expenses could be addressed with end of year journal entries to get the expenses in the appropriate year, but anything later than October/November the auditor would frown upon. The Board needed to consider doing a similar 2024-2025 budget amendment like that on the station #10 project if this project was going to run any longer. No further action was taken.

4 – B – 4. STATION #12 CIP2 – Remodel Project #12 – Construction Project updates

Due to the workload in trying to get the LaCoste station #11 up and running by October, nothing had started on Station #12's project. There had been no funds expended on this project. Estimates were being compiled and a meeting was planned with the Mico VFD to determine the next actions needed to move that project forward.

5. NEW OR UPCOMING DISTRICT DEVELOPMENT(S) – DISCUSSION AND ACTIONS ON THE FOLLOWING:

Chief Cooke continued to work with new developments and developers within and around the district. There had been some dialog regarding funding from a new development within the Station #14 coverage area. Chief Cooke would report back when details become more relevant. He had also spoken to the facility on Potranco road, and it had plans to turn on their cloud activities next week. The site off Hwy 90 would kick off in about a month to a month and a half (Spring 2025). The County Road 381 site would follow the project on Hwy 90.

II. EXECUTIVE SESSION – CLOSED MEETING:

The MCESD1 Board of Commissioners will meet in closed executive session as authorized by Texas Government Code Chapter 551 under one or more of the following sections of Chapter 551, Texas Government Code: §§ Section 551.071 (*Consultation with Attorney*) and/or 551.074 (*Personnel Matters*).

- A. Discussions and possible action regarding Personnel matters.

Commissioner Ferren made the motion to meet in a closed executive session under section 551.071 Personnel Matters. Commissioner Haby seconded her motion. The motion was approved with a 4-0 vote. The MCESD1 Board of Commissioners= and Fire Chief Cooke went into executive session at 8:05pm.

Commissioner Hitzfelder moved to adjourn the executive session. Commissioner Page seconded his motion, the motion was approved with a 4-0 vote. President Dziuk adjourned the executive session at 9:17pm.

III. RECONVENE IN OPEN SESSION:

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

President Marvin Dziuk called the meeting back to order at 9:18pm and established a quorum with Board Vice President Rodney Hitzfelder, Board Secretary Tom Page, Board Treasurer Jenny Ferren, and Board Assistant Treasurer Leroy Haby. Also present were Fire Chief Clinton Cooke, District Administrator Polly Edlund, Deputy Chief Jamie Esquivel and Administrative Assistant Lori Stein.

2. Discussion and Possible actions following executive session on executive session item A above:

President Dziuk noted there was no action required.

3. OLD BUSINESS – DISCUSSION AND ACTIONS ON THE FOLLOWING:

President Dziuk called for any old business. There was none.

4. NEW BUSINESS – INTRODUCTION OF ANY NEW BUSINESS

4 - A. Monthly Meeting – December 11, 2024

The next regular meeting of MCESD1 was tentatively scheduled for Wednesday, December 11, 2024, at 7:00pm at the same location. The date and time would be confirmed when the agenda was posted.

5. ADJOURN

Commissioner Ferren moved to adjourn the meeting. Commissioner Page seconded her motion, and the motion passed with a 4-0 vote. President Dziuk adjourned the meeting at 9:19 pm.

RESPECTFULLY SUBMITTED,



POLLY EDLUND, DISTRICT ADMINISTRATOR

MCESD1 PRESIDENT



MARVIN DZIUK, PRESIDENT