

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

MINUTES

WEDNESDAY, AUGUST 9, 2023, 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 7:01pm, and established a quorum with Board Vice President Rodney Hitzfelder, Board Secretary Tom Page, Board Treasurer Terry Beck, and Board Assistant Treasurer Jenny Ferren present. Fire Chief Clinton Cooke, Assistant Chief Sarah Windsor, District Administrator Polly Edlund, Administrative Assistant Lori Stein, Deputy Chief of Operations Jamie Esquivel, MCESD1 Chaplain Daniel Clark, and Analyst Ronda McNew were also in attendance. Additional attendees were MCESD1 Lieutenants Ian Zabel, and Brandon Doucet, MCESD1 Firefighters/EMS personnel Lucas Lopez, Colt Strickland, Zane Maurer, and MCESD1 citizen Doris Jungman.

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

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

1 – B. INVOCATION:

Chaplain Daniel Clark led the assembly in prayer.

1 – C. RECOGNITION OF SPECIAL GUEST(S) / RECOGNITION(S):

None.

2. CITIZEN COMMENTS:

None.

3. ADMINISTRATION - DISCUSSIONS & RESOLUTIONS/ACTIONS ON THE FOLLOWING:

3 – A. MINUTES, RESOLUTION of ACCEPTANCE – (July)

Commissioner Page noted that he had a couple of corrections to the minutes:

- Section 1-C, the sentence 'Mr. Mangold quantified several reasons for his deep appreciation: the growth of the area exemplified by present and future planned subdivisions, the increase of regular and construction-related vehicle traffic on FM 741S, FM 2790, and Macdona/LaCoste Road, and continual concern and delayed responses due to the railroad tracks that divides LaCoste. Correction 'FM 741S' to 'FM 471S'.
- Section 3-F, the sentence 'Since attorney Ken Campbell is currently legal counsel for both MCESD1 and MCESD6, he was required by law to notice both ESDs ... Change 'notice' to 'notify'.

Commissioner Page moved to approve the minutes as amended. Commissioner Hitzfelder seconded his motion, and the motion was approved with a 4-0 vote.

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

Chief Cooke reviewed the July 2023 Finance Report that was presented to the members of the Board. The report detailed the budget versus actuals showing all the fiscal year-to-date transactions covering the period of October 1, 2022, through July 31, 2023, listed by chart of accounts categories, listed all transfers, deposits, and remittances, and a summary of all account balances. Chief Cooke noted that the district is ten months or 83.33% into the current fiscal year and on track with budget and he is comfortable with the current monetary position. The district has collected 98.36% of the ad valorem property tax, having approximately \$34,810 remaining to collect. Sales tax is running an average of 7.54% increase, and the district budgeted an 8.8% increase for the year though the difference is made up by the increase in interest payments. The report does show receipts of just over \$1.1M. This included the insurance payout of \$165K for the burned brush truck and the final construction loan proceeds from the Station 15 CIP of \$971K. Architecture fees are above the estimated budget, but this amount is covered by the planned loan payment for Station 11 that will not take place this year. In total our budget is running at 75.66% of the total budgeted amount, which is 8% under on expenses. This includes the mid-year changes of the purchase of radios for over \$400K. There are no accounts that are completely out of line, and the administration continues to monitor and will make needed adjustments to next year's budget regarding utilities at Station 15. The district expects to end this year placing over \$1.4M in the bank compared to the beginning balances of the year. In the month of

July, the district made \$36,067.88 on its investments. Chief Cooke stated that funds have not been received for recent deployments from the funding agencies involved.

Commissioner Hitzfelder moved to accept the July treasurer's report as presented. Commissioner Ferren seconded his motion, and the motion was approved with a 4-0 vote.

3 – C. SALES TAX REPORTS (July/YTD):

Chief Cooke noted that the district received the August 2023 net sales tax deposit total from the Comptroller, and it is tracking 7.54% over the 2022 sales tax totals for the same period and right on budget.

3 – D. AUDIT REPORTS:

District Administrator Edlund reported that the audit reports were submitted to and accepted by the Commissioners Court. District Administrator Edlund stated that the next audit report for the 2022-2023 fiscal year should be ready to submit before December 2023.

3 – E. MCAD VALUATIONS FOR 2023-2024 BUDGET YEAR:

Chief Cooke stated the valuation information received in July, from Medina County Appraisal District, indicated \$2.837 billion in appraised value, a \$5.19M increase over the previous year. In 2023 the district had 5,658 homesteads with an average taxable value of \$322,405 compared to 2022's numbers of 5,108 homesteads with an average taxable value of \$325,736. The district increased its taxable value by \$211,430,422 of new properties built during the 2022 calendar year. This increased the total property count by 1,089 that MCESD1 must provide protection to from 15,625 in 2022 to 16,714 in 2023.

Commissioner Hitzfelder and President Dziuk inquired about the homestead exemption and over 65 exemption that was discussed during the June of 2022, board meeting and was informed by Chief Cooke that that the district missed the deadline to request the exemptions.

3 – F. DISCUSS AND APPROVE MCESD1'S PROPOSED TAX RATE and BUDGET FOR 2023-2024:

Chief Cooke stated that one of the most important decisions the Board faces is the setting of the ad valorem tax rate for the district. The MCESD1's adopted 2022 tax rate was \$0.090 per hundred dollars of assessed value taxing the average homestead at \$293.16 for the year to provide fire and EMS coverage. Other portions of Medina County separated fire and EMS (*overlapping two ESDs*) allowing a combined tax rate larger than \$0.10 per hundred dollars; currently the combined average is \$0.13 per hundred in value for those areas of Medina County. The absolute maximum MCESD1 rate that can legally be approved was \$0.10 per hundred valuations.

The Medina County Appraisal District submitted certified valuations to the MCESD#1 on July 25th. The Certified valuations for MCESD#1 came in at 2,581,988,213. The MCAD was still holding protests and had them scheduled through September. The valuations total still under ARB review was reported to be an estimated 331,329,753 in valuations. The grand total certified and guaranteed was approximately \$2.837 billion. The Board noted that this year had some of the highest increases in valuations in several years. The Board discussed the different rates and revenues generated by each rate. The de minimis rate came in at \$0.0972 per hundred dollars of assessed value, the highest available rate the district could approve without causing an automatic election, and this rate would generate \$671,983 more in projected property tax revenues.

Chief Cooke noted this rate would allow MCESD1 to support its efforts to meet and achieve a higher standard of response. The Board discussed the taxation formulas and how future rates could be affected by the decisions made this budget year. Future revenues needed to support additional stations could be subject to a possible election in the future, should the District approved a lower rate today. The District could be put into a position for a required election, to get rates back to where they are needed, to support future needs, if a lower rate was approved now and drove the de minimis rate down.

Chief Cooke asked the Board to consider adopting the highest available rate that would not require an election knowing that MCESD1 tax rate would be capped by the de minimis rate \$0.0972 per hundred of assessed value as the district strives to meet a higher standard of response. District Administrator Edlund concurred with Chief Cooke on maintaining or increasing the tax rate citing several scenarios to justify her opinions. Commissioner Beck asked what tax rate the proposed budget was based on, and Chief Cooke responded that the proposed 2023-2024 budget was based on last year's rate, the \$0.090 per hundred assessed values. Following many discussions and concerns, Commissioner Hitzfelder moved to approve the proposed tax rate of \$0.095 per one hundred dollars of assessed value. Commissioner Page seconded the motion, the motion on the proposed tax rate was a roll call vote, and was approved unanimously with a 4-0 vote, President Dziuk concurring. The Board will discuss the proposed tax rate more during the August 23, 2023, hearing and the September regular meeting prior to setting the tax rate for 2023-2024 budget. District Administrator Edlund will publish the proposed tax rate in the local newspaper as required within the state-mandated time limit.

Chief Cooke cited some additions/highlights to the 2023-2024 proposed budget. These items included an apparatus equipped with 107-foot ladder, a 3,000-gallon pumper/tender for Station 12 moving their current Type 3 tender to Station 14 on FM 1283 which better fits their response area, medical equipment for EMS, and an oxygen concentrator to produce medical

grade oxygen. Other items noted were 24/7 personnel at the FM 1283 station; in addition to funds in the proposed budget to convert an existing building on a proposed property to a station.

3 – G. TRUTH and TAXATION CALENDAR UPDATE FOR APPROVING BUDGET and TAX RATE and AUGUST HEARING DATE:

District Administrator Edlund announced the following truth and taxation calendar dates:

Public Hearing to discuss the proposed tax rate and the proposed budget: Wednesday, August 23, 2023, at 7:00pm in the Courtroom of the Medina County Precinct 2 building located at 8366 FM 471 S, Castroville, TX.

Followed by the regular September meeting if additional time was needed to approve the budget and tax rate.

4. FIRE CHIEF'S REPORTS – DISCUSSIONS and ACTIONS ON THE FOLLOWING:

4 – A. FIRE CHIEF'S REPORT – PROJECT UPDATES:

Administration:

- Chief Cooke developed and presented the first draft of the 2023/2024 budget to the finance committee.
- Chief Cooke finalized construction bids and contract for LaCoste.
- Chief Cooke attended the Medina County Commissioners Court meeting.
- Chief Cooke finalized the audits for prior years and submitted them to the County.
- Chief Cooke responded to a request for information from the County.
- Chief Cooke continued to seek land for a suitable spot for temporary then permanent facility between Mico and Rio Medina in the FM 1283 area.
- Chief Cooke finalized Operation Lone Star Grant and is preparing it for submission in a 'resolution' format.
- Chief Cooke began cybersecurity training and audit for all personnel including ESD Board members.

Operations:

- Chief Cooke presented the Fire Programs Incident Report by Incident Type – Summary (81-total incidents – 26 incident types) and the Department Response Time by District and individual stations – turnout time and travel time noted in minutes. The District continues to improve in response times.
- Chief Cooke reported that crews began wildland firefighter training; upon completion of this training, they will be eligible for a wildland firefighter certification.
- Chief Cooke stated during the month of July that forty-one firefighters had a total of 219 hours of combined firsthand and classroom training. This does not include the online wildland class they are taking.
- Chief Cooke noted that during July, 1,480 hours of staffing were covered with seventeen volunteers supplementing our full-time staff. Had this been career staff, this would have cost just over \$32,500 for the month.
- Chief Cooke reported that as the area continues to dry out the fire danger continues to rise, and the area is in extreme fire danger.

Insurance Services Office (ISO):

- Chief Cooke reported that the initial ISO audit was completed on February 23, 2023. As of July 1st, the Texas Department of Insurance was notified of a Class 5/10W grade for the unincorporated areas and a Class 4 rating for the City of LaCoste. The district received its letter of award from the Texas Department of Insurance for LaCoste and unincorporated areas; however, it will take a few months before the information is in the system for insurance companies to view without needing to review a copy of the actual correspondence.
- The district received notice of a class 4 rating for the City of Castroville and a Class 8B/10 for the Mico response area.

EMS:

- Chief Cooke stated that currently the district continues to prepare their system with no specific updates to report.

Status of District Assets:

- Chief Cooke reported Engine 8115 is currently out of service due to one of the rear wheels coming loose. Pierce is involved and awaiting determination if it will be covered under warranty. Damage is limited to a broken lug stud.
- Chief Cooke noted that all other assets are operational to their capabilities.
- Chief Cooke reported that a vehicle ran into the corner of the Fire Station at Rocky Creek on CR 265.

Additional Activities:

Chief Cooke had many discussions and meetings regarding the operation of the district. A listing of these activities included:

- Conducted multiple discussions with officers from stations.
- Presentation to the finance committee.
- Attended Commissioner Court Meetings.
- Worked with Chief Windsor on Operation Lone Star Grant.
- Multiple discussions with County Officials on response and station location needs.
- Attended a tabletop response exercise at Lytle High School highlighting the counties' emergency alerting system.
- Attended after action with the City of LaCoste for the Independence Day celebration.

- Met with Schattenbol regarding their support of one of our 501c3 with their bingo night.

Public Education and Outreach:

- Chief Cooke reported the district's participation in events at Vista Church. The district continually looks for opportunities to be out in public.

Chief Windsor's Activities:

Chief Cooke reported the following activities of Chief Windsor:

- Attended the STRAC prehospital MCI committee meeting.
- Attended the after-action briefing for the Independence Day events
- Began working, in conjunction with Chief Esquivel, on pricing out the equipment outfitting list for the new apparatus.
- Set up a 30-day trial of two potential ventilators for test group to evaluate.
- Established a department Pulsara account. (Pulsara is a HIPPA-compliant secure, easy-to-use app that unites the entire care team; a platform that allows reduced treatment times, reduced costs, and improvement in patient care.)
- Began working on the departmental setup workbook for Imagetrend. (Imagetrend is data-collection software with built-in tools designed to generate needed reports.) After January 1, the district will no longer use the FirePrograms software.
- Continued working on Operation Lonestar Grant.
- Registered as a Stop the Bleed instructor.
- Began working with Lieutenant Martinez and Captain Ferris to develop the departmental training curriculum.
- Continued working on on-going EMS projects.
- Deployed for a week EMTF/STRAC as a M.I.S.T. (medical incident support team member for the active wildfires throughout the state.)
- Attended various meetings, product demonstrations, and training with Chief Cooke and Chief Esquivel.

Chief Esquivel's Activities:

Chief Cooke reported the following activities of Chief Esquivel:

- Helped arrange 4th of July festivities in conjunction with Chief Windsor.
- Was an active participant on the 4th of July parade and additionally helped in first aid and rehabilitation tent in the evening festivities at the Castroville park with Chief Cooke, Chief Windsor, and our medic staff.
- Attended meeting to discuss the preliminary construction of the LaCoste Fire Station.
- Reported that a contractor came on July 11th, to flow test all the air packs at Stations 10, 11, 12, and 15 with the testing concluded by 10:00pm on the same day. This testing is an annual compliance.
- Worked with the officers and Chief Windsor to analyze situations and create lists of proper tools needed for the new apparatuses on order.
- Arranged with Captain Garcia from Station 12 for the last items of the quartermaster to complete our united inventory and relocate them to the administration office.
- Coordinated leave and vacation schedules; in addition to, the everyday firefighter's schedule, training, and daily station duties.
- Coordinated with maintenance volunteers to perform timely apparatus maintenance and repair mechanical failures. His efforts and those of the maintenance crews continue to save the district money.

4 – B. CONSTRUCTION PROJECT UPDATE - LACOSTE STATION PROJECT STATION 11 NORTH OF RAILROAD:

Chief Cooke stated the district is waiting on utilities, CPS connection and natural gas approval from the City of LaCoste, as well as the notice to proceed related to financial RFP timeline. Chief Cooke expects to get the approval to proceed by the end of August.

4 – C. UPDATE and TIMELINE ON FINANCIAL RFP for the LACOSTE STATION CONSTRUCTION PROJECT:

District Administrator Edlund reported that a financial RFP was sent to seven banks to solicit financing proposals on the funding of the LaCoste Station #11 construction project. Of the seven RFPs sent to financial institutions, one was a 'no bid,' three will send proposals on the financing project and the remainder of the financial institutions contacted have not responded. The RFP is due on August 22nd and the RFP will be discussed with the finance committee and then presented to the Board for a decision to be made at the August 23rd public hearing/meeting. From this date, the attorney must review the contract and the Board should be in a position to fund the first draw by October.

4 – D. CONSIDER and APPROVE REIMBURSEMENT RESOLUTION:

Chief Cooke presented the reimbursement resolution which stated that MCESD1 has paid or will pay, beginning no earlier than August 15, 2023, certain expenditures in connection with construction and equipping of a fire station. The district

reasonably expects to participate in tax-exempt borrowing to finance capital expenditures constituting the project; which are currently estimated not to exceed \$4.3M. The Board desired to declare its official intent pursuant to applicable law to reimburse the district for such capital expenditures on the project with the proceeds of the district's tax-exempt borrowing. This resolution was put into place to prevent any delays in the construction project, should any expenditure be needed prior to the finalizing of the financing contract. Commissioner Hitzfelder moved to approve the reimbursement resolution. Commissioner Beck seconded his motion, and the motion was approved with a 4-0 vote. The resolution became effective immediately upon passage by the Board.

Commissioner Hitzfelder noted the value-engineering presented and discussed by the construction company. Chief Cooke elaborated on these savings: installation of a Lennox-brand air conditioning system instead of a Carrier-brand unit, PEX (cross-linked polyethylene) piping instead of copper piping, a different lighting package, different generator transfer switches, and trapezoidal metal panels on the roof. It was noted that implementing these changes will save approximately \$100K on the 'very base build' fire station.

4 – E. CONSIDER and APPROVE RESOLUTION FOR OPERATION LONE STAR GRANT:

Chief Cooke stated that Governor Greg Abbott announced the availability of \$100 million in grant funding through the Operation Lone Star (OLS) Grant Program to enhance interagency border security operations supporting OLS, including the facilitation of directed actions to deter and interdict criminal activity and detain non-citizens arrested for state crimes related to the border crisis. This availability of funds is limited to only thirty-three counties in the state upon application. Chief Cooke detailed some of the uses envisioned for the grant funds in the areas of information technology, compatible equipment to current apparatuses, and temporary support personnel. MCESD1 found it in the best interest of their citizens that Operation Lone Star be operated for the 2023-2024 fiscal year agreeing to provide applicable matching funds as required by the grant application. In the event of loss or misuse of the Office of the Governor funds, MCESD1 assured that funds will be returned to the Office of the Governor in full. MCESD1 approved the submission of the grant for the Operation Lone Star to the Office of the Governor and designated Fire Chief Clinton Cooke as the grantee's authorized official. Commissioner Hitzfelder moved to approve and sign the resolution for the Operation Lone Star Grant. Commissioner Page seconded his motion, and the motion was approved with a 4-0 vote.

5. NEW or UPCOMING DISTRICT DEVELOPMENT(S) - DISCUSSIONS and ACTIONS ON THE FOLLOWING:

None.

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

Commissioner Beck inquired about the conflict-of-interest situation with MCESD6 regarding the district's Attorney Ken Campbell having a conflict by representing two different ESDs. Administrator Edlund noted it was her understanding that the situation had been resolved when MCESD6 voted to obtain the legal services of a different general counsel. But she would need to follow-up with attorney Ken Campbell.

7. NEW BUSINESS – INTRODUCTION OF ANY NEW BUSINESS:

7 – A. MONTHLY MEETING – AUGUST PUBLIC HEARING and SEPTEMBER MEETING FOR BUDGET AND TAX RATE:

The next regular meeting of MCESD1 was tentatively scheduled for 7:00pm on Wednesday, September 13, 2023, in the Courtroom of the Medina County Precinct 2 building, 8366 FM 471 S, Castroville, TX. Another date noted was Wednesday, August 23, 2023, at 7:00pm for the public hearing on the Tax Rate and Budget in the Courtroom of the Medina County Precinct 2 building, 8366 FM 471 S, Castroville, TX.

7 - B City of LaCoste

President Dziuk was approached by City of LaCoste officials about negotiating a sales tax split with MCESD1, the same type of agreement as the City of Castroville currently has for certain businesses and asked for instructions from the Board on how they would like to proceed.

8. ADJOURN (MOTION):

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 8:52pm.

RESPECTFULLY SUBMITTED,



POLLY EDLUND, DISTRICT ADMINISTRATOR

MCESD1 PRESIDENT



MARVIN DZIUK