

STATE OF TEXAS

COUNTY OF McCULLOCH

CITY OF BRADY

The City Council of the City of Brady, Texas met in a Work Session Meeting on Tuesday June 20, 2023 at 4:00 p.m. with Mayor Aaron Garcia presiding. Council Members present were Missi Elliston, Larry Land, Jeffrey Sutton, Felix Gomez and Gabe Moreno. City staff present were City Manager Erin Corbell, Finance Director Lisa McElrath, Police Chief Randy Batten, City Attorney Sharon Hicks and City Secretary Tina Keys. Also in attendance were James Griffin, County Judge Frank Trull and County Attorney Greg Torres.

1. CALL TO ORDER, ROLL CALL & CERTIFICATION OF A QUORUM

Mayor Garcia called the meeting to order at 4:02 p.m. Council quorum was certified.

2. PUBLIC COMMENTS

There were no public comments

3. INDIVIDUAL CONCERNS

A. Discussion regarding McCulloch County Contribution to EMS expenses.

Erin Corbell presented to Council. Mayor Garcia asked how the two payments were missed at the time. Erin said she believes it was during the time county took over dispatch. Council Member Moreno asked who would have been responsible at that time. Erin said she believes there was never an agreement between the two entities. Erin asked Lisa McElrath if a bill was presented at that time. Lisa said no, she doesn't think so. Jane Huffman said she was the only one on council at the time. Huffman went on to say there was a presentation and the numbers were brought to the county, but they didn't like the amount. They had a meeting and said they didn't budget for it and couldn't afford it. At that time, fire numbers were included. As a gesture, we said we would remove fire numbers and just base the figures on EMS numbers. The County again said they didn't budget for the expenditure. Huffman said the City and County had a meeting saying they have to pay. Erin said then County Judge Spiller came up with a percentage and just to get some money, we agreed to the amount. Council Member Sutton said we had 9-1-1 dispatch and it was all mixed up and it was supposed to cost us less money to move dispatch. Council Member Moreno said we gave them services, and nothing was paid for those two years. Nothing. As a business person, he doesn't understand how that can be allowed. It was a lot of money that wasn't collected. Erin said ultimately it was on County and City leadership at the time to come up with an agreement. Council Member Elliston said there were multiple meetings for years. Mayor Garcia asked "we agreed to \$142,000"? Jane Huffman said yes, under the understanding that moving forward we are going to get those amounts up to where they should be. Huffman said she requested the actual bill the county received as well as their documents. The bill shows it lines up and was on the check stub that the county wrote that it lined up with our reporting. Mayor Garcia said if we accepted \$142,000 back then, would we accept \$142,000 for those two years of service as well. Mayor Garcia asked what the difference was for those years. Erin said she wouldn't have those numbers. Mayor Garcia said if everything worked out like it should have, we would have accepted payment of \$142,000 plus 10%. Erin said we got \$157,300 the next year, roughly 10%. Erin said there was no payment received from the county to the city from January of 2018 to October of 2021 yr. Council Member Moreno said they got 33 months of free service. They budgeted the year before but didn't budget for those years. It doesn't make sense. Council Member Moreno asked what the county said at the time and Jane Huffman said they said they couldn't afford it and they wouldn't do it. Council Member Moreno said we have to come with some resolution, but he doesn't think we can come to that resolution without getting input from the county commissioners. Judge Trull showed Mayor Garcia the Interlocal Agreement signed September of 2020. It was worked between the

two entities. The next year, they didn't have another Interlocal, so they added 10% and that's the check that was written. Erin said the interlocal auto renews each year. City Attorney Hicks asked Judge Trull why there were no payments made. Trull said that was when the jail was being built and there was talk about who would be providing dispatch services, it was a tradeoff. Trull said it is in the City minutes and everybody recognized that an agreement was not going to be made. He believes somebody moved to put it off. It wasn't anything malicious. Nobody could agree. Council Member Moreno said if you normally have that cost in the budget, wouldn't you again put that \$150,000 in the budget every year? Erin said that was Judge Spiller. Erin reminded council that the taxpayers of the city already pay county taxes and those taxes pay to cover the cost of dispatch. Council Member Elliston said the City offered to keep dispatch but the County chose not to do that. She's not sure why. Council Member Sutton said there was a meeting with County Commissioners and City Council and they were talking about the trade off, but nobody ever really came around with anything solid. There was also a question of how much dispatch cost, and we decided that it might save the city money because we wouldn't have to have dispatch. Council Member Sutton said the Chief told council we had to have dispatch. Erin said because we had to have our transmission operator, it didn't save us any money. City Attorney Hicks said we've been trying to negotiate a new agreement with the County. Erin said Judge Spiller could not articulate how he came up with his percentage. Council Member Elliston said we have an amount of what it costs to provide those services and are only requesting the bare minimum for those services. Erin said the County is paid through August 31st of this year. Greg Torres said they still believe that interlocal agreement is in effect. Erin said they notified them several times in writing. Greg said it was never a council action. Erin said it was a council action. Judge Trull said they brought additional money but haven't agreed on what the number is. Sharon Hicks asked about the prior two years that nothing was paid. That needs to be addressed. Also, under the current agreement they paid \$190,000 but the issue is, the City sends a bill for what they feel is fair and the County comes back and agrees to pay a different amount. And how do we go forward. What is the appropriate formula. The allocation of prorated share doesn't take into account the fixed costs. If you take the city budget for EMS and you take the residents of the city and county, you see the residential cost is \$400,000. Council Member Land he thinks we can come up with an agreement. There is a positive trend. Council Member Land asked how the formulas were derived. Erin reviewed the formulas. Erin said we take the total expenditures and reduce by total revenues and apply the percentage of county calls to the net cost. Erin said the County asked to not include Melvin, so that was taken out. The Judge's formula is to apply the 15% to the gross cost, and reduce that by the payments made on county calls and a percentage of the RAC grant received by EMS. Erin said that is based purely on calls. There is an availability cost that isn't being taken into consideration at all. Judge Trull said if you go on what it would cost rather than what you actually spent, it's a huge difference. Council Member Sutton said you have to figure in fixed costs some way. Sharon Hicks said in the formula we are using now, there is no cost figured in for unbillable calls. Erin said any time we respond to an accident, if the people decline treatment, that is not being figured in. Council Member Elliston said we base our numbers on what our staff has determined the costs are. We may not ever come to an agreement. Even excluding the fixed costs, the numbers are literally just the billed calls, and not taking into account ambulance wear and tear and other costs. The city is absorbing a lot of costs. Erin said all we are taking into account is calls ran, not fixed costs. Sharon Hicks said she thinks all we're asking for now is bare bones. Council Member Elliston said she doesn't feel like we have any room for negotiation. Council Member Moreno asked what do we do about the previous months that are owed. How is that paid back. Council Member asked Judge Trull if there is a plan. Judge Trull said all we have talked about is the previous years EMS cost. Greg said there is no contract for those years. Jane Huffman asked isn't the county responsible, by law, to provide 9-1-1 service. When the county decided to take back dispatch, to save them costs, they insisted on taking dispatch. So really, the law is the county is responsible so they can't make the city pay for that service because the county has to provide it. Jeff asked the county to get 3 bids on what it would cost to provide EMS service. Greg Torres said he believes we can work it out and asked what the biggest issue is with Judge Trull's formula. Mayor Garcia said they biggest issues is we provide the service and our staff came up with a figure that we believe is fair. Greg Torres ask about the possibility of

using Judge Trull's formula in the future. Sharon Hicks said it doesn't take into account that the city is not allowed to provide a gift to another entity. It is her opinion we are giving them the fair bare bones and not taking a lot of costs into account. His formula is a viable formula but further erodes the city's costs. Mayor Garcia said this council speaks for 66% percent of the county and we have to represent that portion of the county in the best way. Council Member Moreno said the previous council said they would waive the unpaid years if the County agrees to pay what we are asking. The county chose not to, and he doesn't agree with that. He feels like they're not trying since they've already been given \$400,000. Judge Trull said he wishes he had brought the interlocal agreement because there were other things as well.

Lisa McElrath said she interprets Judge Trull's formula is utilizing the percentage of calls to the expenditures of EMS but not to the revenues. When you take a percentage, you have to apply it across the board. Instead of applying 15 % to the expenditure piece only, you should apply it to the revenues collected as well. It could possibly cost more to provide EMS services outside the city limits: additional gas, wear and tear on the ambulance, personnel time. The City was not going to break it down that precise. To be fair, we would take the total number of calls, apply a pro rata percentage and apply it across the board. The percentage has to be applied to the expenditure and to the revenue as well, since the percentage applied by nature limits actual costs and then consequently actual revenues. The discrepancy is where the county would like to be given full credit to all payments received by outside city limit clients, expecting staff to add up all these numbers and take so much time when you can apply a formula that would be more efficient. Council Member Elliston said we have an incredibly competent financial director and city manager and to not allow them to do their jobs, would be a disservice. We need to utilize a formula our staff has brought forth. That's what we pay them for. Judge Trull said he is in the same position and said there was nothing malicious. Council Member Elliston asked how the County feels about the two years that was not paid. Judge Trull said there really has been no discussion. Erin Corbell said there is a line in the interlocal agreement that the county also does not want to contribute to emergency management any longer. Council Member Moreno said he wants to know where they stand. Judge Trull said we're trying to come up with an interlocal agreement - come up with a 3-year fixed agreement. Council Member Moreno said the costs would fluctuate every year. Mayor Garcia asked if the county has looked at what it would cost to have their own EMS service. Judge Trull said in Coleman the city pays an amount and county pays and the hospital pays and it's a lot cheaper. Council Member Land said the judge and city manager have done excellent jobs. The problem is it's not pinned down. We're very close. He has looked at the two formulas and they're both the same but \$15,000 apart. Surely they can sit down and come up with a formula to compensate for that difference. Council Member Land said he thinks a flat fee for 3 years is a fantastic idea. Council Member Elliston said she does not agree. Greg Torres said everybody agreed to pay the \$190,000. The citizens do not want a 3rd party EMS. They want to come up with an agreement. Council Member Moreno said he agreed but he agrees with Council Member Elliston. We're paying Erin Corbell and Lisa McElrath and they're doing a great job. To come up with another amount is undermining our staff. Greg Torres asked if there is opportunity to move off of the city's formula. Council Member Elliston said she feels like we have to stand by our staff formula. Council Member Moreno said our formula has already been stripped down as much as we feel is fair, and the county needs to consider the 2 years that wasn't paid. Greg Torres said the commissioners will say they don't owe anything because they took over dispatch. Council Member Elliston said we were paying \$50,000 for dispatch so they think that's what dispatch is worth. Council Member Moreno asked if anybody came up with a cost for dispatch. Erin Corbell said all residents, including Council Moreno, as a citizen of McCulloch County, already paid for dispatch. Council Member Moreno said he is willing to forgive the 33 months. Attorney Hicks said she wants to further discuss the item in Executive Session. There are three items to discuss - whether to waive or offset prior years, what the current rate should be and what the proposal is with a 3 year plan. Greg Torres said he would like to have a set cost. Council Member Elliston said she thinks our staff should come up with a figure every year and if the county wants to keep the service, they will have to pay it. Council Member Elliston said this will continue to be an issue and it needs to be done every year with a set percentage. Mayor Garcia said

we need to come to an agreement, but this needs to not take any more time. We need to figure out whatever it is that isn't short changing anybody. Erin asked what if the dollar figure isn't set but the percentage is. Council Member Land said he thinks it's silly not to provide the service. Council Member Moreno said we're not here to make money, but we just can't lose money.

No action was taken

4. ADJOURNMENT

There being no further business, the Mayor adjourned the meeting at 5:42 p.m.



Mayor Aaron Garcia

Attest:



Tina Keys, City Secretary