

**ECTOR COUNTY EMERGENCY SERVICES DISTRICT NO. 1
ECTOR COUNTY EMERGENCY SERVICES DISTRICT NO. 2
JOINT PUBLIC HEARING AND PUBLIC MEETING MINUTES**

August 20, 2026, at 6:00 pm

VFW & Auxiliary Post 4372, VFW Meeting Room, 208 E. VFW Lane, Odessa, Texas 79762

Board Members Present	Rick Mitchell; Cody Dennis; Patti Kappauf; Casey Sullivan
Board Members Absent	Danny Nordman
Others Present	Zac Durham, District Administrator; John Peeler, District Counsel; Melissa Wiggins, legal team (remote); Katie Norris, bookkeeper (remote); Mr. Wood, Acadian Ambulance representative; other attendees and members of the public.

Executive Summary

The Boards conducted a joint public hearing and public meeting of Ector County Emergency Services District No. 1 and Ector County Emergency Services District No. 2. Commissioners Rick Mitchell, Cody Dennis, Patti Kappauf, and Casey Sullivan were present; Danny Nordman was absent. A quorum was established for both Districts.

- ✓ conducted the required public hearing on the proposed 2026 tax rates; no public comment on the tax-rate proposal was received,
- ✓ adopted the FY 2026-2027 budget for ESD No. 1 by a 4-0 vote,
- ✓ adopted a total 2026 ad valorem tax rate of \$0.08 per \$100 valuation for ESD No. 1 by a 4-0 roll-call vote,
- ✓ adopted the FY 2026-2027 budget for ESD No. 2 by a 4-0 vote,
- ✓ adopted a total 2026 ad valorem tax rate of \$0.08 per \$100 valuation for ESD No. 2 by a 4-0 vote,
- ✓ elected Casey Sullivan as Assistant Treasurer / Secretary,
- ✓ approved the financial reports and payment of bills totaling \$18,486.82 for ESD No. 1 and \$17,849.33 for ESD No. 2,
- ✓ increased the District Administrator credit-card limit to \$10,000, with a formal purchasing/credit-card policy to return for Board action,
- ✓ authorized purchase of a District-owned records scanner for no more than \$500 and approved a District-owned meeting recorder by a 3-1 vote
- ✓ authorized the President to proceed to closing on the ESD No. 2 real-property purchase,
- ✓ after Closed Session, rejected the existing EMS RFQ/RFP procurement results and established a committee consisting of Patti Kappauf, Cody Dennis, and Zac Durham to identify and meet with ambulance providers,
- ✓ authorized further action concerning the ESD No. 2 real-estate matter discussed in Closed Session,
- ✓ approved interlocal cost allocations for ESD No. 1 to pay ESD No. 2 fifty percent of the 1936 location purchase/related costs and fifty percent of shared District Administrator costs,
- ✓ directed that the revised VFD contract form be circulated for review and brought back for approval at the next meeting, and
- ✓ approved engagement of McCall Gibson Swedlund Barfoot Ellis, PLLC for the required audits of both Districts.

Formal Minutes by Agenda Item

• Agenda Item 1 - Call Public Hearing to Order, Roll Call, and Establishment of Quorum

The joint public hearing was called to order at approximately 6:05 p.m. President Rick Mitchell, Vice President Cody Dennis, Secretary Patti Kappauf, and Commissioner Casey Sullivan were present. Treasurer Danny Nordman was absent. A quorum was established for both Districts.

- **Agenda Item 2 - Open Public Hearing on Tax Rate Proposal (limited to 3 minutes each)**

The Boards opened the public hearing on the proposed tax rates for ESD No. 1 and ESD No. 2. No public comment on the proposed tax rates was received.

No action taken.

- **Agenda Item 3 - Adjourn Public Hearing on Tax Rate Proposal**

The public hearing concluded at approximately 6:08 p.m.

Motion	Adjourn the public hearing on the tax-rate proposal.
Made By	Patti Kappauf
Seconded By	Cody Dennis
Vote / Result	Passed 4-0; public hearing adjourned at approximately 6:08 p.m.

- **Agenda Item 4 - Call meeting to Order, Roll Call, and Establishment of Quorum**

The regular joint public meeting was called to order at approximately 6:08 p.m. The same four commissioners were present, Danny Nordman was absent, and a quorum was established for both Districts.

- **Agenda Item 5 - Public Comment - limited to 3 minutes per item. (Public Fill Out Comment Card before meeting and turn into Board Secretary)**

Mr. Wood, representing Acadian Ambulance, thanked the Boards for the opportunity to submit an EMS-services proposal and discussed Acadian's experience, including carrying blood in other markets. No other public comment is reflected in the recording.

No action taken.

- **Agenda Item 6 - Review and approve August 3, 2026, minutes**

The August 3, 2026 minutes were not available for approval. The item was deferred to a future meeting.

No action taken.

- **Agenda Item 7 - To consider and adopt the 2027 Budget for Ector County ESD No. 1**

The Board reviewed the previously proposed ESD No. 1 FY 2026-2027 budget, \$5.1 million in total income and an approximately \$1.4 million budgeted surplus. Office expenses and retirement/Social Security assumptions were discussed.

Motion	Adopt the FY 2026-2027 budget for Ector County ESD No. 1.
Made By	Patti Kappauf
Seconded By	Casey Sullivan
Vote / Result	Passed 4-0.

- **Agenda Item 8 - To adopt the 2026 Ad Valorem Maintenance and Operations Tax Rate for Ector County ESD No. 1**

No separate action taken; the District had no pledged debt and the full rate was maintenance and operations.

- **Agenda Item 9 - To adopt the 2026 Ad Valorem Debt Tax Rate for Ector County ESD No. 1**

No action taken. No debt tax rate was required.

• **Agenda Item 10 - To adopt the 2026 total Ad Valorem Tax Rate for Ector County ESD No. 1**

Legal counsel explained that ESD No. 1 had no pledged debt and that its entire tax rate was maintenance and operations. No separate debt-rate action was required. The statutory tax-rate action was taken under Agenda Item 10.

Motion	Adopt the 2026 total ad valorem tax rate for Ector County ESD No. 1 at \$0.08 per \$100 valuation using the required statutory motion language.
Made By	Patti Kappauf
Seconded By	Casey Sullivan
Vote / Result	Passed 4-0 by roll-call vote: Rick Mitchell - yes; Cody Dennis - yes; Casey Sullivan - yes; Patti Kappauf - yes. Motion stated the \$0.08 rate was effectively a 72% increase in the tax rate.

• **Agenda Item 11 - To consider and adopt the 2027 Budget for Ector County ESD No. 2**

The Board reviewed the ESD No. 2 FY 2026-2027 budget, including District Administrator salary allocation, Odessa Fire Rescue service costs, and the EMS bridge-provider budget assumption.

Motion	Adopt the FY 2026-2027 budget for Ector County ESD No. 2.
Made By	Patti Kappauf
Seconded By	Cody Dennis
Vote / Result	Passed 4-0.

• **Agenda Item 12 - To adopt the 2026 Ad Valorem Maintenance and Operations Tax Rate for Ector County ESD No. 2**

No separate action taken; the District had no pledged debt and the full rate was maintenance and operations.

• **Agenda Item 13 - To adopt the 2026 Ad Valorem Debt Tax Rate for Ector County ESD No. 2**

No action taken. No debt tax rate was required.

• **Agenda Item 14 - To adopt the 2026 total Ad Valorem Tax Rate for Ector County ESD No. 2**

As with ESD No. 1, legal counsel explained that no separate debt-rate action was required. The statutory tax-rate action was taken under Agenda Item 14.

Motion	Adopt the 2026 total ad valorem tax rate for Ector County ESD No. 2 at \$0.08 per \$100 valuation using the required statutory motion language.
Made By	Patti Kappauf
Seconded By	Cody Dennis
Vote / Result	Passed 4-0. Motion stated the \$0.08 rate was effectively a 0.72% increase in the tax rate.

• **Agenda Item 15 - Elect Office for newly appointed Board Member.**

The Board considered the open Assistant Treasurer / Secretary officer position for Commissioner Casey Sullivan.

Motion	Elect Casey Sullivan as Assistant Treasurer / Secretary.
Made By	Cody Dennis
Seconded By	Patti Kappauf

Vote / Result	Passed without opposition.
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• **Agenda Item 16 - Review and take action on financial items for Ector County ESD No. 1 and Ector County ESD No. 2, including but not limited to:**

Bookkeeper Katie Norris presented the July 31 financial reports. ESD No. 1 total cash available was reported as \$3,633,641.58 and property-tax revenue received through July 31 as \$4,798,743.43. ESD No. 2 total cash available was reported as \$3,599,041.93 and property-tax revenue received through July 31 as \$4,798,741.23. The two District financial databases and charts of accounts were reported as separated and corrected.

Motion	Approve the financial reports for ESD No. 1 and ESD No. 2.
Made By	Cody Dennis
Seconded By	Casey Sullivan
Vote / Result	Passed without opposition.

The Board discussed transition of banking from Frost Bank to Prosperity Bank, signer/profile paperwork, credit-card reconciliation, and the need for a formal purchasing/credit-card policy.

Motion	Increase the District Administrator's credit-card limit to \$10,000 outstanding balance.
Made By	Patti Kappauf
Seconded By	Casey Sullivan
Vote / Result	Passed 4-0.

Bills presented for payment totaled \$18,486.82 for ESD No. 1 and \$17,849.33 for ESD No. 2.

Motion	Approve payment of the presented District bills.
Made By	Cody Dennis
Seconded By	Casey Sullivan
Vote / Result	Passed without opposition.

A District Administrator reimbursement request for a drug-test expense was not ready for processing and was deferred. Discussion of fractional/strategic CFO resources was also deferred so additional providers could be considered.

No action taken on the reimbursement request or fractional CFO engagement.

• **Agenda Item 17 - Review, discuss and take any action on submittals of thirty (30) day advance request(s) for necessary purchases related to the provision of emergency services.**

The Boards reviewed thirty-day advance requests and related procurement needs. Vehicle concepts, graphics, commissioner shirts, and future fleet planning were discussed. No separate formal action was taken under this item.

No action taken.

• **Agenda Item 18 - To review and act on the acquisition of equipment and vehicles, including approval of acquisition financing for same.**

The Board discussed the District Administrator vehicle and procurement options, including an \$80,000 expense cap. The Board also considered District-owned records equipment for the Board Secretary function, including a scanner that would remain a District asset and be tracked by serial number.

Motion	Cap the District Administrator vehicle expense at \$80,000.
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Made By	Casey Sullivan
Seconded By	Cody Dennis
Vote / Result	Passed 4-0.
Motion	Authorize purchase of a District-owned document scanner for no more than \$500.
Made By	Not reliably identified in the available transcript; Board review requested.
Seconded By	Patti Kappauf
Vote / Result	Passed without recorded opposition.

The Board considered purchase of a District-owned records scanner for no more than \$500 and a District-owned meeting recorder. The recorder procurement discussed was a Philips VoiceTracer DVT8115, priced at approximately \$202.02, with authorization not to exceed \$300 including necessary accessories.

Motion	Authorize purchase of a District-owned Philips VoiceTracer DVT8115 meeting recorder, not to exceed \$300 including necessary accessories.
Made By	Cody Dennis
Seconded By	Casey Sullivan
Vote / Result	Passed 3-1; Cody Dennis voted against the motion.

Laptop cases were discussed. Commissioners were expected to protect their own laptops; no District purchase was approved.

No action taken on laptop cases.

• **Agenda Item 19 - Review, discuss and take any action on EMS and Fire Station Location Planning.**

No new station-location action was taken. Discussion reflected that work remained focused on the first ESD No. 2 building.

No action taken.

• **Agenda Item 20 - President's Report**

President Mitchell recognized newly appointed Commissioner Casey Sullivan and provided brief District updates. No separate formal action was taken.

No action taken.

• **Agenda Item 21 - District Administrator Report on current matters, including:**

District Administrator Zac Durham reported on current matters, including vehicle concepts, logos, uniforms/Board shirts, EMS-provider matters, station matters, and VFD contracts. VFD-contract and OFR/EMS negotiation matters were identified for Closed Session.

No action taken.

• **Agenda Item 22 - To review, discuss, and take action regarding the District using backgroundchecks.com during the hiring process**

The Board discussed background-check options and whether local alternatives could be used. No vendor selection or formal authorization was completed under this item.

No action taken.

• **Agenda Item 23 - Board Secretary's Report**

The Secretary reported on action-item tracking, outstanding Public Information Act/Open Meetings Act training, upcoming deadlines, records management/SharePoint, purchasing groups, and credit-

card/spending-policy matters. The Board discussed restoring earlier board-packet submission deadlines and developing a formal purchasing/credit-card policy.

No action taken.

• **Agenda Item 24 - Legal Counsel's Report**

Legal counsel reviewed conflict-of-interest requirements under Texas Local Government Code Chapters 171 and 176, including substantial-interest disclosures, abstention requirements, and vendor relationship disclosures.

No action taken.

• **Agenda Item 25 - Discuss and confirm upcoming regular and special meeting dates and future agenda items**

The Boards discussed upcoming meeting dates and future agenda needs. The post-Closed-Session recording references September 14 as the next meeting date and an expectation that ambulance-provider contract negotiations be ready for Board consideration at that meeting.

No action taken.

• **Agenda Item 26 - Closed Session pursuant to Texas Government Code §551.071 – Consultation with Legal Counsel on litigation, settlements or confidential matters under Texas Bar Rules.**

• **Agenda Item 27 - Closed Session pursuant to Texas Government Code §551.072 – Real Property, including location and price of proposed real estate acquisitions.**

• **Agenda Item 28 - Closed Session pursuant to Texas Government Code §551.074 – Personnel Matters including District administrative staff, emergency response staff, Command Staff and District Administrator.**

• **Agenda Item 29 - To meet in Closed Session pursuant to Govt Code §551.0761 to deliberate regarding security devices or security audits.**

• **Agenda Item 30 - To meet in Closed Session pursuant to Govt Code §551.0761 to deliberate regarding Critical Infrastructure Facility and Cyber Security.**

The Boards considered entering Closed Session under Texas Government Code §§551.071 and 551.072 and the authorities listed in posted Agenda Items 28, 29, and 30. President Mitchell announced that the Boards entered Executive Session at 8:06 p.m. The Boards later reconvened in Open Session; no reconvening time was announced on the recovered recording.

Motion	Enter Closed Session under Texas Government Code §§551.071 and 551.072 and the authorities listed in posted Agenda Items 28, 29, and 30.
Made By	Patti Kappauf
Seconded By	Cody Dennis
Vote / Result	Passed 4-0; Executive Session began at 8:06 p.m.

- **Agenda Item 31 - Review and act regarding selection of emergency medical services/ambulance provider for Ector County ESD No. 2, including review of RFP process.**

After returning to Open Session, President Mitchell stated that the Boards would consider rejecting the existing EMS RFQ/RFP procurement results and establishing a committee to identify and meet with ambulance providers. The committee consisted of Patti Kappauf, Cody Dennis, and Zac Durham.

Motion	Reject the existing EMS RFQ/RFP procurement results and establish a committee of Patti Kappauf, Cody Dennis, and Zac Durham to identify and meet with ambulance providers.
Made By	Patti Kappauf
Seconded By	Rick Mitchell
Vote / Result	Passed 4-0.

- **Agenda Item 32 - To review, discuss, and take any action on real estate matters including sales, purchases, leases, permits, encumbrances, platting, surveying, utilities and acquisition financing.**

The Board addressed the center-property acquisition discussed in Closed Session, including authorization for negotiations and commencement of acquisition proceedings. This center property is separate from the existing 1936 location acquisition.

Motion	Proceed with acquisition proceedings for the center property discussed in Closed Session.
Made By	Cody Dennis
Seconded By	Casey Sullivan
Vote / Result	Passed 4-0.

- **Agenda Item 33 - To review and act on personnel matters, including District administrative staff, emergency response staff, Command Staff and District Administrator, including compensation, benefits, job duties, policies, scheduling, hiring and retention.**

No action taken.

- **Agenda Item 34 - To review, discuss and take any action on Interlocal agreement for Ector County ESD No. 1 to pay Ector County ESD No. 2 for 50% of the 1936 location purchase and related costs.**

The Boards discussed the shared administrative use of the 1936 location and the budgeted allocation between the Districts.

Motion	Approve ESD No. 1 paying ESD No. 2 fifty percent of the 1936 location purchase and related costs.
Made By	Casey Sullivan
Seconded By	Patti Kappauf
Vote / Result	Passed 4-0.

- **Agenda Item 35 - To review, discuss and take any action on Interlocal agreement for Ector County ESD No. 1 to pay Ector County ESD No. 2 for 50% of the shared District Administrator costs and the Administrative Assistant (when hired) who is budgeted and approved by the Board, including but not limited to; salary and benefits.**

The Boards considered the budgeted allocation of shared District administrative personnel costs, including District Administrator costs and Administrative Assistant costs when hired.

Motion	Approve ESD No. 1 paying ESD No. 2 fifty percent of shared District Administrator costs, and applicable shared administrative costs as budgeted and approved by the Boards.
Made By	Cody Dennis
Seconded By	Casey Sullivan
Vote / Result	Passed 4-0.

- **Agenda Item 36 - To review, discuss, and take any action on contracts with area volunteer fire departments.**

The Boards discussed the revised VFD contract form. Secretary Kappauf stated that the form had been simplified and reviewed by District Administrator Durham and had been sent for legal review. The form was not treated as final. The Board requested that the draft be circulated before the next meeting, with the intent to consider approval at that meeting.

No action taken.

- **Agenda Item 37 - To review, discuss, and take any action on third party contracts; including, but not limited to:**

The Board considered audit services and other third-party vendors, including McCall Gibson Swedlund Barfoot Ellis, PLLC for the required audits of ESD No. 1 and ESD No. 2.

Motion	Engage McCall Gibson Swedlund Barfoot Ellis, PLLC for the required audits of ESD No. 1 and ESD No. 2.
Made By	Patti Kappauf
Seconded By	Cody Dennis
Vote / Result	Passed 4-0.

Government Capital and CTSI were discussed, but no additional formal action was taken on those vendors.

No action taken.

- **Agenda Item 38 - Adjournment**

Motion	Adjourn
Made By	Cody Dennis
Seconded By	Casey Sullivan
Vote / Result	Passed 4-0.

Action Item Register

This cumulative register carries forward open items from prior meetings, updates items supported by the August 20 record, and adds new August 20 follow-up items. Items remain active until the meeting record supports completion.

Originating Meeting	Owner	Action Item	Due Date / Timing	Status	Source / Notes
06/18/26	Board / Counsel	Continue evaluation of EMS procurement and provider options.	Ongoing	Reset / In Progress	August 20 rejected existing RFQ/RFP results and created commissioner committee to identify and meet with providers.
06/18/26	ESD No. 1 & No. 2 Boards / Counsel	Continue Third Street/Moss and Gardendale property/site planning.	Ongoing	Open / In Progress	No closure supported by August 20 record.
07/06/26	Danny Nordman	Complete Treasurer bond process for both Districts.	ASAP	Open / Verify Completion	No completion established in August 20 record.
07/06/26	Board Secretary Patti Kappauf	Prepare approved minutes for execution, posting, counsel copy, and official records filing.	After each approval	Ongoing	Standing records-management item.
07/06/26	District Counsel / Clicktunity / Board Secretary	Resolve Clicktunity contract/invoice reconciliation matters.	ASAP	Open / Carry Forward	No closure supported by August 20 record.
07/06/26	Rick Mitchell / Patti Kappauf / CTSI	Continue CTSI contract, invoice, device, service-scope, and pricing review.	Future Board action	Open / In Progress	CTSI remained listed under Agenda Item 37; no new formal action captured.
07/06/26	Patti Kappauf	Continue District logo work.	Before final adoption	Open / Carry Forward	Logo remained under District Administrator report.
07/23/26	Katie Norris / Authorized Signers	Complete Prosperity Bank account/signer/profile transition and transfer/closing steps from Frost.	ASAP	In Progress	Banking transition and signer paperwork discussed August 20.
07/23/26	District Counsel / Katie Norris	Complete separate audit engagements for ESD No. 1 and ESD No. 2.	ASAP	Authorized / In Progress	August 20 Board engaged McCall Gibson Swedlund Barfoot Ellis, PLLC.
07/23/26	District Counsel / Board	Complete annual conflict-of-interest review.	Next meeting	Completed / Ongoing Compliance	Counsel presented conflict-of-interest requirements August 20; commissioners instructed to disclose potential conflicts.
08/03/26	District Administration	Complete Zac Durham onboarding and Patriot Payroll implementation.	ASAP	In Progress	District Administrator active; payroll/reimbursement and administrative items continued.
08/03/26	District Administrator / Boards	Continue evaluation of virtual/fractional CFO options.	Approx. 90 days	Open	August 20 discussion deferred so additional providers could be considered.

Originating Meeting	Owner	Action Item	Due Date / Timing	Status	Source / Notes
08/03/26	District Administration	Purchase ten handheld radios for West Odessa VFD, excluding truck/mobile radio.	ASAP	Authorized / Verify Completion	No completion established in August 20 record.
08/03/26	Board Secretary / Boards	Place property-tax exemptions on an early-2027 agenda.	February 2027 preferred	Future / Open	Carry forward.
08/03/26	District Administrator Zac Durham / District Counsel	Finalize/revise VFD contract form and return for Board approval; funding amounts require Board action.	Next meeting	In Progress	August 20: draft discussed; Board requested circulation and approval at next meeting.
08/20/26	Board Secretary / District Administration / Counsel	Finalize purchasing and credit-card policy, including spending controls, preapproval thresholds, reconciliation, and District Administrator card procedures.	Next meeting / ASAP	New / Open	DA card limit increased to \$10,000; policy requested before/with implementation.
08/20/26	District Administration	Purchase approved District records scanner and meeting recorder as District assets.	ASAP	Authorized / Open	Scanner NTE \$500; recorder terms require final verification.
08/20/26	Commissioners with outstanding training	Complete required PIA/OMA training.	ASAP	Open	Secretary reported outstanding training.
08/20/26	President / District Counsel / District Administration	Proceed with closing of ESD No. 2 real-property purchase and implement approved interlocal cost allocation.	ASAP	Authorized / In Progress	Closing authority and 50% ESD1 cost allocation approved.
08/20/26	Patti Kappauf / Cody Dennis / Zac Durham	Identify and meet with ambulance providers following rejection/reset of prior RFQ/RFP process.	Before next Board meeting	New / Open	Committee established after Closed Session.
08/20/26	District Administrator / EMS Committee / Counsel	Bring negotiated ambulance-provider contract options to the Board.	September 14, 2026 meeting target	New / Open	Post-session discussion set expectation for contracts to be ready for next meeting.

Approved by the Board on: 09-14-2026

Patti Kappauf, Secretary 
