



**CITY COUNCIL WORK SESSION MINUTES
CITY OF ODESSA, TEXAS**

March 2, 2021

On March 2, 2021, a work session meeting of the Odessa City Council was held at 3:00 p.m., Odessa, Texas. Due to the COVID-19, the meeting was teleconferenced, as allowed by the Governor's executive order. City Council was present through teleconference.

City Council present: Mayor Javier Joven; Council members: Mark Matta, District One; Steven Thompson, District Two; Detra White, District Three; Tom Sprawls, District Four; Mari Willis, District Five; and Denise Swanner, At-Large.

Others present: Michael Marrero, City Manager; Norma Aguilar-Grimaldo, City Secretary; Natasha Brooks, City Attorney; Cindy Muncy, Assistant City Manager; Phillip Urrutia, Assistant City Manager; and other members of City staff.

A quorum being present, Mayor Joven called the meeting to order and the following proceedings were held:

Council member White gave the invocation.

Impact Fees 101. Tom Kerr, Director of Public Works/Utilities, reported that Kimley Horn conducted an Impact Fee Study, and the Capital Improvements Advisory Committee was working on the study. He reviewed the study findings, and it was Council's discretion of implementation. Jeff Whitacre, Kimley Horn, stated that there was an infrastructure need with the increase of growth. The stakeholders were the City Council, Advisory Committee, and the general public. The study was for potential adoption of impact fees. He reviewed the adoption process. The committee was halfway through the impact fee process that included planning, analysis, and policy steps. The committee approved the land use assumptions. He stated that the land use assumptions were based on a ten-year growth assumption. There was a projected growth rate 1.3% in the city. The water service, wastewater service, and the roadway service areas were assessed. He provided the history on the assumptions and the funding for the infrastructure. Mr. Whitacre explained the impact fees which was to recoup the cost of facility expansions to new development. He identified the benefits. The funding mechanisms included General Fund, bonds, water sewer rates, and impact fees. The impact fees allowed for Texas were roadway, water, wastewater, and drainage. Chapter 395 allowed a collected flexible fee for infrastructure. The benefits for the developers included that the fee was known and equitable, predictable, and ensured accountability to spend on the project. He reviewed the allowable items to be paid with the impact fees that included the cost of the construction, survey, and engineering fees. Mr. Whitacre explained the allowable uses for the impact fees. He reviewed the required schedule to implement the impact fees. He explained how the boundaries were established from the code requirements and the assistance from staff based on growth patterns. Most cities have impact fee requirements in Texas. John Landgraf, committee member, reported that the committee was discussing ways to fund the projects and impact fees was another tool. The committee would meet with the developers for feedback on the impact fees. The fee amount has not been discussed. Lines P and Q could be projects that can use impact fees. The committee would review the best available mechanisms to fund projects. Recommendations would be made to the Council for consideration. Council member Thompson stated that the developers needed to pay their fair portion and not just the taxpayers.

Keep Odessa Beautiful 2021 presentation. No discussion.

Consider an economic development agreement between ODC and the Ellen Noel Art Museum. Wesley Burnett, Economic Development Director, reported that the Compliance Committee reviewed the application in detail and recommended a \$600,000 grant. The project fit the NAICS code and provided for job creation. The museum would be expanded at a \$12 million capital investment. The project would retain eight jobs and add 16 new jobs with a \$380,000 payroll. Kris Crow, 2388 Bainbridge, stated that the ODC funds were to be used for investment to create jobs. The purpose was to diversify out of oil and gas. He supported the Museum, but other sources of funding should be used for this project. Mr. Burnett stated that the application was reviewed twice due to questions and clarifications. The grant would be spread out over five years and must comply before the funds were distributed. Council member Matta asked if the Hotel/Motel funds could be used. Mr. Marrero stated it was possible, but the qualifications must be vetted. Council member White stated that the amount of request would utilize most of the available Hotel/Motel funds.

Council member Swanner left the meeting.

Tim Edgmon, ODC President, stated that the project was reviewed and the Legal Department vetted the request. He stated that elementary schools used the museum for art. He stated it was important for the quality of life. Austin Keith stated it qualified for the 4A sales tax. The museum has raised \$2.2 million for the project that would be of quality cultural in the community and serve as an educational purpose. Council member Willis stated that it offered places for families to participate as art was important. The quality of life was important for the community to thrive including the students. Council member Thompson stated that the quality of life was important and supported the project. Sheila Perry, Ellen Noel Executive Director, projected that the groundbreaking in 2022 with the opening in 2023. Pledges were being made over several years. With the rising construction cost, the project was moving forward. The project was an investment for Odessa's future.

Consider rejecting the bids for the replacement of security lights at Sherwood Aquatic Center. Steve Patton, Director of Parks and Recreation, stated that the two bids received were over the estimated cost. He recommended rejecting the bids. The bid would be sent out again.

Remove from the table to consider contract extension with Barron Service Parts Company for on-site fleet management and supply. Motion was made by Council member White and seconded by Council member Willis to remove the item from the table. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, White, Sprawls, and Willis
Nay: None

Mr. Urrutia provided background on the Napa parts counter and its benefits. He explained the costs expenses. He reviewed a January invoice. He stated that other Texas cities had a Napa contract and were complimentary of its service. The historical costs of the contract were reviewed. The contract was not to exceed \$1.8 million for parts and management fee. Council member Matta stated that contracts for Council consideration should be presented at least three months prior to expiration and not rush for approval with a retro term. He would like to have other options.

Remove from the table to consider contract extension for tire replacement and repair. Motion was made by Council member Sprawls and seconded by Council member White to

remove the item from the table. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, White, Sprawls, and Willis
Nay: None

Mr. Urrutia provided background on the Southern Tire Mart tire contract and its benefits. He reviewed the costs expenses. He stated that other Texas cities used the same type of contract. The historical costs of the contract were reviewed. The contract provided for two people located at the Solid Waste location to service city tires. He reviewed the time loss without the employees at the city facility. With the contract, there was a cost savings of \$64,000 in overtime. The one-year contract would not exceed \$700,000 annually.

Discuss virtual and in person meetings. Discussion was held on meeting virtually or in person with council meetings and work sessions. The personal responsibility should be respected with social distancing and choice of wearing masks. The Council had a consensus to meet virtually at the work session and in person for the council meetings.

Motion was made by Council member White and seconded by Council member Sprawls to adjourn the meeting. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, White, Sprawls, and Willis
Nay: None

The meeting adjourned at 4:55 p.m.

ATTEST:

APPROVED:

Norma Aguilar-Grimaldo, TRMC, CMC
City Secretary

Javier Joven
Mayor