



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

September 6, 2022

On September 6, 2022, a work session meeting of the Odessa City Council was held at 3:02 p.m., Council Chamber, fifth floor, City Hall, 411 W. 8th St., Odessa, Texas.

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

City Council absent: Council member Mari Willis, District Five.

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 Sprawls gave the invocation.

Odessa Arts update. Randy Ham, Odessa Arts Executive Director, provided a public art update. He stated that Fire Station #9 has its art installed and the OPD training facility would have its sculpture installed in October. The art for Fire Station #6 and Animal Control were under construction. The Lee St. mural would be completed on Sept 24, 2022. The Floyd Gwin public art design was selected. The Bright Star art piece was inspected and accepted. UTPB was clearing land for installation by August 31, 2023. A Mural Fest would be held May 13, 2023. Amazon provided a proposal for highlighting Odessa's public art in its Story of Art in America. Odessa was selected as one of the seven Texas cities to be aired. Council member White thanked Odessa Arts for its hard work.

Atmos update. Andrea Goodson, Atmos Energy, gave an operations report. She stated that the West Texas Division served over 326,000 customers with capital expenditures of \$130 million. Brandi Price, Atmos Energy, stated that Atmos was invested in the environment. Its goal was to lower emissions and supported lower carbon. She stated that there was a project for building three homes at zero net energy. Atmos was a good community partner given away \$90,000 to communities. Local support included Odessa College pantry garden and Keep Odessa Beautiful. Christi Davis, Atmos Energy, stated that Atmos had programs on leak detection and damage prevention. She reviewed a map that identified high risks areas and the pipe replacement on the aging infrastructure. She stated that Atmos was keeping up with the growth in North Odessa. A winter prep meeting was held with City staff. A program was offered to low income residents for assistance. Ms. Price thanked the City for its partnership.

Discuss the ODC General Development Plan and five economic development contractor agreements for FY 2022-23. David Boutin, ODC President, stated that that the ODC General Development Plan resembled the plan in recent years. He reviewed the changes made to the plan. Some changes included adding a strategic goal for a messaging program for oil and gas industry, the economic development, façade and infrastructure

agreements were updated and a boundary change to the tier map for façade and infrastructure incentives. He stated that other projects would be reviewed from the \$15 million committed funds from TxDOT projects. Council member Sprawls asked the status of the \$5 million affordable housing program that was going to be rewritten. Mr. Boutin stated that there were no conclusions but there were possible talks with the larger builders. Council member Matta stated that there was a request on the Rochester property as there was a \$1.1 million request. Mayor Joven stated that Mr. Crow had provided language for the workforce housing and the request would be an anchor to bring in a manufacturing facility. Mr. Boutin stated that there was an issue with Rhodes company on leasing or building.

Discuss contract award for the purchase of office supplies. JoAnn Samaniego, Purchasing Director, stated that the award was for an annual office supply contract. The recommended bid was to Officewise using the cooperative contract.

Discuss the ESRI contract renewal. Edgar Navarrette, Geographic Information Officer, stated that the contract renewal was for three years. The software provided mapping services to the City's planners, leadership, developers and citizens. The contract was for \$90,500 annually with a total cost of \$271,500. ESRI was the sole source provider. Information was provided for the school district, and ECUD as boundaries were maintained.

Discuss City's Investment Policy and the approved brokers/dealers and financial institutions list. Larry Fry, Finance Director, stated that State law required approval of the City's Investment Policy and approved broker/dealer and financial institution list. The policy identified objectives, outlined reporting, officers and the brokers and dealers list.

Discuss for OPD to apply, accept and amend the budget to appropriate awarded funds as additional revenue and authorize the expenditure of awarded grant funds from the 2023 Bullet-Resistant Shield Grant Program. Mike Gerke, Police Chief, stated that the grant funds would be for \$33,000 for bullet resistant shields. The shields have a shelf life of five years and were rifle resistant. The fibers deteriorated after five years. The old vests were donated to the Texas Rangers for ballistic research.

Discuss an ordinance to modify the list of signalized intersections, prohibited parking zones and parking meter zones. Hal Feldman, Traffic Engineer, stated that updates would be made for the added signalized intersections, prohibit parking zones on Estancia Boulevard and remove parking meters of 4th St. between Texas and Jackson.

Discuss a resolution of support for TxDOT to seek rail funding in the upcoming TX Legislative Session. Mr. Feldman stated that the Texas Rail Advocates was seeking cities' support for TxDOT to receive rail funding for freight and passenger rail in the Texas legislative session.

Discuss the review and approve the Pubic Improvement District (PID) policies and guidelines. Mr. Urrutia stated that the policy would provide Pubic Improvement District guidelines for City owned parkland. It would provide a roadmap as identified in the Parks Master Plan and Betenbough Homes. A petition would be made and was subject to Council approval. The PID was not mandatory. Council member Thompson stated that it should be encouraged before the housing was developed.

Discuss adopting a new Rate Review Mechanism with Atmos Energy. Mr. Urrutia stated that Atmos filed for a rate review mechanism in April to increase rates. The West Texas Steering Committee's legal counsel negotiated a settlement of \$6.72 million from the

request of \$8.77 million to be effective October 2022. The last increase was October 2021. The average residential bill would increase by \$3.36 per month. The increase was based on actual cost not consumption charges.

Discuss approval of the MOUTD budget for FY 2022-23. Mrs. Muncy stated that the MOUTD budget was \$6,743,255 with a local contribution from Odessa and Midland of \$600,000 each. The budget had a 7.1% increase. Council member Sprawls stated that there was not much flexibility due to statutes by law. Mrs. Muncy stated a comprehensive analysis was made and changes would be seen including new routes and possible new stops. Council member Sprawls stated it was the best of leveraging dollars.

Discuss approval of the ODC budget for FY 2022-23. Mrs. Muncy stated that the ODC budget was approved by the ODC board. She reviewed the revenues and expenditures. The Fund Balance was \$66 million but only \$27 million were unreserved. There was an increase in the revenue due to the increase in sales tax.

Discuss the City of Odessa FY 2022-23 annual budget adoption. Mrs. Muncy stated that there were no comments or questions received on the budget. Council member Thompson stated that there was dependency on the sales tax and the \$44 million may fall short. He stated that the compensation salary survey result may present a challenge if there was a shortage of sales tax. Mayor Joven stated that there was a dependency on sales tax and there should be a focus on needs.

Discuss the levying the tax for the 2022 Tax Year, 2022-23 Fiscal Year. Mrs. Muncy stated the tax rate notice was published and the no new revenue tax rate was 48.3791 cents per \$100 valuation. The current exemptions would continue. The total taxable value had an increase of 3.28% from last year.

Discuss ratifying the Property Tax Revenue increase reflected in the FY 2022-23 annual budget. Mrs. Muncy stated that there was an increase in values with the new property. The property tax raised from new property added was \$1,186,426.

Discuss the approval of the water rate change. Mrs. Muncy stated that there was a 6% water rate increase due to the rising cost of equipment, debt service, maintenance and replacement of water lines.

Discuss the approval of the sewer rate change. Mrs. Muncy stated that there was a 6% sewer rate increase due to rise in costs of equipment, debt service, and sewer replacement.

Discuss the approval of the solid waste rate change. Mrs. Muncy stated that there was a 3.5% solid waste rate increase due to the rising cost of fuel and tipping fees.

Discuss declaring the unopposed candidates to be elected to office as Council members District Three and Four. Mrs. Grimaldo stated that Districts Three and Four had uncontested candidates in each District. A certification of unopposed candidates was prepared. The ordinance would declare the unopposed candidates elected and would go into office after the election.

Discuss Council travel policy. Council member Thompson stated that the Council travel policy was from 1996 and the Finance Committee no longer existed. He stated that the Finance Committee should be removed from the policy. He stated that the Council should be notified when a member of the Council travels. Council member White stated that it

would be good communication. Mrs. Grimaldo explained the Council travel process. Mayor Joven stated that the Mexico trip was a ten-month process as a company was investing in Odessa. The trip was reported in the Odessa American. The property that was inquired for purchase went up substantially. He did not report it to Council as he was waiting for the investors to invest. He stated that the 1996 policy was good and agreed to remove the Finance Committee from the policy. He stated that if Council was notified of travel, it became public information and was critical in property negotiations as the seller increased the cost of the property. Council member Thompson stated that Council dealt with sensitive information and it was for good communication. Ms. Brooks stated that the Council had the discretion of appointing a committee for travel review. Council member Matta attended an economic development training and the Council was not notified. Council members White and Swanner agreed to continue for the Mayor Pro Tem to sign on Mayor's travel. The Mayor signed on Council members travel. Mayor Joven stated that the trip had positive results as there was interest to invest in Odessa and would benefit Odessa and Ector County. He stated that the business deals was crucial for ad valorem.

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

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

The meeting adjourned at 4:53 p.m.

ATTEST:

APPROVED:

Norma Aguilar-Grimaldo, TRMC, CMC
City Secretary

Javier Joven
Mayor