



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

September 12, 2023

On September 12, 2023, a regular meeting of the Odessa City Council was held at 6:00 p.m. in the Council Chambers, 5th floor, City Hall, 411 W. 8th, Odessa, Texas.

City Council present: Mayor Javier Joven; Council members: Mark Matta, District One; Steven P. Thompson, District Two; Gilbert Vasquez, District Three; Greg Connell, District Four; Chris Hanie, District Five, and Denise Swanner, At-Large.

Staff present: Norma Aguilar-Grimaldo, City Secretary; John Beckmeyer, City Manager; Dan Jones, City Attorney, and other members of City staff.

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

The invocation was given by Council member Hanie and followed by the Pledge of Allegiance and Texas flags.

Proclamations, Presentations and Awards. Mayor Joven presented a proclamation for National Literacy Month.

Citizen's comments on non-agenda items. No comments.

Motion was made by Council member Connell and seconded by Council member Swanner to suspend the rules. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Vasquez, Connell, Hanie, and Swanner
Nay: None

Resolution No. 2023R-77 – City of Odessa will not enforce any mandates imposed nationally or by the State of Texas. Council member Hanie read the resolution. The resolution stated that any mandates imposed in the State of Texas and nationally will not be enforced in the City of Odessa. Mr. Beckmeyer introduced Brian Harrison, Texas House of Representatives. Representative Harrison thanked the Council for their service and bravery. He stated that this was a historical resolution and Texas families deserve protection. There were many losses during the COVID-19 closures. He thanked the Council for stepping up where the Texas House of Representatives have failed.

Motion was made by Council member Hanie and seconded by Council member Matta to approve the resolution. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Connell, Hanie, and Swanner
Nay: None
Abstain: Vasquez

Consent Agenda

1. City Council work session minutes, August 22, 2023;
2. City Council minutes, August 22, 2023;
3. City Council minutes, August 29, 2023;
4. **Ordinance No. 2023-19 - Authorize the abandonment and conveyance of a right- of-way being a 6.674-acre tract of land to P. Bar Parks Bell Ranch, Ltd. on Faudree Road and accept the dedication from P. Bar Parks Bell Ranch, Ltd., of 13.025 acres of land for a right-of- way for the development of a roadway;**
5. Purchase 11 Bullard thermal imaging cameras for \$86,433.27.

Motion was made by Council member Swanner and seconded by Council member Connell to approve the consent agenda items. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Vasquez, Connell, Hanie, and Swanner
Nay: None

Public Hearing

Open a public hearing on tax increase for Fiscal Year 2023-2024. Seth Boles, Interim Director Finance, stated that the tax rate was \$0.483791 per \$100 valuation. The no new revenue tax rate was the same rate as last year. There would be additional revenue of \$2,551,589 due to appraised values and new property on the tax roll.

Motion was made by Council member Swanner and seconded by Council member Hanie to approve the tax increase for Fiscal Year 2023-2024. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Vasquez, Connell, Hanie, and Swanner
Nay: None

Open a public hearing to consider approval of the request by Leeco Energy, owner, LCA, agent, for an initial zoning of Light Commercial (LC) of an approx. 5.52-acre tract located in Sections 2, Block 42, T2-S. T&P RR. Co. Survey, City of Odessa, Ector County, Texas. Elizabeth Shaughnessy, Director of Development Services, stated that the zoning would be for a 5.52-acre tract of land for light commercial and would be subject to regulations. No one came forward and the public hearing was closed.

Motion was made by Council member Thompson and seconded by Council member Vasquez to approve the ordinance on first approval. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Vasquez, Connell, Hanie, and Swanner
Nay: None

Other

Ratifying the property tax revenue increase reflected in the Fiscal Year 2023-2024 annual budget. Mr. Boles stated that the proposed rate was the same tax rate as approved for the 2022-2023 fiscal year. The rate was \$0.483791 cents per \$100 valuation. The proposed rate was higher than the no-new revenue rate of \$0.474371, and it was lower than

the total voter-approval rate of \$0.522978. This budget would raise more revenue from property taxes than last year's budget by \$2,551,589, which was a 5.2% increase from last year's budget, and \$1,905,355 of the amount was tax revenue to be raised from new property added to the tax roll this year.

Motion was made by Council member Vasquez and seconded by Council member Matta to ratify the property tax revenue increase reflection in the Fiscal Year 2023-2024 annual budget. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Vasquez, Connell, Hanie, and Swanner
Nay: None

Resolution

Resolution No. 2023R-78 – Odessa Development Corporation (ODC) budget for FY 2023-2024. Jeff Russell, ODC Vice President, stated that the budget was \$60 million with the bulk of the funds in the Business Incentives line item, which held the excess funds of \$58 million. He stated that it kept from having budget amendments with having the funds in that line item.

Motion was made by Council member Hanie and seconded by Council member Connell to approve the resolution. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Vasquez, Connell, Hanie, and Swanner
Nay: None

Resolution No. 2023R-79 – Odessa Development Corporation six economic development contractor agreements. Mr. Russell stated that there were six contracts with ODC.

Motion was made by Council member Thompson and seconded by Council member Matta to consider the Odesa Chamber of Commerce contract separately. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Vasquez, Connell, Hanie, and Swanner
Nay: None

Motion was made by Council member Connell and seconded by Council member Hanie to approve the MOTRAN, UTPB-SBDC, Current Media, Black Chamber of Commerce and City contracts. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Vasquez, Connell, Hanie, and Swanner
Nay: None

Council member Thompson stated that the Chamber's quarterly contract created confusion. Economic development took time, and the Chamber has not done anything to warrant scrutiny. There were no problems with the audits. The Council was responsible for ODC funds. He stated that there was no reason to have a quarterly contact and supported a one-year contract. Mr. Russell stated that ODC understood the role of the Council and its authority. He reported that ODC was in its 25th year and it has been running the same way. He stated a lot has changed in the community. The board wanted to see if it could be structured and operated better. Research was being made to see the effectiveness with

cost, suggestions and evaluating the performance. He stated that there were no key performances indicators. Council member Thompson stated that Carlton Schwab viewed Odessa as doing better than other cities in Texas. Mr. Russell stated that 58 larger development corporations had its own staff. He stated that there was no measurement of effectiveness based on metrics and standards. Council member Hanie stated that Council each appointed a member to do a better job. Council member Connell asked if it could be returned to an annual contract if the research showed it was the best option. The Chamber economic development contract was \$1.1 million.

Motion was made by Mayor Joven and seconded by Council member Swanner to approve the Odessa Chamber of Commerce contact as proposed by ODC as a quarterly contract. The motion was approved by the following vote:

Aye: Joven, Matta, Connell, Hanie, and Swanner
Nay: Thompson
Abstain: Vasquez

Resolution No. 2023R-80 – Odessa Development Corporation General Development Plan for FY 2023-2024. Mr. Russell stated that the General Development Plan outlined the economic development program guidelines for the upcoming year.

Motion was made by Council member Hanie and seconded by Council member Connell to approve the resolution. The motion was approved by the following vote:

Aye: Joven, Matta, Connell, and Hanie
Nay: Thompson and Vasquez
Absent: Swanner

Renee Earls, Chamber of Commerce, stated that the contract would end December 31, 2023, and asked for automatic renewal. The General Development could be used for key performance indicators. The Chamber has been its sole economic development contract and returned unused funds. The audits were clean and met its obligations for ODC. She reported that the communication has not been good. She stated that the Chamber wanted to work together.

Resolution No. 2023R-81 – Adopt the City of Odessa Fiscal Year 2023-2024 annual budget. Mr. Boles stated that the budget was for FY 2023-2024.

Motion was made by Council member Matta and seconded by Council member Hanie to remove Teen Court, Downtown Odessa, Odessa Arts, MOUTD, and the Chamber of Commerce budgets from the City budget and consider as separate items. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Vasquez, Connell, Hanie, and Swanner
Nay: None

Motion was made by Council member Thompson and seconded by Council member Connell to approve the City budget. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Vasquez, Connell, Hanie, and Swanner
Nay: None

Motion was made by Council member Matta and seconded by Council member Swanner to approve the Downtown Odessa budget. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Vasquez, and Swanner
Nay: None
Abstain: Connell and Hanie

Motion was made by Mayor Joven and seconded by Council member Hanie to approve the Teen Court budget. The motion was approved by the following vote:

Aye: Joven, Thompson, Vasquez, Connell, and Hanie
Nay: None
Abstain: Matta and Swanner

Motion was made by Council member Matta and seconded by Council member Thompson to approve the Odessa Arts budget. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Connell, Hanie, and Swanner
Nay: None
Abstain: Vasquez

Motion was made by Council member Swanner and seconded by Council member Connell to approve the MOUTD budget. The motion was approved by the following vote:

Aye: Thompson, Vasquez, Connell, Hanie, and Swanner
Nay: None
Abstain: Joven and Matta

Motion was made by Council member Matta and seconded by Council member Thompson to approve the Discover Odessa budget. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Connell, Hanie, and Swanner
Nay: None
Abstain: Vasquez

Resolution No. 2023R-82 – Grant an easement and right-of-way on and across City owned property to Oncor Electric Delivery Company, LLC a Delaware limited liability company for the purpose of overhead electrical lines. Yervand Hmayakyan, City Engineer, stated that an easement and right-of-way would allow to provide Oncor overhead electrical lines.

Motion was made by Council member Matta and seconded by Council member Vasquez to approve the resolution. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Vasquez, Connell, Hanie, and Swanner
Nay:

Ordinance

Levy the tax for the 2023 tax year and fiscal year 2023-2024. Mr. Boles stated that tax levy for the 2023-2024 year was a tax rate of 48.3791 cents per 100 property valuation for

municipal maintenance/operations and debt service for fiscal year 2023-2024. The proposed tax rate will remain the same as last year. The taxable value was \$11,112,735,746.

Motion was made by Council member Swanner and seconded by Council member Hanie that the property tax rate be increased by the adoption of the tax of \$0.483791, which was effectively a 1.9% increase in the tax rate. The ordinance was approved on first approval. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Vasquez, Connell, Hanie, and Swanner
Nay: None

Water rate change. Mr. Boles stated due to the rise in costs of equipment, debt service, maintenance, repairs, and replacement of deteriorating lines a water rate of 6% increase was proposed.

Motion was made by Council member Hanie and seconded by Council member Matta to approve the ordinance on first approval. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Vasquez, Connell, Hanie, and Swanner
Nay: None

Sewer rate change. Mr. Boles stated due to the rise in costs of equipment, debt service, maintenance, repairs, and replacement of deteriorating lines a sewer rate of 6% increase was proposed.

Motion was made by Council member Thompson and seconded by Council member Hanie to approve the ordinance on first approval. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Vasquez, Connell, Hanie, and Swanner
Nay: None

Solid waste change. Mr. Boles stated that due to the rise in costs of equipment and maintenance a 3.5% increase in solid waste rates was proposed.

Motion was made by Council member Vasquez and seconded by Council member Connell to approve the ordinance on first approval. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Vasquez, Connell, Hanie, and Swanner
Nay: None

Repeal Chapter 8 “Offenses and Nuisances” Article 8-3 “Minors” Section 8-3-31 through 8-3-35. Kimberly Jozwiak stated that due to a change in state law the juvenile curfew was prohibited. She read the ordinance to repeal the curfew on minors. She would notify ECISD.

Motion was made by Council member Matta and seconded by Council member Swanner to approve the ordinance on first approval. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Vasquez, Connell, Hanie, and Swanner
Nay: None

Miscellaneous

Consider appointing an insurance broker of record for the City of Odessa. Charles Hurst, Director of Human Resources, stated that a review of the insurance program was being made. A partnership with a new broker was being proposed with Silverback Financial. Rylan Haeckler, CEO of Silverback Financial, stated that the company was helping communities and families. He was offering a unique service of the ability to shop with agencies and bring offers to the table. The agencies compete and the broker does not get paid. He wanted to offer a fair competition to drive costs down. It offered transparency with counter offers and negotiations. He stated that the company dealt with A rated companies and there would be no fee as the broker to the City of Odessa. Mayor Joven stated that employees wanted more coverage at a lower price and could be used as a recruiting tool. Council member Thompson asked the experience for the stop loss insurance. Mr. Haeckler had no experience, but the agency has 15 years of experience. Mr. Jones stated a professional services agreement was needed. An RFP was not required. Council had a consensus for Mr. Jones and Mr. Beckmeyer to facilitate a letter of engagement with Silverback Financial. Mr. Jones stated that if any other brokers were interested to contact the City.

Appointment of Boards: Midland Odessa Urban Transit District, Odessa Housing Finance Corporation, and Emergency 9-1-1 Advisory Board. Motion was made by Mayor Joven and seconded by Council member Matta to reappoint Mike Gerke to the Emergency 9-1-1 Advisory Board. The motion was approved by the following vote:

Aye: Joven, Matta, Thompson, Vasquez, Connell, Hanie, and Swanner
Nay: None

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

Aye: Joven, Matta, Thompson, Vasquez, Connell, Hanie, and Swanner
Nay: None

The meeting adjourned at 8:12 p.m.

ATTEST:

APPROVED:

Norma Aguilar-Grimaldo, TRMC, CMC
City Secretary

Javier Joven
Mayor