



**ODESSA DEVELOPMENT CORPORATION MINUTES
CITY OF ODESSA, TEXAS**

February 10, 2022

A regular meeting of the Odessa Development Corporation (ODC) was held on February 10, 2022, at 2:04 p.m. in the Council Chambers, 5th floor, City Hall, 411 W. 8th St. Odessa, Texas.

Members present: David Boutin, Melanie Hollmann, Chris Cole; Larry Robinson, Kris Crow, and James Kirk.

Member absent: Tim Edgmon.

Others present:

City Staff: Norma Aguilar-Grimaldo, City Secretary; Natasha Brooks, City Attorney; and Cindy Muncy, Assistant City Manager; Larry Fry, Director of Finance, and Christina Buhnerkempe, Legal Assistant; and

ODC Contractors: Tracy Jones, Economic Development; Tyler Patton, UTPB-SBDC; Craig Van Amburgh, CVA; James Beauchamp, MOTRAN; Chris Walker, Black Chamber of Commerce; Tom Manskey, Economic Development; and

Others: Council members Mari Willis, Steven Thompson, Denise Swanner, Tom Sprawls, and Mark Matta; and other interested citizens.

A quorum being present, Mr. Boutin called the meeting to order, and the following proceedings were held:

Mr. Boutin gave the invocation.

Presentation to outgoing ODC Board member Jeff Russell. Mr. Boutin presented Mr. Russell an appreciation plaque for serving on the ODC Board. Mr. Russell was thankful for serving on the board as he learned a lot about the ODC. He reviewed items that he learned while serving on the board. He was thankful for the opportunity to serve.

Tabled - Appoint Officers: President, Vice President, and Assistant Secretary and Appoint ODC board members to committees. Mr. Boutin stated that Mr. Edgmon was doing well and anticipated to be present for the March meeting. Mr. Boutin welcomed newly appointed member James Kirk to the board.

Motion was made by Mr. Crow and seconded by Mr. Cole to table the appointment of officers and ODC board members to committees. The motion was approved by unanimous vote.

December 9, 2021 minutes. Motion was made by Ms. Hollmann and seconded by Mr. Robinson to approve the minutes. The motion was approved by unanimous vote.

Contractors' reports: Economic Development Department - Odessa Chamber, CVA Advertising and Marketing, Black Chamber of Commerce, UTPB-America's SBDC,

MOTRAN, and City administrative support - financials. Mr. Boutin welcomed Tom Manskey, the Chamber of Commerce Economic Development Director. Mr. Manskey provided his background that included 30 years of economic development experience.

Ms. Jones reported that Nacero was purchasing the remainder of the property and the groundbreaking would be depending on the Governors schedule. Nacero would soon announce its contractor that would have ties to Texas. Project CTV was working on tax abatements and Odessa was in the top four possible selections. The Chamber met with NetOps, the internet provider that would extend internet access. Project Roadrunner was no longer considering Odessa as there were no buildings for its needs.

Mr. Boutin would work on a template along with Mr. Edgmon for the grant requests in providing information to the ODC board when considering the grant. There would be the opportunity for questions and executive session if needed.

Mr. Van Amburgh reported that January's social media and Permian Fuels America was positive. He explained the difference between impressions and engagement from the report. Impressions was an overall number of people that view the site. Engagement was the number of people that took time and viewed other links in the site. Mr. Cole asked if the information could be utilized. Mr. Van Amburgh stated it would be monitored and a data base could be built. Mr. Boutin asked if it was beneficial to follow up on the engagement. Ms. Hollmann stated to be aware of gathering the information and holding the personal information.

Mr. Walker reported that the Black Chamber of Commerce had two meetings with three potential businesses. A workshop was completed in partnership with SBDC. The Black Chamber of Commerce would assist with a food pantry give away to families in need in partnership with St. James Baptist Church. A community digital display would be sponsored for February's Black History Month.

Mr. Patton reported on SBDC's January activity. There were 252 counseling sessions, two seminars presented, 202 counseling hours and three Odessa new businesses. The total capitalization was \$686,150 with Odessa's capitalization of \$582,150. He reviewed the workshops that were scheduled. The workshops were all virtual.

Mr. Beauchamp provided an Ector County broadband level of service mapping comparison from 2020 to 2022. He reviewed the level of service with the households served and unserved. Mr. Robinson asked about the multi satellite and alternate ways to obtain. Mr. Beauchamp explained the reliability and redundancy issue. He stated that half of consumers were paying more for the service. There were 12 service providers. NetOps would run fiber to areas, provide for some competition and had an infrastructure component. Mr. Cole stated that even if there was access it may not be cost effective for consumers. Ms. Hollmann asked about the underserved businesses. Mr. Beauchamp would get that information.

Mr. Fry reported on the December's financial report. He reported the total assets, liabilities, revenues, and expenditures. The February sales tax received was \$1,153,048.88. He reviewed the two investments made for a \$1 million each. Mr. Boutin asked to explain the lack of ODC checking account. Mrs. Muncy explained the accounting process made through the City. She stated that ODC had its own fund and was a self-balancing fund through the City. The fund has been in place since inception of ODC. She reviewed the accounts payable process with internal controls and the

types of ODC expenditures that included grant incentives, contractors' payments, and few items of office supplies. ODC did not have a Federal ID number. The City was reimbursed for paying the ODC expenditures using TexPool. She explained the funds of the City and ODC was within the City's accounting record. The City and ODC had the same investment policy and there were investment officers for ODC. The ODC was audited each year. She stated that investment service providers were only used from the adopted investment policy and broker list. The board could amend to add service providers. The Public Funds Act was followed. The investment officers were conservative and went through training but were not professional investors. Mr. Crow had concerns with no ODC Federal ID number, which was not a separate entity and seemed it comingled assets. He was concerned on how it was audited. Mrs. Muncy stated that all was segregated by funds. Mr. Crow stated that the financials should be separate from the City with no perception of impropriety. Ms. Hollmann stated ODC was a legal entity with the Secretary of State but there was no tax filing or ODC was not an employer. She asked if ODC had separate accounts would it solve the issues. Mr. Crow stated that it would provide transparency. Mrs. Muncy stated it was an administrative burden. She stated the fund account was a proven process and the funds were segregated. She stated that the ODC sales tax portion was deposited into the ODC Fund. Ms. Hollmann stated that it was operating under industry standard. Mrs. Muncy stated separation would require creating a separate accounting software system. An itemized report could be generated. Mr. Crow has received financial information in a timely manner. Ms. Hollmann stated ODC was not a 501 corporation, she read the type of corporation that ODC was identified from the ODC bylaws. Mr. Fry explained the checks and balances for the authority of transfer and withdrawing funds. Mrs. Muncy stated that the internal controls were tested by the auditors. Mr. Cole stated that the same financial reports would be created with the separate bank account. Ms. Hollmann asked that research be done for a separate account and to evaluate at the next meeting. Mr. Crow thanked Mrs. Muncy and Mr. Fry for their work. Ms. Hollmann provided the statutory authority, Local Government Code Chapters 501 – 507 that ODC followed.

Mr. Crow questioned the use of municipal securities and not treasury. Mr. Fry stated that was a valid question. The investments were held until maturity and there was a concern of a volatile market.

Annual incentive payments based on compliance with the economic development agreement: Glazer's Beer and Beverage, West Texas Food Bank and Kaige Equipment. Mr. Boutin stated that Kaige would be considered later.

Resolution No. ODC-2022R-01 – Glazer's Beer and Beverage. Jody Allred, Weaver, reported that there were no issues with the compliance. The additional procedures were done that included the reasonable financial information applied. He reviewed the wages and full time employees and the payroll requirements. The requirements and the investment criteria were met.

Motion was made by Mr. Cole and seconded by Ms. Hollmann to approve the resolution economic development agreement that provided payment for \$226,998.20. The motion was approved by unanimous vote.

Resolution No. ODC-2022R-02 – West Texas Food Bank. Mrs. Muncy stated that the amendment was for the left over freezer funds to be used on a truck and trailer. The wages, full times employees, and payroll requirements were reviewed. The requirements were met. It was recommended to pay the grant payment of \$558,075.

Motion was made by Ms. Hollmann and seconded by Mr. Kirk to approve the resolution that provided payment for \$558,075. The motion was approved by unanimous vote.

Mr. Crow asked about the certificate of insurance. Ms. Hollmann stated that ODC paid in arrears and ODC did not need to be included in insurance since funds were paid out in arrears.

Resolution No. ODC-2022R-03 - Remove from the table to consider Weaver and Tidwell compliance consulting services agreement. Mrs. Muncy reported that the agreement was for one year with a year to year option. An engagement letter was included as a requirement that included the adjustments of work. The price was not to exceed \$5,000 per compliance report. Mr. Boutin stated a request for proposals was suggested in a prior meeting. A term for the agreement was needed. Mr. Cole recommended seven months as it would coincide with the fiscal year. Mrs. Muncy reported that it would take three months for the RFP and reviewed the process. She suggested the term for one year as compliance monitoring took place throughout the year. Mr. Crow would like to see other qualified firms and reach out to other firms with the RFP. Mrs. Muncy reviewed the advertising required. Mr. Allred understood the RFP and Weaver would complete the work that was started. He stated that Weaver would execute the new scope of work.

Motion was made by Mr. Cole and seconded by Ms. Hollmann to approve the resolution with the continuation of the Weaver agreement for a seven month term. The motion was approved by unanimous vote.

Reappoint three Compliance Committee members. Motion was made by Mr. Crow and seconded by Mr. Cole to reappoint Chris Walker, Blake Batte, and Betsy Triplett-Hurt to the Compliance Committee. The motion was approved by unanimous vote.

Appoint four Compliance Committee members. Each board member nominated four names from the five submitted applications. The votes were tallied with the top names that received votes were Eric Augesen, Brian Green, Judy Hayes, and David Shawn Rodriguez III.

Motion was made by Mr. Cole and seconded by Mr. Kirk to appoint Eric Augesen, Brian Green, Judy Hayes, and David Shawn Rodriguez III to the Compliance Committee. The motion was approved by unanimous vote.

Discuss possible revisions to the standard economic development performance agreement. Mr. Boutin stated that the revision added the definition of compensation.

Motion was made by Ms. Hollmann and seconded by Mr. Cole to approve the revision of adding the definition of compensation. The motion was approved by unanimous vote.

Ms. Brooks would send a letter to the existing grantees notifying each of the clarification of the term compensation.

ODC Committee and Officer Reports: Partnership, Tax Incentive, Advertising and Downtown Grants Design Review Board. Ms. Hollmann reported that a meeting would be held with Casey Hallmark, Downtown Odessa, regarding the revisions on the policy and the added curriculum. There were no other reports.

Citizen comments on non-agenda items. None.

The meeting adjourned at 4:05 p.m.

ATTEST:

APPROVED:

Norma Aguilar-Grimaldo, TRMC, CMC
City Secretary

David Boutin
Vice President