



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

March 31, 2015

On March 31, 2015, a special meeting of the Odessa City Council was held at 5:00 p.m. in the Conference Room, Fifth Floor, City Hall, 411 W. 8th St, Odessa, Texas.

Members present: Mayor David R. Turner; Council members: Roger T. McNeil, District One; Dewey Bryant, District Two; Barbara Graff, District Three; Michael Gardner, District Four; and Filiberto Gonzales, District Five.

Others present: Richard Morton, City Manager; Larry Long, City Attorney; Norma Aguilar-Grimaldo, City Secretary; Michael Marrero, Deputy City Manager; Konrad Hildebrandt, Assistant City Manager; and Joel Roberts, attorney.

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

Hotel Conference Center Project including size, configuration, conceptual massing re-design and re-program, Ector Theatre, brand proposals, adjacent surface parking alternatives, feasibility and other Downtown Development matters. Mr. Morton stated that four council members visited the Dallas area properties. Council member Graff was impressed with two hotels, Marriott and Hilton. She was not impressed with the Sheraton which lacked ambiance. The halls on the room floors were dark. She stated that the company picked out the color scheme. Council member Graff was impressed with the Marriott. The general manager was dynamic and the staff was devoted to the company. The chef and kitchen staff worked well together. She stated that the Hilton had the wow factor. She was impressed with the ambiance and felt like it was a nice special place. The conference rooms were neat and had smaller board rooms. The ballrooms were beautiful with open and closing off into smaller rooms. The kitchen was critical in the location for the ballrooms. The flow of the kitchen worked well with the conference center at the Hilton. Both hotels had a parking lot. She spoke with Scott Joselin, TML, and Hotel Motel tax funds could be used.

Council member McNeil arrived at the meeting at 5:10 p.m.

Council member McNeil was impressed with the observations. He wanted to see the tax dollars be used for the city's use. He stated that the properties were beautiful and would like to see some similarities. Council member Gardner liked the Marriott and the Hilton. He was not impressed with the Sheraton which had dark halls that lead into the hotel rooms. He stated that the kitchen areas were important to the logistics of the design. Council member Gonzales liked the Marriott's multi-purpose usefulness. He would like to keep the conference center as part of the hotel. He liked the ambiance and the Marriott asked for the City's business. He liked the Hilton because it made a statement; but preferred the Marriott. They want to earn our business and be a part of the community. Mr. Gardner stated that they had a 90% occupancy rate during the week and Sheraton had a 20% occupancy rate but was a brand new hotel. The third party consultant recommended the Marriott.

Motion was made by Council member McNeil and seconded by Council member Gonzales to authorize Gatehouse to negotiate with Marriott. The motion was approved by unanimous vote.

Discussion was held in acquiring more property with the Ector County Basin Abstract. It would allow more flexibility which could be used for surface parking. The current business owners want to be downtown. Mr. Long recommended negotiations be made from \$600,000 to \$800,000. Mr. Morton stated that they were offered office space but they wanted to build.

Council member Graff stated that the current size of the plaza was the same size as Noel Plaza. She stated that the plaza could be smaller.

Mr. Morton reviewed the convention center scheme with a ballroom of 18,036 square feet, meeting rooms with 6,763 square feet and office space for the CVB offices. It has a total meeting space of 57,349 square feet. He reviewed a proposed estimated cost for the hotel and convention center. The proposed funding was unassigned ODC funds for \$18 million and Hotel-Motel fund for \$13.8 million. The cost for the convention center was \$17.2 million, the parking garage cost at 300 spaces was \$6 million, the landscape and plaza was \$1 million, infrastructure was \$300,000, and Ector Theater was \$2.1 million. The total cost was \$19 million and there was a shortfall of \$5 million. Mr. Morton discussed the sales tax dollars that may be available from one-time projects. There was currently \$4.2 million in sales tax funds over budget. The cost could be covered in one year or over a few years. Council member Bryant stated it would not set a good example if we extend it and funds should not be taken away from city operations. Mr. Morton stated that ODC funds would fund the parking garage. Council discussed the finances.

There was a short break at 6:01 p.m. Council resumed the meeting at 6:05 p.m.

The Council held a conference call with Marty Collins, Gatehouse. Mr. Morton stated that Council decided to negotiate with Marriott. Mayor Turner asked about the two separate kitchens. Mr. Collins stated that the restaurant would have its own staffed kitchen for the hotel and a different kitchen staff for the banquet/catering for the convention center. The two staffs would not share a kitchen. Discussion was held about the hotel and the convention being adjacent. Mr. Collins stated that additional time, redesign concept and cost would be required but it could be done. Discussion was held on restructuring the facility for the hotel, convention center and theater on one side and the parking with plaza on the other side. Mr. Collins stated that the estimation of cost would be reviewed with the redesign. The additional time and cost would depend on the redesign. He stated that at this point there was no moving forward without a design. The sky bridge was connected on the second floor to use from the hotel to the garage or off the street. Council member Bryant did not want to put stress on other functions in the city with the cost factor.

Motion was made Council member Bryant and seconded by Council member McNeil to give staff the option to negotiate for additional property at a cost of \$600,000 to \$800,000 and to notify Gatehouse that we wished to have the plan redesigned to bring the hotel and convention center adjacent to each other, if the redesign could be done under \$20,000. If it is more than \$20,000 then it would need to come back to Council. The motion was approved by unanimous vote. There was no other business, the meeting adjourned at 6:42 p.m.

ATTEST:

APPROVED:

Norma Aguilar-Grimaldo, TRMC, CMC
City Secretary

David R. Turner
Mayor